



# INDIA GLYCOLS LIMITED



Plot No. 2-B, Sector -126, NOIDA-201304, Distt. Gautam Budh Nagar, Uttar Pradesh, Tel. : +91 120 6860000, 3090100, 3090200  
Fax : +91 120 3090111, 3090211 E-mail : [iglho@indiaglycols.com](mailto:iglho@indiaglycols.com), Website : [www.indiaglycols.com](http://www.indiaglycols.com)

12<sup>th</sup> August, 2022

**The Manager (Listing)**  
BSE Limited  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street,  
Mumbai- 400 001

**The Manager (Listing)**  
National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (East)  
Mumbai – 400 051

Scrip Code: 500201

Symbol: INDIAGLYCO

Dear Sirs,

**Sub: Notice of 38<sup>th</sup> Annual General Meeting, Annual Report for FY 2021-22 and Intimation of E-Voting facility**

In continuation to our earlier communications dated 10<sup>th</sup> & 11<sup>th</sup> August, 2022 and pursuant to Regulation 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), kindly find enclosed herewith **Notice of the 38<sup>th</sup> Annual General Meeting ("AGM") of the Members of the Company scheduled to be held on Wednesday, 7<sup>th</sup> September, 2022 at 11:00 A.M. through Video Conferencing/ Other Audio Visual Means ("VC/OAVM")** in accordance with relevant circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India, along with the Annual Report for the financial year 2021-22.

In compliance with the relevant circulars, the AGM Notice and Annual Report for the financial year 2021-22 is being sent only through email to all those Members whose email addresses are registered with the Company or their respective Depository Participant ("DP") and is also available on the Company's website at <https://www.indiaglycols.com/investors/downloads/annual-report-2021-22.pdf>.

As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, the Company is providing the facility to cast vote by electronic means (Remote e-voting prior to AGM and e-voting during the AGM) on all resolutions set out in the Notice of 38<sup>th</sup> AGM to those shareholders, who are holding shares either in physical or in electronic form as on the **cut-off date i.e. Wednesday, 31<sup>st</sup> August, 2022. The remote e-voting will commence on Saturday, 3<sup>rd</sup> September, 2022 (9:00 A.M.) and end on Tuesday, 6<sup>th</sup> September, 2022 (5:00 P.M.)**. Detailed instructions for, inter-alia, remote e-voting prior to AGM and e-voting at the AGM and for participation in the AGM are mentioned in the said Notice.

This is for your information and records please.

Thanking you,

Yours truly,

For **India Glycols Limited**

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

Encl: A/a

OR tb



# Transforming **Sustainably**



INDIA GLYCOLS LIMITED

38<sup>th</sup> Annual Report – 2021-22

## Forward-looking statement

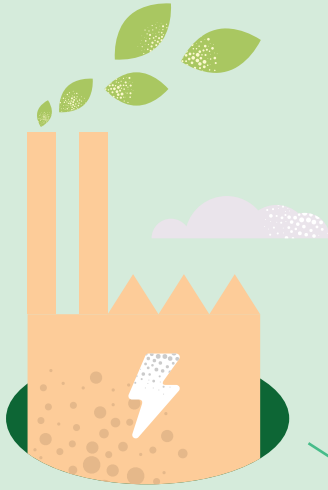
In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements-written and oral-that we periodically make contain forward-looking statements that set out anticipated results based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

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

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

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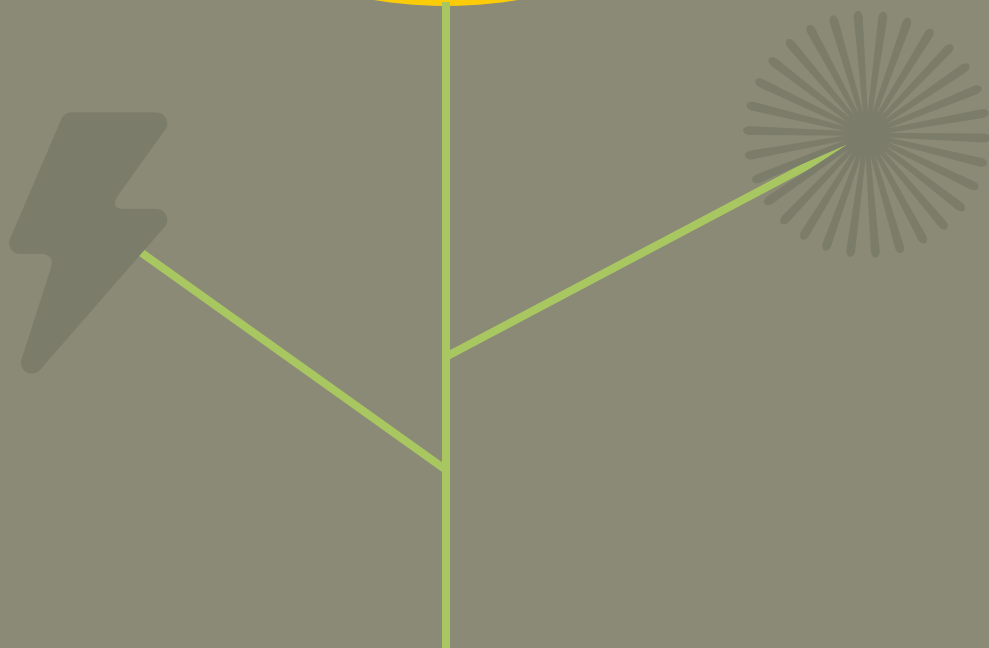


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# Management

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# Board of Directors



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



**Jayshree Bhartia**  
Director



**Pragya Bhartia Barwale**  
Executive Director



**Pradip Kumar Khaitan**  
Independent Director



**Jitender Balakrishnan**  
Independent Director



**Ravi Jhunjunwala**  
Independent Director



**Jagmohan N. Kejriwal**  
Independent Director



**Sajeve Bhushan Deora**  
Independent Director



**Shukla Wassan**  
Independent Director



**Sudhir Agarwal**  
Executive Director

# Leadership Team



**Rupark Sarswat**  
Chief Executive Officer



**Anand Singhal**  
Chief Financial Officer



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



**Sanjeev Gurwara**  
Head Marketing



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



**Akshay Bansal**  
Head - Sales & Marketing  
(Ennature Biopharma)



**Ankur Jain**  
Head Legal & Company Secretary



**Shrinivas Dusi**  
Chief Human Resources Officer



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



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



# Corporate Information

## Board of Directors

|                        |                              |
|------------------------|------------------------------|
| U.S. Bhartia           | Chairman & Managing Director |
| Jayshree Bhartia       | Director                     |
| Pragya Bhartia Barwale | Executive Director           |
| Pradip Kumar Khaitan   | Independent Director         |
| Jitender Balakrishnan  | Independent Director         |
| Ravi Jhunjunwala       | Independent Director         |
| Jagmohan N. Kejriwal   | Independent Director         |
| Sajeve Bhushan Deora   | Independent Director         |
| Shukla Wassan          | Independent Director         |
| Sudhir Agarwal         | Executive Director           |

## Audit Committee

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

## Stakeholders' Relationship Committee

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

## Chief Executive Officer

Rupark Sarswat

## Chief Financial Officer

Anand Singhal

## Company Secretary

Ankur Jain

## Statutory Auditors

K. N. Gutgutia & Co., Chartered Accountants

## Cost Auditors

R.J. Goel & Co., Cost Accountants

## Bankers

State Bank of India  
IDBI Bank Limited  
Axis Bank Limited  
Union Bank of India  
Bank of Baroda

## Registered Office

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

## Corporate Office

3A, Shakespeare Sarani,  
Kolkata - 700 071

## Head Office

Plot No. 2-B, Sector-126, Noida - 201304  
Distt. Gautam Budh Nagar,  
Uttar Pradesh  
Phone: +91-120-6860000/3090100/3090200  
Fax: +91-120-3090111/3090211

## Registrars & Transfer Agents

MCS Share Transfer Agent Limited  
F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I  
New Delhi - 110 020  
Phone: +91-11-41406149  
Fax: +91-11-41709881  
E-mail: [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com)

# Notice

CIN: L24111UR1983PLC009097

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

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

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

**Notice** is hereby given that the Thirty Eighth Annual General Meeting (“AGM”) of the members of India Glycols Limited will be held on **Wednesday, the 7<sup>th</sup> day of September, 2022 at 11:00 A.M. through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”)** to transact the following business:

## ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended 31<sup>st</sup> March, 2022, together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend of ₹ 7.50/- per Equity share for the financial year 2021-22.
3. To appoint a Director in place of Shri Sudhir Agarwal (DIN: 08602216), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s K. N. Gutgutia & Co., Chartered Accountants (Registration No. 304153E) be and are hereby re-appointed as the Statutory Auditors of the Company, for the second term of 5 (five) years, to hold the office from the conclusion of 38<sup>th</sup> Annual General Meeting (AGM) until the conclusion of the 43<sup>rd</sup> AGM, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.

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

## SPECIAL BUSINESS:

5. To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**  
“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), remuneration payable to M/s. R.J. Goel & Co., Cost Accountants (Registration No. 000026), appointed by the Board of Directors (“the Board”) to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup>

March, 2023, amounting to ₹ 3,00,000/- (Rupees Three Lakhs only) plus applicable tax and out of pocket expenses, if any, be and is hereby ratified and confirmed.

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

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

**Ankur Jain  
Company Secretary**

Place: Noida

Date : 26<sup>th</sup> May, 2022

Registered Office:

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

CIN: L24111UR1983PLC009097

Telephone no: +91-5947-269000, 269500

Fax: +91-5947-275315, 269535

Website: www.indiaglycols.com

E-mail: compliance.officer@indiaglycols.com

## NOTES:

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular nos. 20/2020, 02/2021, 19/2021, 21/2021 and 02/2022 dated 5<sup>th</sup> May, 2020, 13<sup>th</sup> January, 2021, 8<sup>th</sup> December, 2021, 14<sup>th</sup> December, 2021 and 5<sup>th</sup> May, 2022, respectively, read together with circular nos. 14/2020 and 17/2020 dated 8<sup>th</sup> April, 2020 and 13<sup>th</sup> April, 2020, respectively, (collectively referred to as “MCA Circulars”) permitted convening of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”) facility, without the physical presence of the members at a common venue. Further, Securities and Exchange Board of India (“SEBI”) vide its circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 12<sup>th</sup> May, 2020, 15<sup>th</sup> January, 2021 and 13<sup>th</sup> May, 2022, respectively, (“SEBI Circulars”) has also granted certain relaxations with respect to AGM. In view of the above circulars, the 38<sup>th</sup> AGM of the Company is being convened through VC/OAVM in compliance with the applicable provisions of the Companies Act, 2013 (“the Act”). Hence, members can attend and participate in the ensuing AGM through VC/OAVM only. The deemed venue for the AGM shall be the Registered Office of the Company at A-1, Industrial Area, Bazpur Road, Kashipur - 244713, Distt. Udham Singh Nagar, Uttarakhand.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM facility, requirement of physical attendance of Members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI circulars, the facility for appointment of proxies by the Members will not be available for the 38<sup>th</sup> AGM and hence, the proxy form, attendance slip and route map of the AGM venue are not annexed to this Notice.
3. Corporate Members intending to appoint their representatives for the purpose of voting through remote e-voting, participation in the 38<sup>th</sup> AGM through VC/OAVM facility and e-voting during the 38<sup>th</sup> AGM, are requested to send to the Company a certified copy of the relevant Board Resolution authorizing their representatives. The said resolution/authorisation should be sent to the scrutinizer through their registered email addressed to ashish@asandco.net with a copy marked to compliance.officer@indiaglycols.com.
4. A Statement pursuant to Section 102 of the Act, in respect of Special Business to be transacted at the AGM is annexed hereto and forms part of this Notice.
5. The Members can join the 38<sup>th</sup> AGM through VC/OAVM facility 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility for joining the AGM through VC/OAVM will be available for 1,000 members on first come first served basis. However, this number does not include the large shareholders (i.e. Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit, Nomination and Remuneration and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis in term of the MCA circulars.
6. Members attending the 38<sup>th</sup> AGM through VC/OAVM will be counted for the purpose of reckoning quorum under Section 103 of the Act.
7. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
8. Pursuant to the provisions of Section 91 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing

Regulations"), the Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, 1<sup>st</sup> September, 2022 to Wednesday, 7<sup>th</sup> September, 2022** (Both days inclusive) for determining the entitlement of the shareholders for the purpose of payment of dividend for the financial year ended 31<sup>st</sup> March, 2022 and the AGM.

**The dividend of ₹ 7.50/- per equity share (@ 75%), as recommended by the Board of Directors, if declared at the AGM, will be paid/dispatched within 30 days from the date of the ensuing AGM of the Company as under:**

- To all those beneficial owners holding shares in electronic form, as per the beneficial ownership data made available to the Company by National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as on Wednesday, 31<sup>st</sup> August, 2022.
- To all those shareholders holding shares in physical form, after giving effect to all the valid share transmission or transposition request lodged with the Company/ Share Transfer Agent, M/s MCS Share Transfer Agent Limited ("**RTA**"), F-65, 1<sup>st</sup> Floor, Okhla Industrial Area Phase-I, New Delhi 110020 on or before Wednesday, 31<sup>st</sup> August, 2022.

Any query related to dividend should be directed to the RTA of the Company.

Pursuant to the provisions of the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividend paid or distributed by a Company on or after 1<sup>st</sup> April, 2020 shall be taxable in the hands of the Members, therefore, the Company is required to deduct tax at source at the time of making payment of dividend at the prescribed rates. In order to enable the Company to determine the appropriate TDS rate, as applicable, shareholders are requested to submit their documents in accordance with the applicable provisions. The Company will also send an e-mail to all shareholders at their registered email id's in this regard and the same shall be available under Investor Relations Section at the Company's website i.e. <https://www.indiaglycols.com/investors/shareholders-communication.htm>. Members are requested to update their PAN with their Depository Participant (if shares held in electronic form) and Company / RTA (if shares held in physical form).

9. As per the SEBI Listing Regulations, the Company shall use any electronic mode of payment approved by the Reserve Bank of India for making payment of

dividend to the members. Where the dividend cannot be paid through electronic mode, the same will be paid by warrants with bank account details printed thereon. In case of non-availability of bank account details, address of the members will be printed on the warrants.

10. Members holding shares in electronic mode may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or RTA cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant (DP) by the members.
11. Members holding shares in physical form are requested to register their Electronic Clearing Services (ECS) mandate by submitting form ISR-1 along with the (i) Physical copy of the signed request letter which shall contain shareholder's name, folio number, bank details (viz. Bank account number, Bank and Branch Name, address, IFSC, MICR details) (ii) a self attested copy of PAN card and (iii) cancelled cheque leaf to the Company's RTA.
12. In compliance with the aforesaid MCA Circulars and SEBI Circulars, the Notice of the 38<sup>th</sup> AGM, inter-alia, indicating the process and manner of voting through electronic means alongwith the Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories.

**To obtain copy of Annual Report for FY 2021-22 through electronic mode, the Members are requested to register/update their e-mail IDs by following the below procedure:-**

- (i) **Members holding shares in physical mode are requested to register/update their email addresses by writing to the RTA at F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 or email at admin@mcsregistrars.com along with the copy of the signed request letter mentioning the name, folio number and address of the Member, self-attested copy of the PAN card, self-attested copy of Aadhar and copy of share certificate (front & back).**
- (ii) **Members holding shares in dematerialized mode are requested to register/ update their email addresses by following the process mentioned above for Physical Holding and send 16 digit DPID & Client ID in place of Folio**

**No. along with scanned copy of self-attested Client Master copy or consolidated Demat Account Statement.**

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

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

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

The Notice convening the 38<sup>th</sup> AGM has been uploaded on the website of the Company at [www.indiaglycols.com](http://www.indiaglycols.com) under Investor Relations Section and can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Ltd at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively and the same is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

13. In pursuance to the provisions of Section 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, ("IEPF rules") read with relevant circulars, the amount of dividend remaining unpaid /unclaimed for a period of seven years from the due date is required to be transferred to the credit of the Investor Education and Protection Fund ("the IEPF") established by the Central Government. The Company had accordingly, during the financial year 2021-22 transferred ₹ 7,64,280/- related to final dividend for FY 2013-14. Further, pursuant to the applicable provisions, all shares in respect of which dividend had remained unpaid/unclaimed for seven consecutive years or more shall be transferred to the designated demat account of the IEPF Authority ("IEPF Account"). Accordingly, during the FY 2021-22, 45,287 equity shares of ₹10/- each, on which the dividend remained unpaid/ unclaimed for seven consecutive years, were transferred to the IEPF Account, after completing all the procedural formalities in this regard.

The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company on the website of the IEPF i.e. [www.iepf.gov.in](http://www.iepf.gov.in). These details along with details of shareholders whose

shares were transferred to the IEPF authority have also been uploaded on the website of the company at <https://www.indiaglycols.com/investors/iepf.htm>. Members who have not encashed the dividend warrants so far are requested to claim the same to avoid transferring to the unpaid/ unclaimed dividend and respective shares to the IEPF Authority and IEPF Account, respectively.

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

14. Shri Sudhir Agarwal, Director shall retire by rotation at the 38<sup>th</sup> AGM and is eligible for re-appointment as per item No. 3 of this notice. Shri Sudhir Agarwal is interested in the ordinary business as set out in item No. 3.

Shri Sudhir Agarwal (DIN: 08602216), aged about 60 years (DOB: 20<sup>th</sup> January, 1962) is a Chemical Engineer graduated from HBTI Kanpur in 1985, is having a total professional experience of about 36 years in the field of Plant Operations and Project Management. He joined the Company in the year 2014 as Vice President (Operations) and was elevated to the position of Site/Plant Head of Kashipur Plant in May, 2018 before his appointment as Executive Director of the Company w.e.f. 1<sup>st</sup> December, 2019. During all this tenure, he has played a key role in implementing various initiatives for Productivity improvement, Energy optimization, Water conservation and Environment preservation.

He has been discharging his functions and duties in the best interest of the Company and has been entrusted with the role and responsibilities as the Occupier of all 3 manufacturing facilities of the Company under the Factories Act, 1948. He has been also nominated as Person Responsible under the Legal Metrology Act, 2009 for the manufacturing facilities at Kashipur and Gorakhpur. During the challenging Pandemic time, he has handled the plant operations well. Shri Agarwal has also authored/co-authored papers on various topics such as Plant Case Studies, Quality Management & Environment Management etc.

The Company has received relevant disclosure/ consent from Shri Sudhir Agarwal seeking re-appointment.

He is a member of Audit Committee, Finance Committee, Corporate Social Responsibility

Committee and Risk Management Committee of the Company. He has attended all the five Board Meetings held during FY 2021-22 and was paid remuneration of ₹ 58.63 lakhs for FY 2021-22. He is not having directorship in other companies. As on 31<sup>st</sup> March, 2022, he was not holding any shares in the Company. He is not related to any of the directors and Key Managerial Personnel of the Company. The terms and conditions of his appointment and remuneration are as per the resolution passed by the members of the Company at the 36<sup>th</sup> AGM held on 24<sup>th</sup> September, 2020.

15. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act will be available electronically for inspection by the members during the 38<sup>th</sup> AGM, upon log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.
16. All documents referred to in the Notice Convening 38<sup>th</sup> AGM and the Explanatory Statement shall be made available electronically for inspection by the members upto the date of 38<sup>th</sup> AGM. Members who wish to inspect the same may write to the Company at [compliance.officer@indiaglycols.com](mailto:compliance.officer@indiaglycols.com).
17. **Voting through electronic means and joining of AGM electronically:**
- I. In compliance with provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of SEBI Listing Regulations, as amended and MCA Circulars, the Company is pleased to provide the Members facility to exercise their right to vote by electronics means on all the resolutions set forth in the notice convening the 38<sup>th</sup> AGM. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") as well as e-voting facility on the day of AGM will be provided by National Securities Depository Limited ("NSDL"). Resolution(s) passed by Members through remote e-voting is/ are deemed to have been passed as if they have been passed at the AGM.
  - II. The Members who have casted their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again at the AGM.

III. **The remote e-voting period will commence on Saturday, 3<sup>rd</sup> September, 2022 (9:00 A.M.) and end on Tuesday, 6<sup>th</sup> September, 2022 (5:00 P.M.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, 31<sup>st</sup> August, 2022, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.**

IV. Members can opt for only one mode of voting i.e. remote e-voting or e-voting system at the 38<sup>th</sup> AGM.

V. **The process and manner for remote e-voting and attending General Meeting are as under:**

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

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

Step 1: Access to NSDL e-Voting system.

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





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

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

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

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

| Type of shareholders   | Login Method   |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | <p>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ section.</p> |

|  |  |
|--|--|
|  | <p>A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center;">   </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 10px;">   </div> |
| Individual Shareholders holding securities in demat mode with CDSL | <p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on NSDL to cast your vote.</p>  |

|  |  |
|--|--|
|  | <p>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</p> |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | <p>1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</p> <p>2. Upon logging in, you will be able to see e-Voting option.</p> <p>3. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>4. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>  |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

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

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

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

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/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.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 101456 then user ID is 101456001*** |
|---|---|

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the “initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/ Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/



folio number, your PAN, your name and your registered address.

- d) Members can also use the OTP (one Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

**General Guidelines for shareholders**

- (a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ashish@asandco.net with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution/Authority Letter**" displayed under "**e-Voting**" tab in their login.

- (b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Soni Singh, Assistant Manager at evoting@nsdl.co.in.

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

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to compliance.officer@indiaglycols.com or to the RTA at admin@mcsregistrars.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to compliance.officer@indiaglycols.com or to the RTA at admin@mcsregistrars.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) above i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their

demat account in order to access e-Voting facility.

#### Process and manner for e-voting on the day of the 38<sup>th</sup> AGM

1. The procedure for e-Voting on the day of the 38<sup>th</sup> AGM is same as the instructions mentioned above for remote e-voting.
2. Only those members/ shareholders, who will be present in the 38<sup>th</sup> AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the 38<sup>th</sup> AGM.
3. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in shareholder/member login where the EVEN of Company will be displayed. The members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Member who need assistance before or during the AGM, can contact NSDL on toll free nos.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Soni Singh, Assistant Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Members who would like to express their views or ask questions during the 38<sup>th</sup> AGM may register themselves as a speaker by sending

their request from their registered e-mail address mentioning their name, demat account number/folio number, email id, mobile number at [compliance.officer@indiaglycols.com](mailto:compliance.officer@indiaglycols.com) from **Thursday, 1<sup>st</sup> September, 2022 (9:00 A.M.) to Sunday, 4<sup>th</sup> September, 2022 (5:00 P.M.)**.

7. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the 38<sup>th</sup> AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
18. Members may submit their queries, if any, on the financial statements or on any agenda item proposed in this notice **at least 7 days prior to the date of the 38<sup>th</sup> AGM** from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number at Company's e-mail address at [compliance.officer@indiaglycols.com](mailto:compliance.officer@indiaglycols.com) or write to the Company's Head Office at Plot No. 2-B, Sector-126, Distt. Gautam Budh Nagar, Noida-201304, Uttar Pradesh. Such queries by the Members shall be suitably replied by the Company.
19. **The voting rights of members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date of Wednesday, 31<sup>st</sup> August, 2022. A person who is not a member as on the cut-off date should treat this notice for information only.**
20. Any person, who acquires shares of the Company and becomes member of the Company after the Company sends the Notice of the 38<sup>th</sup> AGM and holds shares as on the cut-off date i.e. **Wednesday, 31<sup>st</sup> August, 2022**, may obtain the User ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the RTA at [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
21. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. **Wednesday, 31<sup>st</sup> August, 2022**, only shall be entitled to avail the facility of remote e-voting or voting at the 38<sup>th</sup> AGM through e-voting system.
22. Shri Ashish Saxena (C.P. No. 7096) of Ashish Saxena & Co., Company Secretaries, having their office at A-32, Nyay Khand-I, Indirapuram, Ghaziabad-201014, Uttar Pradesh has been appointed as the Scrutinizer to scrutinize the remote e-voting process and casting voting through e-voting system during the 38<sup>th</sup> AGM in a fair and transparent manner.
23. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by

use of e-voting system for all those members who are participating in the AGM but have not cast their votes by availing the remote e-voting facility.

24. The Scrutinizer shall after the conclusion of voting at the 38<sup>th</sup> AGM, unblock the votes cast through remote e-voting and e-voting system at the AGM, in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be submitted to the Chairman or a person authorized by him in writing, within two working days of the 38<sup>th</sup> AGM, who shall countersign the same and declare the result of the voting forthwith.
25. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.indiaglycols.com](http://www.indiaglycols.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and the results shall also be immediately forwarded to the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

**26. MEMBERS ARE REQUESTED TO:**

- a. Note that SEBI vide its circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021 has mandated furnishing of PAN, KYC details (i.e. postal address with Pin Code, email address, mobile number, bank account details) and Nomination details by holders of physical securities. Accordingly, in pursuance to the above circular and provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in physical form are requested to submit their PAN, KYC details and Nomination details by sending duly filled and signed Form ISR-1 (request for registering/change/ update of PAN, KYC details), ISR-2 (signature of shareholder), SH-13 (nomination), SH-14 (cancellation/variation in nomination), ISR-3 (opting out of Nomination) to the RTA at F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase I, New Delhi - 110020 or email at [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com). Effective from 1<sup>st</sup> January 2022, any service requests or complaints received from the member, will not be processed by RTA till the aforesaid details/ documents are provided to RTA. On or after 1<sup>st</sup> April 2023, in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s).

All these forms are available on the Company's website ([www.indiaglycols.com](http://www.indiaglycols.com)) under investor relations section. The Company has also sent individual letters to all the Members holding shares of the Company in physical form in this regard.

Members are requested to ensure that the above mentioned KYC details are updated as and when

there is a change in order to receive all important shareholder communications and corporate benefits.

- b. Immediately notify any change of address, e-mail address, change of name, contact numbers, bank details, bank mandates, nominations, power of attorney etc. and their PAN to their DP with whom they maintain their demat account. Non-resident Indian members are requested to inform the RTA/ respective DP, immediately of change in their residential status on return to India for permanent settlement and the particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- c. **Note that in order to receive faster communication and enable the Company to serve the members better and to support the "Green Initiative", members are requested to register/update their e-mail address(es) by sending the same along with the name, address, Folio No. / DPID & Client ID, shares held:**
- To the RTA in the prescribed form mentioned at point (a) above for shares held in physical form and;**
  - To their respective Depository Participants in respect of shares held in demat mode.**

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

27. SEBI vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 in order to increase the efficiency of the voting process, has enabled e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the e-voting service providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
28. SEBI had mandated that effective from 1<sup>st</sup> April, 2019, securities of listed companies can only be transferred in dematerialized form. Therefore, the Company has not been accepting any request for transfer of shares in physical form w.e.f. 1<sup>st</sup> April, 2019.
29. SEBI vide its circular dated 25<sup>th</sup> January, 2022, amended the SEBI Listing Regulations and mandated that the listed companies shall henceforth issue the securities in dematerialized form only while processing the service requests such as transmission, transposition, Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios of

securities. Accordingly, Members are requested to make service requests by submitting a duly filled in and signed Form ISR-4, which is available on the Company's website ([www.indiaglycols.com](http://www.indiaglycols.com)) under investor relations section. It may be noted that any service request can be processed only after the folio is KYC Complaint.

In view of the above, Members holding shares in physical form are requested to consider converting their holdings to demat mode.

#### **Explanatory Statement in terms of Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

##### **ITEM NO. 4**

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

Accordingly, KNG's first tenure of 5 years as statutory Auditors, would complete on the conclusion of this 38<sup>th</sup> AGM. Pursuant to the provisions of Section 139(2) of the Companies Act, 2013 read with rules made thereunder, KNG is eligible to be appointed for the second consecutive term of 5 years. Accordingly, the Board of Directors, considering the past performance, experience and expertise of KNG and on the recommendation of Audit Committee, re-appointed KNG as Statutory Auditors of the Company, subject to the approval of members, for a second term of 5 (five) years commencing from the conclusion of 38<sup>th</sup> AGM till the conclusion of 43<sup>rd</sup> AGM. The proposed remuneration to be paid to KNG for statutory audit for the financial year ending 31<sup>st</sup> March, 2023 is ₹ 24 lakhs plus applicable taxes and out-of-pocket expenses (same amount towards statutory audit Fees was paid for financial year 2021-22). For the subsequent years, the Audit Fees would be determined by the Board of Directors from time to time based on the recommendations of the Audit Committee and in consultation with the Statutory Auditors.

KNG was established in the year 1938 and was reorganized in the year 1966 as a partnership firm of Chartered Accountants under the regulations of "The Institute of Chartered Accountants of India". The Firm consists of 7 partners with vast experience in Statutory Audits, Internal Audits, Tax Consultancy, Corporate laws and Corporate Advisory and has a pool of experienced staff consisting of CAs, Semi Qualified CAs, Article Clerks and other associated staff and having its offices at Kolkata and New Delhi. It is one of the oldest & reputed CA firm in India having experience of more than 80 years.

KNG have consented to the said re-appointment and their re-appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), 141(2) and 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and also confirmed that they hold a valid certificate issued by the Peer Review Board of the

Institute of Chartered Accountants of India.

Accordingly, consent of the members is being sought by way of an ordinary resolution for re-appointment of KNG as Statutory Auditors of the Company for a second term of 5 (five) years.

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

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

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

The following statement sets out all the material facts related to Special Business mentioned under item No. 5 of the Notice dated 26<sup>th</sup> May, 2022.

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

The Board of Directors ("the Board") of the Company on the recommendation of the Audit Committee, approved the appointment of M/s R.J. Goel & Co., Cost Accountants to conduct the audit of cost records of the Company for the financial year ending 31<sup>st</sup> March, 2023.

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

Accordingly, consent of the members is being sought by way of an ordinary resolution for ratification of the remuneration payable to the cost auditor for the financial year 2022-23.

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

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

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

Place: Noida  
Date : 26<sup>th</sup> May, 2022

**Ankur Jain  
Company Secretary**

Registered Office:  
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Kashipur-244713, District Udham Singh Nagar,  
Uttarakhand  
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# Board's Report

## To The Members

Your Directors are pleased to present the 38<sup>th</sup> Annual Report on the business and operations of the Company, together with the Audited Financial Statements of your Company for the financial year ended 31<sup>st</sup> March, 2022.

### Financial Results\*

| Particulars   | ₹ in Crores              |                          |
|---|--------------------------|--------------------------|
|   | Year ended<br>31.03.2022 | Year ended<br>31.03.2021 |
| <b>Gross Sales and other income**</b>                                 |                          |                          |
| - Continuing operations:  | 6,622.86                 | 5,402.08                 |
| - Discontinued operations:  | 214.07                   | 668.07                   |
| <b>Total</b>  | <b>6,836.93</b>          | <b>6,070.15</b>          |
| <b>Earnings before interest, taxes, depreciation and amortization</b> |                          |                          |
| - Continuing operations:  | 278.90                   | 269.58                   |
| - Discontinued operations:  | 21.65                    | 88.96                    |
| <b>Total</b>  | <b>300.55</b>            | <b>358.58</b>            |
| Exceptional item  | 200.63                   | -                        |
| <b>Profit /(loss) before tax</b>                                      |                          |                          |
| - Continuing operations:  | 341.38                   | 120.32                   |
| - Discontinued operations:  | 13.72                    | 45.18                    |
| <b>Total</b>  | <b>355.10</b>            | <b>165.50</b>            |
| <b>Provision for tax</b>  |                          |                          |
| - Continuing operations:  | 66.25                    | 58.43                    |
| - Discontinued operations:  | 3.45                     | 22.77                    |
| <b>Net profit/(loss)</b>  |                          |                          |
| - Continuing operations:  | 275.12                   | 61.89                    |
| - Discontinued operations:  | 10.27                    | 22.41                    |
| <b>Total</b>  | <b>285.39</b>            | <b>84.30</b>             |
| <b>Earnings per share (in ₹) (Basic and Diluted)</b>                  |                          |                          |
| - Continuing operations:  | 88.86                    | 19.99                    |
| - Discontinued operations:  | 3.32                     | 7.24                     |
| - Continuing & discontinued operations                                | 92.18                    | 27.23                    |
| Dividend on Equity Shares   | 23.22                    | 18.58                    |

\*The BioEO (Speciality Chemicals) Business was transferred on 30<sup>th</sup> June, 2021 in terms of Business Transfer Agreement and Joint Venture Agreement executed on 11<sup>th</sup> March, 2021, accordingly, in pursuance to the provisions of Indian Accounting Standards (Ind AS), the same has been disclosed as discontinued operations in the Standalone financial statements for the FY 2021-22.

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

### Dividend

Your Directors are pleased to recommend a dividend of ₹ 7.50/- (Rupees Seven and Paise Fifty Only) per equity share of face value of ₹ 10/- each (i.e. 75%) for the financial year ended 31<sup>st</sup> March, 2022 subject to the approval of the Shareholders in the ensuing Annual General Meeting ("AGM"). The total outgo on account of dividend will be ₹ 23.22 Crores.

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

The dividend recommended is in accordance with the Company's Dividend Distribution Policy ("the Policy") adopted in pursuance to the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"). The Policy contains broad parameters and factors while recommending/declaring dividend(s) by the Board of Directors. The Policy is available on the Company's website at <https://www.indiaglycols.com/investors/downloads/Dividend-distribution-policy.pdf>

### Performance Review

FY 2021-22 started with intermittent lockdowns following the second wave of Covid-19 and also witnessed the war between Russia and Ukraine towards its closure, which led to a highly uncertain economic environment. Amidst the challenging business and economic conditions, your Company's overall performance for the FY 2021-22 was resilient, consistent and good. Highlights for the year include successful formation of 49:51 Joint Venture with Clariant International Limited for Company's BioEO (Speciality Chemicals) Business and approving setting up grain distilleries at Kashipur and Gorakhpur sites.

During the FY 2021-22, on a standalone basis, your Company's total revenue increased to ₹ 6,837 Crores from ₹ 6,070 Crores in FY 2020-21, an increase of over 12%. The profit after depreciation and tax for the FY 2021-22 increased to ₹ 285 Crores from ₹ 84 Crores in the FY 2020-21 which includes an exceptional gain from slump sale of Company's BioEO (Speciality Chemicals) Business. In the financial year 2021-22, the unprecedented escalation in feed stock and energy prices put substantial pressure on margin across sectors. However, despite challenges, Chemical business particularly Bio-based Specialties and Performance Chemicals business made an excellent performance both in terms of sales and margins and garnered substantial revenue. Due to increase in raw material and packaging cost, margins of the potable spirits were under pressure. However, the business segment registered a growth of about 18% in revenue over last year. The Ennature Biopharma (Nutraceuticals) Business

also registered a marginal growth of 3% over the previous year.

The Company continued to procure its green feedstock molasses and also imported its principal raw material, ethyl alcohol. Post setting up of grain distilleries, the Company would have the adequate availability of its principal raw material (Alcohol) at a competitive price and feels that the same should prove beneficial for the Company in longer times.

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

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

In Q1/FY 22, India witnessed the massive second wave of the Covid-19 which led to fresh set of restrictions in the country but the economic activities were not much affected.

The Company adhered to various guidelines and advisories issued by the authorities from time to time. The Company continued to take a number of measures at its offices and manufacturing sites to ensure employee safety and support including Work from Home policy, regular sanitization, encouraging virtual meetings, free vaccination, medical expenses for employees and immediate family members who suffered due to the Covid-19 infection. With all these efforts and learnings from earlier experience, Company's plant and other operations continued to run smoothly and efficiently during last year.

While discharging its social obligations, the Company provided ICU's & ventilators and also arranged setting up oxygen plant at various health centres. Also, the Company quickly converted all its industrial grade Liquid Oxygen to medical grade during second Covid 19 wave and run its plants continuously at full capacity to supply the medical oxygen.

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

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

#### **Awards and Recognitions**

During the year under review, your Company has received 'Best Whisky Award' for its 'Single Reserva Whisky' at Ambrosia Award 2021 and was also conferred with "ICISWSC Award" for sustainability along with our partners Unilever and LanzaTech during the ICIS Surfactant Conference 2022.

#### **Credit Ratings**

During the financial year 2021-22, India Ratings & Research ("Ind-Ra"), a credit rating Agency has upgraded

the Company's Long-term Issuer Rating as 'IND A' while resolving the Rating Watch Positive ("RWP") and Outlook is stable. The instrument wise ratings are as follows:

| <b>Instrument Type</b> | <b>Rating/Outlook</b> | <b>Rating Action</b> |
|------------------------|-----------------------|----------------------|
| Term Loan              | IND A/Stable          | Upgraded; Off RWP    |
| Fund-based Limit       | IND A/Stable /IND A1  | Upgraded; Off RWP    |
| Non Fund based Limit   | IND A/Stable /IND A1  | Upgraded; Off RWP    |

#### **Successful formation of Joint Venture with Clariant International**

Post obtaining all the requisite government and statutory approvals and completion of condition precedents as identified in the Business Transfer Agreement ("BTA") and in pursuance to the approval of the shareholders dated 24<sup>th</sup> September, 2020 and 25<sup>th</sup> April, 2021, during the year under review, the Company has successfully completed the formation of joint venture with Clariant International Limited ("Clariant") for its BioEO (Speciality Chemicals) Business by transferring the same to Clariant IGL Specialty Chemicals Private Limited ("CISCPL") (erstwhile IGL Green Chemicals Private Limited) for a lump sum consideration of ₹ 649.55 Crores (Rupees Six Hundred Forty Nine Crores Fifty Five Lakhs) after adjustment in accordance with BTA executed on 11<sup>th</sup> March, 2021. Out of which, ₹ 458.49 Crores (Rupees Four Hundred Fifty Eight Crores Forty Nine Lakhs) had been paid by CISCPL to the Company and the remaining amount of approximately ₹ 191.06 Crores (Rupees One Hundred Ninety One Crores Six Lakhs) will remain payable to the Company by CISCPL over a period of 3 years (or such extended time as may be agreed).

As per the terms of Joint Venture, Clariant, inter-alia, made an investment of ₹ 587.74 Crores (Rupees Five Hundred Eighty Seven Crores Seventy Four Lakhs) in CISCPL as consideration for 51% (fifty one per cent) shareholding in CISCPL. The balance 49% equity shares in CISCPL are held by the Company and its affiliate(s). More details of the transaction are mentioned in the notes to the financial statements.

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

#### **Bio-Based Specialities and Performance Chemicals**

The Company is the largest manufacturer of Bio-based glycols made from renewable feedstock i.e. molasses and Bio-based ethanol. Bio-based MEG is the largest selling product in this category apart from being from a renewable source. Bio-based MEG has a much lower

carbon footprint and therefore helps companies reduce their carbon footprint targets as one of the measures to combat climate change as has been set out in the UNSDGs – United Nations Sustainability Development Goals.

The year 2021-22 was very challenging for the chemicals business. The economic slowdown caused by intermittent Covid related lockdowns disrupted chains and made the demand supply scenario very unpredictable. Some volume of Bio-MEG business was lost due to policy shift in US market in favour of recycled PET. Domestic Glycol prices remained low so we took a conscious decision to reduce volumes in domestic market.

However, despite adversities, the Company was able to increase the sales in the domestic market and achieved a growth in the Glycol Ether segment as a result of conscious strategy to push more volumes into China in order to increase our sales revenue and capitalize on the opportunity created in domestic market due to higher price and tight availability of competition products. **Sales of Glycols [Monoethylene Glycol (MEG), Diethylene Glycol (DEG), Triethylene Glycol (TEG), Heavy Glycols and Glycols Ether] have increased from 75,767 MT during the FY 2020-21 to 81,077 MT in FY 2021-22 and whereas, the sales value was at ₹ 1,024 Crores and ₹ 1,555 Crores, respectively.**

**During the period from April to June, 2021 (before transfer of EOD business), sales under Ethylene Oxide Derivatives (EOD/Speciality Chemicals & Ethoxylate) business was 17,762 MT with a sales value of ₹ 214 Crores.**

**During the year, your Company produced 86,152 MT of Glycols compared to 75,615 MT last year.**

The Company continued to manufacture premium quality Hand Sanitizer from its Kashipur and Gorakhpur plants. However, with the reduced pace and impact of Covid-19, during the year under review, the Company recorded a sales value of ₹ 11.04 Crores against sale of ₹41.36 Crores during last year.

#### Exports

Despite the challenging global scenario, the Company registered a sales value of ₹ 717 Crores during the year under review as compared to ₹ 645 Crores during previous year. The increase was mainly driven by a modest 6% increase in Glycol sales value. The total export volume remained roughly same as last year.

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

#### Potable Spirits (IMFL, Country Liquor) and ENA

During the year, your Company registered gross sales value of ₹ 4,393 Crores as compared to ₹ 3,718 Crores last year in the Potable Spirits division. The Company has been focusing to develop the export market for Extra Neutral Alcohol (ENA) which is a price sensitive market. However, ENA volume to export market witnessed a

decline, due to high sea freight, blank sailings and erratic shipment schedules resulting in delayed deliveries. The demand for sanitizers also reduced down substantially as the pandemic situation improved. The Company continues to be a major player in North India for domestic pharma markets. It is a trusted and reliable supplier to many well established companies manufacturing homeopathic medicines. The Company continues to be a reliable supplier for customers in Nepal which is a growing market for ENA. The Company enjoys a position of a premium quality ENA supplier in the international markets and is gradually trying to increase its market share. The existing tie-up with Bacardi for bottling of their products at the Kashipur bottling unit performed well.

Your Company has the license for operations and sale of branded Country Liquor in the States of Uttar Pradesh and Uttarakhand. The Company commanded leadership position in the Country Liquor market both in the States of Uttar Pradesh and Uttarakhand. Also, the new liquor policy of Delhi Government in place from 1<sup>st</sup> April, 2022, will provide new opportunities to the Company in this segment.

The Company is producing Indian Made Foreign Liquor ("IMFL") brands from its Gorakhpur unit and Kashipur unit and couple of tie-up units. With focus on brand extension of the Bunty® family, the Company launched several IMFL brand variants and a new variant of Vodka in the Bunty® brand category. This was a huge success in the Uttar Pradesh market.

Following the strategy of premiumisation in the Potable Spirits division, the Company launched Amazing Vodka in the Semi-Premium Segment. The brand has the distinction of being packed in a beautiful frosted, printed bottle with brilliant blend which has imported enhancers/flavours. The Company also launched Amazing Vodka in Green Apple & Orange flavours.

Amazing Vodka has been well accepted by the consumers of UP, Uttarakhand and Chandigarh. Encouraged by the good success of the brand, the Company intends to take the brand national. In the semi-premium Whisky segment, the Company has successfully launched Single Reserve Whisky with a unique Winning brand promise of "blended with Indian Single Malt" while almost all others competing brands are blended with scotch. This unique selling proposition gives the brand a competitive edge. The brand has got good consumer acceptance in Uttar Pradesh, Uttarakhand, Chandigarh and Delhi etc. The brand is an integral part of Company's focus on IMFL business.

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

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

The Company has Power Alcohol plants at Kashipur and Gorakhpur units each with a capacity of 100 KL per day. The Company continued to produce and supply from its Kashipur and Gorakhpur units, Power Alcohol to Oil Manufacturing companies ("OMC's") through their tender process, as per Government of India's Ethanol Blending Programme for blending in Petrol. Once commissioned, both grain distilleries will also be helpful in catering to the growing demand in the Bio-fuel segment.

During the year under review, the Company registered a revenue of ₹ 9 Crores from sale of Power Alcohol as compared to ₹ 74 Crores during previous year.

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

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

The manufacturing facility is located at Dehradun and is accredited with EU written confirmation, WHO GMP, Current Good Manufacturing Practices (cGMP), ISO 9001, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Kosher and Halal. The Company had also applied for EUGMP certification from the European agency-EDQM, which is underway (delayed due to Pandemic) for audit from the European drug agency.

The unit has an advanced production facility, including organic certified Super Critical CO<sub>2</sub> Fluid Extraction (SCFE) & bio-based solvents' extraction facility, for production of standardized botanical extract, phytochemicals, food supplements, spice extracts and active pharmaceuticals ingredients (APIs) of natural plant origin.

The division has achieved sales of ₹ 153 Crores for FY 2021-22, as compared to ₹ 148 Crores over previous year. In spite of the challenges in both international and domestic markets, the Company has been able to maintain the leading market share in the major API categories.

The APIs derived from plant sources have been doing exceedingly well with some of the molecules having gained significant growth and captured major market share in the burgeoning global pharmaceutical market. Your Company is continuously working on diversification of API's and Nutraceuticals. Company's Nicotine API performed very well and registered significant growth in sales volumes during the year under review and supply agreements for Nicotine were executed with few key customers. The Company focused on development of new API's with a view to reduce dependency on the API-Thiocolchicoside.

The Company has also launched the ENNSOL range

of Cold Water Soluble ingredients for which marketing and promotional activities started in various markets. Maxicura (a curcumin formulation) in nanotized form, which is part of the ENNSOL range is more bioavailable than curcumin itself and is proven in the preclinical trials on animal models. Human Clinical Trials has been initiated to establish the safety and efficacy of Maxicura. The Company has undertaken major business development activities to leverage the branded nutraceutical ingredient market with the help of Maxicura. Lutein business has also able to increase presence in lucrative European market. With strong focus on R & D and formulation development, aim to diversify product portfolio to reduce dependency on a single or few products and also develop, differentiated and branded ingredients in line with requirements of US and European markets, the segment is poised to yield more growth and profitability in the time to come.

### **Industrial Gases**

During the year under review, on account of surge in demand for Liquid Oxygen during Covid-19, the production and sale of Liquid Oxygen was on all-time high. However, the price of the medical Oxygen remained capped as per the government regulations. The Company produced 21,954 MT of Liquid Oxygen and 844 MT of Liquid Nitrogen. Both Liquid Oxygen and Liquid Nitrogen were sold in the market and also used for in house requirements. In addition, Argon of 2,671 MT was also produced and its sales were 2,650 MT.

The Industrial Gas Division also produced Beverage and Industrial Grade Liquid Carbon Di-oxide (LCO<sub>2</sub>) at Kashipur. During the year, your Company has produced 28,753 MT of LCO<sub>2</sub> and its sale was 28,032 MT.

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

The Company has an in house facility for production of EO and LCO<sub>2</sub> which are also used in the production of ETO. It is the only plant in India to have such manufacturing facility which manufactures both these gases and gives us a distinct edge over other suppliers in the market. During the year under review, the Company has sold 1,343 MT of Steri Gas as compared to 1,181 MT in the last year.

Further, the Industrial Gases segment registered total sales of all gases of ₹ 46 Crores during FY 2021-22 against a sale of ₹ 41 Crores during the last year.

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

IGL has established itself as a role model in sustainability. It has been possible only because of the fact that the Company adopts state-of-the-art technology with a sharp focus on safety, health, environment and quality while maximizing use of renewable resources. IGL has been



at the forefront of taking novel initiatives to create a new paradigm, each time a need arises. In the present scenario when climate changes and global warming have taken the center stage for policy makers across the world, the global chemicals industry has to adopt greener products, greener processes and take measures to reduce carbon foot-print in the value chain. IGL stands ahead in the world by graduating from being a producer of renewable and sustainable chemicals to become a PIONEER in Specialty Chemicals derived from C-smart feedstock. IGL would have the distinction of being the right partner for its customers helping them to achieve their sustainability objectives. Like in the past, IGL's products of future will remain a great enabler for the much needed circular economy and thus enabling progress on the UNSDGs (United Nations Sustainability Development Goals).

The Company has identified the following New areas to build a portfolio of value added products:

- I. New Bio-based Specialties & Performance Chemicals including:
  - Bio-Polymers.
  - Green Solvents.
  - Amines.
  - Plasticizers.
  - Speciality Derivatives.
  - Carbon-smart based Specialties
- II. Potable Spirits and ENA.
- III. Ennature Biopharma (Nutraceuticals) and Plant based API's.

Various types of products would be introduced keeping in mind the future needs of user industries. With a sound business case, each product would be designed by in-house R & D adopting the most innovative methods and approaches. The aim would not only be to capture the market share but also to maintain a competitive edge for times to come. The targeted industries for the products would include Polymers (Elastomer, inks, Coatings etc.), Personal Care, Home Care, Brake Fluids, FMCG, Oil and Gas, Refineries, Crop Care, Automobiles, Metal Working and other applications.

FY 2021-22 has been a year of interesting developments. This brought a golden opportunity to IGL in terms of creating a new R&D set up as well as diversifying into products of novel chemistries. As a part of preparing IGL for a new path forward, a plan of action for diversification has been made during the year and a new R & D centre is being established. The pilot facilities for new Bio-Specialties have already been commissioned. The Company has already started establishing its new range of products in industries identified.

IGL has already established several collaborations with global leaders for joint R & D on a long-term basis. It has given a new dimension to new product design concepts

of the Company. As a result, products being designed will have a high degree of success rate besides the development cycle being efficient in-terms of time, quality and cost. The tripartite agreement with LanzaTech and Unilever is a perfect example in this regard. Within a short span of one year not only few products were designed successfully, Unilever launched novel FMCG products based on two of them globally.

With the amount of efforts made during the year gone by and based on the initial successes obtained, it can be said that the future growth path for IGL would be taking the Company at great heights. Following notable developments are worth mentioning in this context:

- a. Obtained approvals from DSIR for new R&D centre for IGL at Kashipur and at Dehradun.
- b. IGL (alongwith our partners Unilever and LanzaTech) was conferred with ICIS surfactant award which is a sustainability award.
- c. A plan for the New specialties has been prepared and project for phase 1 has also been approved. Installation of the same is in progress.
- d. Pilot Plant facilities for new bio-specialties are commissioned and the new product development plan is being executed.
- e. New breakthroughs in DOT 4 brake fluid with leading PSUs.
- f. Several new products in Potable Spirits segment launched with notable success.
- g. Obtained CEP (Certificate of suitability) approvals from EU for an API in Ennature Bio-Pharma segment. This puts IGL in a strong position as far as export to EU are concerned.

Further, in order to save foreign exchange, benefit the farm sector and to reduce pollution, the Indian government is encouraging the industry to produce ethanol from damaged grains for ethanol blending in petrol through its ethanol blending programme ("EBP"). Manufacture of good quality ethanol and its value added derivatives has been a strength of India Glycols and the Company has initiated steps to setup Grain based Distilleries which apart from fuel blending will also cater to the growing demand for potable spirits.

#### Finance

During the year under review, your Company has raised term loan amounting to ₹ 307.29 Crores. The Company renewed the EPBG advance for USD 40.59 million (₹258.66 Crores) after meeting repayment obligations for FY 2021-22. The Company repaid an amount of USD 5.00 million (₹ 31.86 Crores) to the customers against the commitments reducing the total liability to USD 40.59 million (₹ 258.66 Crores) as on 31<sup>st</sup> March, 2022. Further, the Company has re-paid, upon maturity, term loan of ₹ 279.05 Crores during the year.

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

Details of the Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 (“the Act”) are provided in the notes to the standalone financial statements which form part of the Annual Report. The Company had discontinued its fixed deposits scheme in the FY 2009-10 and has not accepted any fresh deposits covered under Chapter V of the Act during the year. There are no overdue deposits as on 31<sup>st</sup> March, 2022. During the year under review, no unclaimed deposit was required to be transferred to Investor Education and Protection Fund (IEPF).

The financial statements of the Company (including of subsidiaries) have been prepared in accordance with the recognition and measurement principles laid down under Ind-AS as presented under Section 133 of the Act read with the relevant rules issued thereunder and the other accounting principles generally accepted in India as applicable.

#### **Internal Financial Controls and their Adequacy**

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations which ensures that all transactions are authorized, recorded and reported correctly in a timely manner. The Company periodically discusses and reviews at its Audit Committee and with its auditors the effectiveness of the internal financial control measures implemented by the Company including with reference to the Financial Statements of the Company.

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

Subsequent to updation of delegation of authority matrix/ SOP's/manual in line with the changed business environment in earlier years, the Company has also implemented the more strengthened IFC framework in consultation with M/s Grant Thornton during the year under review.

#### **Listing of Securities**

The shares of the Company are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The respective stock code no. and symbol of the Company are 500201 and INDIAGLYCO. The annual listing fees for the year 2022-23 have been paid in advance to the Stock Exchanges.

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

As on 31<sup>st</sup> March, 2022, the Company had Six (6) subsidiaries and Two (2) Joint Venture Company. During the year under review, one (1) new wholly-owned subsidiaries namely Ennature Bio Pharma Private Limited was incorporated. A brief of each of them is given below:

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

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

During FY 22, the Company sold 47.852% of the paid up equity share capital i.e. 2,42,50,000 equity shares and 49% of the paid up preference share capital i.e. 49,00,000 preference shares held in SSAIL. As on 31<sup>st</sup> March, 2022, the Company along with its nominees holds 51.003% i.e. 2,58,62,100 equity shares and 51% i.e. 51,00,000 preference shares of SSAIL and SSAIL continues to be a subsidiary of the Company.

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

During the year ended 31<sup>st</sup> March, 2022, SSAIL has earned a profit of ₹ 544.70 Lakhs.

#### **IGL Finance Limited**

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

NSEL has defaulted in settling the contracts on due dates, for which IGLFL has initiated legal and other action. IGLFL is confident of recovery of its dues from NSEL over a period of time in view of the measures which have so far been taken for and pending before the Government and other agencies. During the year ended 31<sup>st</sup> March, 2022, IGLFL has incurred a loss of ₹ 0.46 Lakh.

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

IGL Chem International Pte. Ltd. is a 100% subsidiary of the Company in Singapore to augment its activities in South Eastern region and help the marketing of products from Chemical Plant, Natural Gums Plant and Supercritical Fluid Extraction facility to large buyers in US, Europe and South East Asia. During the year ended 31<sup>st</sup> March, 2022, IGL Chem International Pte. Ltd. has earned a profit of ₹ 221.61 Lakhs.

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

Your Company has also set up a 100% subsidiary Company in USA named as IGL Chem International USA LLC with the main objective of marketing of the Company's products and related activities in the American and Latin American regions. During the year ended 31<sup>st</sup> March, 2022, IGL Chem International USA LLC has incurred a loss of ₹ 109.56 Lakhs.

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

IGL Chemicals and Services Private Limited (“ICSPL”) is a 100% subsidiary of the Company with objectives, inter-alia, of manufacturing, distribution and sale of various chemicals and ancillary items and providing related services, utilities etc.

During the year ended 31<sup>st</sup> March, 2022, ICSPL has incurred a loss of ₹ 0.52 Lakh.

### **Ennature Bio Pharma Private Limited**

During the year under review, your Company had incorporated a 100% subsidiary namely, Ennature Bio Pharma Private Limited (“EBPPL”) vide certificate of incorporation dated 1<sup>st</sup> October, 2021 issued by the Registrar of Companies with objectives, inter-alia, to produce of all types and nature of Nutraceuticals, Phytochemicals, Active Pharmaceuticals ingredients (API) of natural plant origins, food supplements & health supplements herbs and their extracts and all nature of their derivatives, intermediary products and/or to carry out other related activities.

During the year ended 31<sup>st</sup> March, 2022, EBPPL has incurred a loss of ₹ 0.37 Lakh.

### **Clariant IGL Specialty Chemicals Private Limited (erstwhile IGL Green Chemicals Private Limited)**

Clariant IGL Specialty Chemicals Private Limited (“CISCPL”) (erstwhile IGL Green Chemicals Private Limited) was incorporated in financial year 2020-21 as a wholly owned subsidiary and in pursuance to the approval by the Board of Directors at their meeting held on 11<sup>th</sup> March, 2021, the Company entered into a Business Transfer Agreement (“BTA”) dated 11<sup>th</sup> March, 2021 to transfer its BioEO (Speciality Chemicals) Business to CISCPL. Simultaneously, the Board of Directors had also approved entering into a joint venture with CISCPL and Clariant International Ltd. (“Clariant”), in connection with, inter alia, investment by Clariant in CISCPL and issuance of subscription shares by IGCPL to Clariant, resulting into CISCPL becoming a 49:51 joint venture between the Company and Clariant.

Thereafter, subsequent to receipt of all requisite approvals including government and shareholders, upon completion of certain conditions as per the BTA, during the year under review, CISCPL became a 49:51 joint venture of your Company and Clariant, with an objective to carry on BioEO (Speciality Chemicals) Business. More details of the transaction are mentioned in the notes to the financial statements and earlier in this Report.

During the year ended 31<sup>st</sup> March, 2022, CISCPL has earned a profit of ₹ 3,936.88 Lakhs.

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

Kashipur Infrastructure and Freight Terminal Private

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

As on 31<sup>st</sup> March, 2022, your Company along with its affiliates hold 48.92% of the share Capital (42.31% by the Company and 6.61% by the affiliates) of KIFTPL while 51% of the share capital is held by ALS. ALS is an integrated logistics service provider and provides complete and comprehensive services relating to container freight station, transportation of containers, cargo handling and has the requisite technical expertise to operate and manage inland container depot.

During the year under review, KIFTPL has registered sales turnover of ₹ 2,754.97 Lakhs as compared to ₹ 2,025 Lakhs in previous year, an increase of about 36% over the previous year. During the year ended 31<sup>st</sup> March, 2022, KIFTPL has earned a profit of ₹ 376.34 Lakhs.

The consolidated financial statements of the Company and its subsidiaries, joint ventures for the FY 2021-22, prepared in accordance with the applicable provisions of the Act, SEBI Listing Regulations and applicable accounting standards notified by Ministry of Corporate Affairs (“MCA”), Govt. of India, forms part of the Annual Report. Pursuant to the provisions of Section 136 of the Act, financial statements of the subsidiary companies are not required to be sent to the members of the Company. The Company will provide a copy of separate annual accounts in respect of each of its subsidiary/associate to any member of the Company if so desired and said annual accounts will also be kept open for inspection at the registered office of the Company.

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

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

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

The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee (“NRC”) at its meeting held on 12<sup>th</sup> February, 2021 re-appointed Shri U.S. Bhartia (DIN: 00063091) as Chairman & Managing Director and Key Managerial Personnel of the Company in the category of Whole time Director of the Company, for a further period of 5 (Five) years w.e.f. 1<sup>st</sup> April, 2021 till 31<sup>st</sup> March, 2026 which was also approved by the members of the Company by Special Resolution passed through Postal Ballot on 25<sup>th</sup> April, 2021.

Furthermore, Shri Sudhir Agarwal (DIN: 08602216), Director of the Company is retiring by rotation at the ensuing AGM and being eligible, offers himself for reappointment. Your Directors also recommends the reappointment of Shri Sudhir Agarwal, the retiring Director, for your approval.

The Company has received requisite declarations as required under Section 152(4) of the Act from Shri Agarwal along with the intimation that he is not disqualified under Section 164 of the Act to act as Director.

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

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

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

During the Financial Year 2021-22, Five (5) Board Meetings were held. The details of the Board meetings and the attendance of the Directors thereat are provided in the Corporate Governance Report and forms part of this Report.

As on 31<sup>st</sup> March, 2022, the Board has 5 (five) committees namely: the Audit Committee, the Corporate Social Responsibility Committee, the Nomination & Remuneration Committee, the Risk Management Committee, the Stakeholder's Relationship Committee.

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

#### **Board Evaluation**

Pursuant to the applicable provisions of the Act and SEBI Listing Regulations, the Board has carried out the annual performance evaluation of its own performance,

the Directors individually as well as the evaluation of Committees. The evaluation was carried out based on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and all stakeholders etc.

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

The Board of Directors expressed their satisfaction with the evaluation process

#### **Nomination and Remuneration Policy**

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

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

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Prevention of Sexual Harassment Act"), the Company has constituted an Internal Complaints Committee where any grievance of sexual harassment at workplace can be reported. No complaint pertaining to sexual harassment at workplace has been reported to the Committee during the financial year ended 31<sup>st</sup> March, 2022.

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

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

The Company periodically conducts sessions for employees across the organization to build awareness about the policy and the provisions of the Prevention of Sexual Harassment Act.

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

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

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

As on 31<sup>st</sup> March, 2022, the Audit Committee comprises Four Non-Executive Independent Directors, namely, Shri Pradip Kumar Khaitan (Chairman), Shri Ravi Jhunjhunwala, Shri Jagmohan N. Kejriwal, Shri Sajeve Bhushan Deora and one Executive Director, Shri Sudhir Agarwal.

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

### **Directors' Responsibility Statement**

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

- (a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2022 and the profit and loss of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down the internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws

and that such systems were adequate and operating effectively.

### **Management Discussion and Analysis**

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

### **Corporate Governance**

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

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

### **Business Responsibility Report**

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

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

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

KNG's first tenure of 5 years as statutory Auditors, would complete on the conclusion of this 38<sup>th</sup> AGM. Pursuant to the provisions of Section 139(2) of the Companies Act, 2013 read with rules made thereunder, KNG is eligible to be appointed for the second consecutive term of 5 years. Accordingly, the Board of Directors on the recommendation of Audit Committee, re-appointed KNG as Statutory Auditors of the Company, subject to the approval of members in the this 38<sup>th</sup> AGM, for second term of 5 (five) years commencing from the conclusion of 38<sup>th</sup> AGM till the conclusion of 43<sup>rd</sup> AGM.

KNG have consented to the said re-appointment and their re-appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), 141(2) and 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Report given by M/s K.N. Gutgutia & Co., Chartered Accountants (Registration No. 304153E), Statutory Auditors on the financial statements of the Company for the financial year 2021-22 is part of the Annual Report.

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

There has been no qualification, reservation or adverse remark or disclaimer in their Report on standalone and consolidated financial statements for FY 2021-22.

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

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

The Board appointed M/s Mukesh Agarwal & Co., Company Secretaries (CP No.- 3851) as Secretarial Auditor for the Financial Year 2021-22 in terms of provisions of Section 204 of the Act. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2022 was considered by the Board in its meeting held on 26<sup>th</sup> May, 2022 and is enclosed as “**Annexure A**” to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark which needs any explanation or comment of the Board.

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

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

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

The Company has appointed M/s R.J. Goel & Co., Cost Accountants (FRN 000026) as Cost Auditors of the Company for the financial year 2022-23 under section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 including amendments, if any. The Cost Auditors have confirmed that they are eligible under Section 141 (3) of the Act for re-appointment.

The Cost Auditor's Report for the year 2020-21 was filed with Central Government within the prescribed time.

#### **Related Party Transactions**

During the FY 2021-22, Related Party transactions (RPTs) as defined under Section 188 of the Act read with rules made thereunder and the SEBI Listing Regulations, were at arm's length and in ordinary course of business.

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

Pursuant to Regulation 23(9) of SEBI Listing Regulations, disclosures of related party transactions on a consolidated basis for the half year ended 31<sup>st</sup> March, 2021 and 30<sup>th</sup> September, 2021 were submitted to the Stock Exchanges and also hosted on the website of the Company.

Further, the details of material RPTs executed during the year under review are disclosed in Form AOC-2 which is enclosed as “**Annexure B**” to this report. The disclosures pertaining to RPTs including with entity belonging to the promoter group which hold(s) 10% or more shareholding in compliance with the applicable Accounting Standards have been given in Note no. 57 of the Standalone financial statements forming part of the Annual Report.

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

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

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

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

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

#### **Corporate Social Responsibility**

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

The Company had an average profit of ₹ 8,819.75 lakhs in terms of Section 198 of the Act during the last 3 financial years. Therefore, in pursuance to the provisions of Section 135 of the Act, the Company was required to spend ₹ 176.40 lakhs towards CSR activities during the financial year 2021-22. However, keeping in view

its social responsibility commitments, the Company has voluntarily contributed an amount of ₹ 237.01 lakhs on the CSR activities during the financial year ended 31<sup>st</sup> March, 2022. The CSR policy of the Company is available on the website of the Company at <https://www.indiaglycols.com/investors/downloads/csr-policy.pdf>

The Company's CSR policy statement and the annual report on CSR activities undertaken during the financial year ended 31<sup>st</sup> March, 2022, in accordance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, is given at “**Annexure D**” to this Report.

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

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

#### **Risk Management Policy**

The Company had already voluntarily constituted a Risk Management Committee (“RMC”) to monitor the Risk Management Plan and to mitigate the risks attached to the business of the Company before it was made mandatory by the SEBI Listing Regulations w.e.f. 5<sup>th</sup> May, 2021. The RMC consists of Directors and the senior management personnel of the Company, details whereof are provided in the Corporate Governance Report and forms part of this Report. In pursuance to the amended provisions of the SEBI Listing Regulations, during the year under review, the Board of Directors approved the revised terms of reference/role and responsibilities of the RMC and revised Risk Management Policy along with the risk matrix/ library to align them with the said amendments.

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

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

organization & share information, experiences amongst different sites of the Company.

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

#### **Annual Return**

The Annual Return of the Company is available on the website of the Company at <https://www.indiaglycols.com/investors/downloads/IGL-MGT-7-2021.pdf>

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

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

#### **Miscellaneous Disclosures**

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016 against the Company. There have not been any instances of one-time settlement by the Company with any Bank or financial institution.

#### **Particulars of Employees**

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

#### **Acknowledgement**

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

Your Director place on record their deep appreciation to all the employees for their hard work, dedication and commitment. The Company look forward for their continued support in the future.

**For and on behalf of the Board**

Place : Noida  
Dated : 26<sup>th</sup> May, 2022

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

**Annexure A**

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
 FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022  
 [Pursuant to Section 204(1) of the Companies Act, 2013  
 and Rule No. 9 of the Companies (Appointment and  
 Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

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

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

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

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

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

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

**We further report that:**

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



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

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

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

We further report that based on the information received and

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

**For Mukesh Agarwal & Co.**

**Mukesh Kumar Agarwal**

Proprietor

FCS No.: 5991

C. P. No.: 3851

UDIN: F005991D000259301

**Place :** Delhi

**Date :** 3<sup>rd</sup> May, 2022

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

#### Annexure A

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

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

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

**For Mukesh Agarwal & Co.**

**Mukesh Kumar Agarwal**

Proprietor

FCS.: 5991

C. P. No.: 3851

UDIN: F005991D000259301

**Place :** Delhi

**Date :** 3<sup>rd</sup> May, 2022

**Annexure B**
**Form No. AOC-2**
**[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]**

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

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

| Name(s) of the related party and nature of relationship  | Nature of contracts/ arrangements/ transactions | Durations of the contracts/ arrangements/ transactions  | Salient terms of the contracts or arrangements or transactions including the value, if any   | Date(s) of approval by the Board, if any                     | Amount paid as advances, if any |
|--|---|---|--|--|---------------------------------|
| Clariant IGL Specialty Chemicals Private Limited (Erstwhile IGL Green Chemicals Private Limited) ("CISCPL"), Joint Venture (wholly-owned subsidiary till 30 <sup>th</sup> June, 2021 till the time of allotment of equity shares to JV Partner.) | Business Transfer Agreement                     | One time.   | **Transfer of Company's BioEO (Speciality Chemicals) Business on slump sale basis inter-alia, including sale of land through sale deed(s). | 24 <sup>th</sup> June, 2020 and 11 <sup>th</sup> March, 2021 | Nil                             |
|  | Supply Agreement(s)                             | 20 years and extendable for a further period of 10 years.   | ® # Supply of Ethylene Oxide, Diethylene Glycol, utilities, power.   | 11 <sup>th</sup> March, 2021                                 | Nil                             |
|  | Services Agreement                              |   | ® # Providing services at site.  | 11 <sup>th</sup> March, 2021                                 | Nil                             |
|  | Transitional Services agreement(s)              | 6 months and extendable as may be mutually agreed.  | ® # Providing certain transitional services.   | -  | Nil                             |
|  | Lease/Leave & License Agreement(s)              | 20 years and extendable for a further period of 10 years.   | ® # Lease and Reverse lease at site.   | -  | Nil                             |
|  |   |   | 11 months and extendable as may be mutually agreed.  | ® # Leasing of office premises.                              | -                               |
|  | Supply Agreement(s)                             | 20 years and extendable for a further period of 10 years.   | ® # Supply of Acetic Acid and procurement of Propylene Oxide.  | -  | Nil                             |
| Miscellaneous arrangements   | For FY 2021-22.                                 | *Sale/Purchase of Goods and/or Rendering/Availing of Services and/or reimbursement of expenses paid on each other's behalf. (on omnibus approval basis) | -  | Nil  |                                 |

\* All transactions were executed in the ordinary course of business and on arms' length basis.

\*\* For consideration and other details, refer note nos. 57 and 62 of the Standalone Financial Statements and Board's Report for FY 2021-22.

® Effective from 1<sup>st</sup> July, 2021.

# For details of transactions during the year, refer note no. 57 of the Standalone Financial Statements.

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

**On behalf of the Board**

**Place :** Noida  
**Date :** 26<sup>th</sup> May, 2022

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

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

1. Replacement of boiler fuel (Bottling unit) from Diesel to Natural Gas to reduce losses of the system & also to get better efficiency of boiler; resulting in fuel savings.
2. Replacement of Air pre heater of Slop Boiler to improve boiler efficiency; resulting in coal savings.
3. Installation of Anaerobic & Aerobic system followed by Evaporator for treatment of high COD waste water and further its utilization as raw water; resulting in saving of bore well water.
4. Use of Coal Additive in boiler to reduce % unburnt in coal ash, resulting in coal savings.
5. Utilization of HP scrubber (Food grade) wash water as absorbent water in HP Scrubber (Industrial grade); resulting in reduction in water consumption as well as power consumption.
6. In evaporator plant Two Pumps operation is reduced to single Pump operation by increasing the impeller size of the Pump. The exercise helped to reduce the electrical energy as well as improved the plant reliability.
7. Installation of LED lights in place of conventional lights.
8. Utilization of spent lees & bleed of vacuum pumps in distillation process as well as for fermenter cleaning, resulting in reduction of Raw Water /DM water & Energy consumption.
9. Process condensate from Evaporator plant is used for dilution in fermentation section resulting in saving of raw water and energy.
10. Installation of sludge settling system in Fermented wash & Spent Wash helped to minimize the scaling in respective units i.e. Analyzer Column & associated reboiler and Evaporator, respectively, resulted in saving in supporting fuels.
11. Installed and commissioned the 55 TPH High Efficiency Slop fired Boiler, improved the utilization of concentrated slops to cater the steam requirement resulted reduction in the rice husk/coal consumption.
12. Various continuous energy saving measures that includes steam trap management, periodic monitoring of energy intensive equipment's are in continuous practice to reduce the energy cost at all units.

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

Utilization of Slops (concentrated Spent wash), Rice husk, Herbal waste & Natural Gas in boilers.

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

During the year, the Company invested ₹ 143.04 lakhs in energy conservation equipments.

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

Development of new cost effective feed stock (RM) source

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

1. Under waste to wealth project, Utilizing Potash rich Slop boiler Ash as fertilizer.
2. To increase the Bio-DEG production, in-house process changes were carried out to enhance DEG production up to 20% of MEG produced against 9 - 10% as per design.
3. Process development of Methyl & Butyl based glycol ether from methanol and butanol respectively.
4. Process development of new product as DEG diformate from DEG and Formic acid.
5. Process developed for Extraction of carotenoids and Omega three fatty acid from Micro algae Nanochloropsis and Shyzochytrium.
6. Extraction and enrichment of Astaxanthin from the raw material samples received from Iceland and enriched biomass sample received aiming for 93% active recovery.
7. Process development for isolation of punicic acids from Pomegranate seed.
8. Process development for enrichment of Astaxanthin to 27-29%.
9. Process developed for removal of residual solvents from marigold extract to comply the international requirement for residual solvents.
10. Stabilization of commercial process in SCF-CO2 process to create a widest product portfolio such as Lutein Ester (75%) extract from Marigold meal; Astaxanthin (Algamo) from Haematococcus pluvialis; Pomegranate seed oil from Pomegranate seed which contains Punicic acid & Omega Fatty acid; Astaxanthin from Haematococcus pluvialis and Turmeric oil from Turmeric extract.

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

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

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

| Sl. No. | Division/Place/Plant for which incurred | Nature of expenses (₹ In lakhs) |               |
|---------|---|---------------------------------|---------------|
|         |   | Capital                         | Recurring     |
| 1.      | Chemical, Kashipur                      | -                               | 197.72        |
| 2.      | Ennature Bio Pharma, Dehradun           | 165.49                          | 267.86        |
|         | <b>Total</b>                            | <b>165.49</b>                   | <b>465.58</b> |

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

(₹ In lakhs)

| Sl. No. | Particulars               | 2021-22     | 2020-21     |
|---------|---------------------------|-------------|-------------|
| 1.      | Foreign Exchange earnings | 67,242.83   | 61,396.39   |
| 2.      | Foreign Exchange outgo    | 1,47,654.44 | 1,17,386.16 |

For and on behalf of the Board

Place : Noida  
Date : 26<sup>th</sup> May, 2022

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

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**  
for the financial year ended 31<sup>st</sup> March, 2022

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

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

**2. Composition of CSR Committee:**

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

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

| Particular                         | Web-link  |
|------------------------------------|---|
| Composition of CSR Policy          | <a href="https://www.indiaglycols.com/investors/downloads/board-committees.pdf">https://www.indiaglycols.com/investors/downloads/board-committees.pdf</a> |
| CSR Policy                         | <a href="https://www.indiaglycols.com/investors/downloads/csr-policy.pdf">https://www.indiaglycols.com/investors/downloads/csr-policy.pdf</a>             |
| CSR Projects approved by the Board | No specific projects were approved during FY 22. All expenses were incurred under various heads as per Schedule VII of the Companies Act, 2013.           |

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

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

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (in ₹) | Amount required to be setoff for the financial year, if any (in ₹)* |
|---------|----------------|--|---|
| 1.      | 2018-19        | 65.87 lakhs  | -   |
| 2.      | 2019-20        | 24.17 lakhs  | -   |
| 3.      | 2020-21        | 21.27 lakhs  | -   |

\*the Company has not availed any setoff benefits.

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

The average net profit of the Company for the preceding three financial years was ₹ 8,819.75 Lakhs.

7. (a) **Two percent of average net profit of the company as per section 135(5):** ₹ 176.40 Lakhs
- (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil
- (c) **Amount required to be set off for the financial year, if any:** Nil
- (d) **Total CSR obligation for the financial year (7a+7b-7c):** ₹ 176.40 Lakhs

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

| Total Amount Spent for the Financial Year (in ₹) | Amount Unspent (in ₹)  |                  |  |        |                  |
|--|--|------------------|--|--------|------------------|
|  | Total Amount transferred to Unspent CSR Account as per section 135(6). |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). |        |                  |
| 2,37,00,872                                      | Amount   | Date of transfer | Name of the Fund   | Amount | Date of transfer |
|  |  | NIL              | N.A.   | N.A.   | NIL              |

(b) Details of CSR amount spent against ongoing projects for the financial year:

| (1)  | (2)                 | (3)   | (4)                 | (5)                     |           | (6)              | (7)                                     | (8)   | (9)  | (10)                                     | (11)   |                          |
|--|---------------------|---|---------------------|-------------------------|-----------|------------------|---|---|--|--|--|--------------------------|
| Sl. No.                                    | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the project |           | Project duration | Amount allocated for the project (in ₹) | Amount spent in the current financial Year (in ₹) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency |                          |
|  |                     |   |                     | State                   | Dis-trict |                  |   |   |  |  | Name   | CSR Regis-tration number |
| No ongoing projects, hence not applicable. |                     |   |                     |                         |           |                  |   |   |  |  |  |                          |

(c) Details of CSR amount spent against other than ongoing projects for the financial year.

| (1)     | (2)  | (3)   | (4)                 | (5)                     |               | (6)                                 | (7)                                      | (8)  |                          |           |
|---------|--|---|---------------------|-------------------------|---------------|-------------------------------------|--|--|--------------------------|-----------|
| Sl. No. | Name of the Project  | Item from the list of activities in schedule VII to the Act | Local area (Yes/No) | Location of the project |               | Amount spent for the project (in ₹) | Mode of implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency |                          |           |
|         |  |   |                     | State                   | District      |                                     |  | Name   | CSR Regis-tration number |           |
| 1.      | Installation of Hand Pumps   | Sanitation and safe drinking water                          | Yes                 | Uttara-khand            | Kashipur      | 6,62,650                            | Yes                                      | -  | -                        |           |
| 2.      | Medical (camps/ sanitization/ distribu-tion of medicines/ providing ICUs and Ventilators/ Installa-tion of PSA Oxygen Gas Plants | Health care & Sanitation                                    | Yes                 | Uttara-khand            | Kashipur      | 2,46,950                            | Yes                                      | -  | -                        |           |
|         |  |   |                     |                         | Dehradun      | 10,79,750                           |  |  |                          |           |
|         |  |   |                     |                         | Uttar Pradesh | Ballia                              |  |  |                          | 34,44,700 |
|         |  |   |                     |                         |               | Gorakhpur                           |  |  |                          | 38,46,989 |
|         |  |   |                     |                         |               | Maharaj-ganj                        |  |  |                          | 38,23,250 |
|         |  |   |                     |                         | Mau           | 34,54,900                           |  |  |                          |           |
| No      | Pratapgarh   | 34,62,550   |                     |                         |               |                                     |  |  |                          |           |

|    |  |                                   |     |             |          |                    |     |   |   |
|----|--|-----------------------------------|-----|-------------|----------|--------------------|-----|---|---|
| 3. | Scholarships/ Prize distribution to poor Students/ School Renovation/ Building Development | Promoting education               | Yes | Uttarakhand | Kashipur | 36,25,133          | Yes | - | - |
| 4. | Repair & Construction work in Canal  | Conservation of natural resources | Yes | Uttarakhand | Kashipur | 54,000             | Yes | - | - |
|    | <b>Total</b>   |                                   |     |             |          | <b>2,37,00,872</b> |     |   |   |

(d) Amount spent in Administrative Overhead: Nil

(e) Amount spent on Impact Assessment, if applicable: Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 2,37,00,872/-

(g) Excess amount for set off, if any:

| Sl. No. | Particular  | Amount (in ₹) |
|---------|---|---------------|
| (i)     | Two percent of average net profit of the company as per section 135(5)                                      | 1,76,40,000   |
| (ii)    | Total amount spent for the Financial Year   | 2,37,00,872   |
| (iii)   | Excess amount spent for the financial year [(ii)-(i)]   | 60,60,872     |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | -             |
| (v)     | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | 60,60,872     |

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

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) (in ₹) | Amount spent in the reporting Financial Year (in ₹) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. |                |                  | Amount remaining to be spent in succeeding financial years. (in ₹) |
|---------|--------------------------|--|---|--|----------------|------------------|--|
|         |                          |  |   | Name of the Fund   | Amount (in Rs) | Date of transfer |  |
| N.A.    |                          |  |   |  |                |                  |  |

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

| (1)     | (2)        | (3)                 | (4)   | (5)              | (6)   | (7)   | (8)   | (9)   |
|---------|------------|---------------------|---|------------------|---|---|---|---|
| Sl. No. | Project ID | Name of the Project | Financial Year in which the project was commenced | Project duration | Total amount allocated for the project (in ₹) | Amount spent on the project in the reporting Financial Year (in Rs) | Cumulative amount spent at the end of reporting Financial Year (in ₹) | Status of the project - Completed / Ongoing |
| N.A.    |            |                     |   |                  |   |   |   |   |

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

(a) Date of creation or acquisition of the capital asset(s). Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset. Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). Not Applicable

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

Place : Noida  
Dated : 26<sup>th</sup> May, 2022

For and on behalf of the Board

**U.S. Bhartia**

Chairman and Managing Director  
Chairman, CSR Committee  
DIN: 00063091

## Annexure E

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

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

- (i) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year 2021-22 in comparison to the financial year 2020-21 and ratio of remuneration of each Director to the median remuneration of the employees of the Company:

| Name of Directors/ KMPs   | Remuneration 2020-21 (in ₹) | Remuneration 2021-22 (in ₹) | % increase in Remuneration in the financial year 2021-22 | Ratio of Remuneration to MRE <sup>§</sup> for the financial year 2021- 22 |
|---|-----------------------------|-----------------------------|--|---|
| Shri U. S. Bhartia, Chairman & Managing Director                                      | 7,91,98,411                 | 10,52,37,343*               | 32.88  | 224.55  |
| Ms. Pragya Bhartia Barwale, Whole-time Director (w.e.f. 24 <sup>th</sup> June, 2020)  | 1,82,88,294                 | 3,54,73,596*                | ^  | 75.69   |
| Shri Sudhir Agarwal, Whole-time Director  | 55,08,947                   | 58,63,055                   | 6.43   | 12.51   |
| Smt. Jayshree Bhartia, Promoter Director  | 10,50,000                   | 12,00,000*                  | 14.29  | 2.56  |
| Shri Pradip Kumar Khaitan, Independent Director                                       | 21,40,000                   | 26,30,000*                  | 22.90  | 5.61  |
| Shri Jagmohan N. Kejriwal, Independent Director                                       | 13,40,000                   | 14,70,000*                  | 9.70   | 3.14  |
| Shri Ravi Jhunjhunwala, Independent Director  | 13,60,000                   | 15,90,000*                  | 16.91  | 3.39  |
| Shri Jitender Balakrishnan, Independent Director                                      | 11,00,000                   | 13,50,000*                  | 22.73  | 2.88  |
| Shri Sajeve Bhushan Deora, Independent Director                                       | 13,00,000                   | 15,40,000*                  | 18.46  | 3.29  |
| Smt. Shukla Wassan, Independent Director  | 10,10,000                   | 12,60,000*                  | 24.75  | 2.69  |
| Shri Rupark Sarswat, Chief Executive Officer (w.e.f. 21 <sup>st</sup> December, 2020) | 1,61,71,987                 | 2,80,34,716                 | ^  | 59.82   |
| Shri Anand Singhal, Chief Financial Officer   | 65,68,533                   | 64,93,897                   | (1.14)   | 13.86   |
| Shri Ankur Jain, Company Secretary  | 39,07,140                   | 60,55,988 <sup>#</sup>      | 54.99  | 12.96   |

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

Notes:

- (a) \*Remuneration includes commission which relates to FY 2021-22 and which will be paid during FY 2022-23.  
(b) ^ Increase/decrease in remuneration is not reported as the concerned Director/KMP was only for a part of FY 2020-21.  
(c) #Includes ex-gratia amount, percentage increase is not comparable.
- (ii) There was an increase of 5.51% in the median remuneration of employees in the financial year 2021-22.  
(iii) Number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2022 were 1151.  
(iv) Average percentile increase made in the salaries of the employees other than managerial personnel in the last financial year was 4% whereas percentile increase in the managerial remuneration was 14.03% for the same financial year.  
(v) It is affirmed that the remuneration paid to the Directors, Key Managerial personnel and other Employees is as per the Nomination and Remuneration Policy of the Company.

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

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

| SR. NO. | NAME                       | AGE IN YEARS | DESIGNATION                            | NATURE OF EMPLOYMENT | #GROSS REMUNERATION (IN ₹) | QUALIFICATIONS   | TOTAL EXPERIENCE (YEARS) | DATE OF COMMENCEMENT OF EMPLOYMENT WITH THE COMPANY | PREVIOUS EMPLOYMENT                                |
|---------|----------------------------|--------------|--|----------------------|----------------------------|--|--------------------------|---|--|
| 1       | Shri U.S. Bhartia          | 68           | Chairman and Managing Director         | Contractual          | 10,52,37,343*              | B.Com (Hons.)  | 43                       | 29.11.1996  | Managing Director, India Glycols Ltd.              |
| 2       | Ms. Pragya Bhartia Barwale | 40           | Executive Director (w.e.f. 24.06.2020) | Contractual          | 3,54,73,596**              | B.A. (Economics & International Relations), M.Sc (Development Economics) | 14                       | 01.08.2008  | President-Business Development, India Glycols Ltd. |

| SR. NO. | NAME                      | AGE IN YEARS | DESIGNATION                              | NATURE OF EMPLOYMENT | #GROSS REMUNERATION (IN ₹) | QUALIFICATIONS  | TOTAL EXPERIENCE (YEARS) | DATE OF COMMENCEMENT OF EMPLOYMENT WITH THE COMPANY | PREVIOUS EMPLOYMENT  |
|---------|---------------------------|--------------|--|----------------------|----------------------------|---|--------------------------|---|--|
| 3       | Shri Rupark Sarswat       | 50           | Chief Executive Officer                  | Permanent            | 2,80,34,716                | B. Tech (Chemical Engineering), 3TP Senior Leaders General Management Program | 27                       | 21.12.2020  | Managing Director, Transpek-Silox Industries Private Limited |
| 4       | Shri Rakesh Kumar Khandal | 64           | President (R&D) and Business Development | Permanent            | 77,07,075                  | M.Sc (Chemistry), PHD (Applied Chemistry)                                     | 41                       | 12.05.2015  | Vice-Chancellor, Uttar Pradesh Technical University          |
| 5       | Shri Sanjeev Gurwara      | 61           | President Marketing                      | Permanent            | 69,38,473                  | M.Sc (Organic Chemistry), MBA (Marketing)                                     | 38                       | 22.08.1994  | Branch Manager Marketing, S.M. Dyechem Ltd                   |
| 6       | Shri Anand Singhal        | 55           | CFO                                      | Permanent            | 64,93,897                  | CA  | 32                       | 02.01.2008  | Chief Financial Officer, Abhishek Industries Ltd.            |
| 7       | Shri Ankur Jain           | 47           | Head (Legal) & Company Secretary         | Permanent            | 60,55,988                  | CS, LL.B.   | 24                       | 01.07.2016  | Associate VP & Company Secretary, DLF Home Developers Ltd.   |
| 8       | Shri Sudhir Agarwal       | 60           | Executive Director                       | Contractual          | 58,63,055                  | B.Tech (Chem.)  | 37                       | 10.07.2014  | National Fertilizers Ltd, Chief Production Manager           |
| 9       | Shri Shashi Kant Shukla   | 57           | Business Head - Gorakhpur                | Permanent            | 58,57,224                  | MBA   | 33                       | 20.12.2004  | Saraya Distillery , Gorakhpur                                |
| 10      | Shri Alok Singhal         | 52           | Head – Operations                        | Permanent            | 52,01,164                  | M.Tech (Chem.)  | 31                       | 04.07.1991  | None   |

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

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

| SR. NO | NAME   | AGE IN YEARS | DESIGNATION  | NATURE OF EMPLOYMENT | #GROSS REMUNERATION (IN RS) | QUALIFICATIONS                        | TOTAL EXPERIENCE (YEARS) | DATE OF COMMENCEMENT OF EMPLOYMENT WITH THE COMPANY | PREVIOUS EMPLOYMENT        |
|--------|--|--------------|--|----------------------|-----------------------------|---------------------------------------|--------------------------|---|----------------------------|
| 1      | Shri Pravin Kumar Tripathi (till 15.10.2021) | 51           | Chief Executive Officer-Ennature Bio-pharma Division | Permanent            | 1,15,91,974*                | B. Pharma (Hons) and MBA ( Marketing) | 29                       | 01.03.2021  | CEO - Makiz Pharma, Moscow |

# Includes amount of leave encashment and ex-gratia.

**NOTES:**

- #Gross Remuneration shown above includes salary, house rent allowance, Company's contribution to Provident Fund and other perquisites. Value of Perquisites have been calculated on the basis of Income Tax Act, 1961.
- \*Includes a Commission of Rs. 5 Crores relating to FY 2021-22 and shall be paid during FY 2022-23.
- \*\* includes a Commission of Rs. 2.40 Crores relating to FY 2021-22 and shall be paid during FY 2022-23.
- None of the employee mentioned above is related to any Director of the Company other than Shri U.S. Bhartia who is related to Smt. Jayshree Bhartia as spouse and Ms. Pragya Bhartia Barwale is daughter of Shri U.S. Bhartia and Smt. Jayshree Bhartia.
- There is no employee who was in receipt of remuneration in excess of that drawn by the Managing Director or Whole-time Director and holds not less than two percent of the equity shares of the Company by himself or alongwith his spouse and dependent children, falling under the provisions of Section 197 read with Rule 5(2)(iii) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

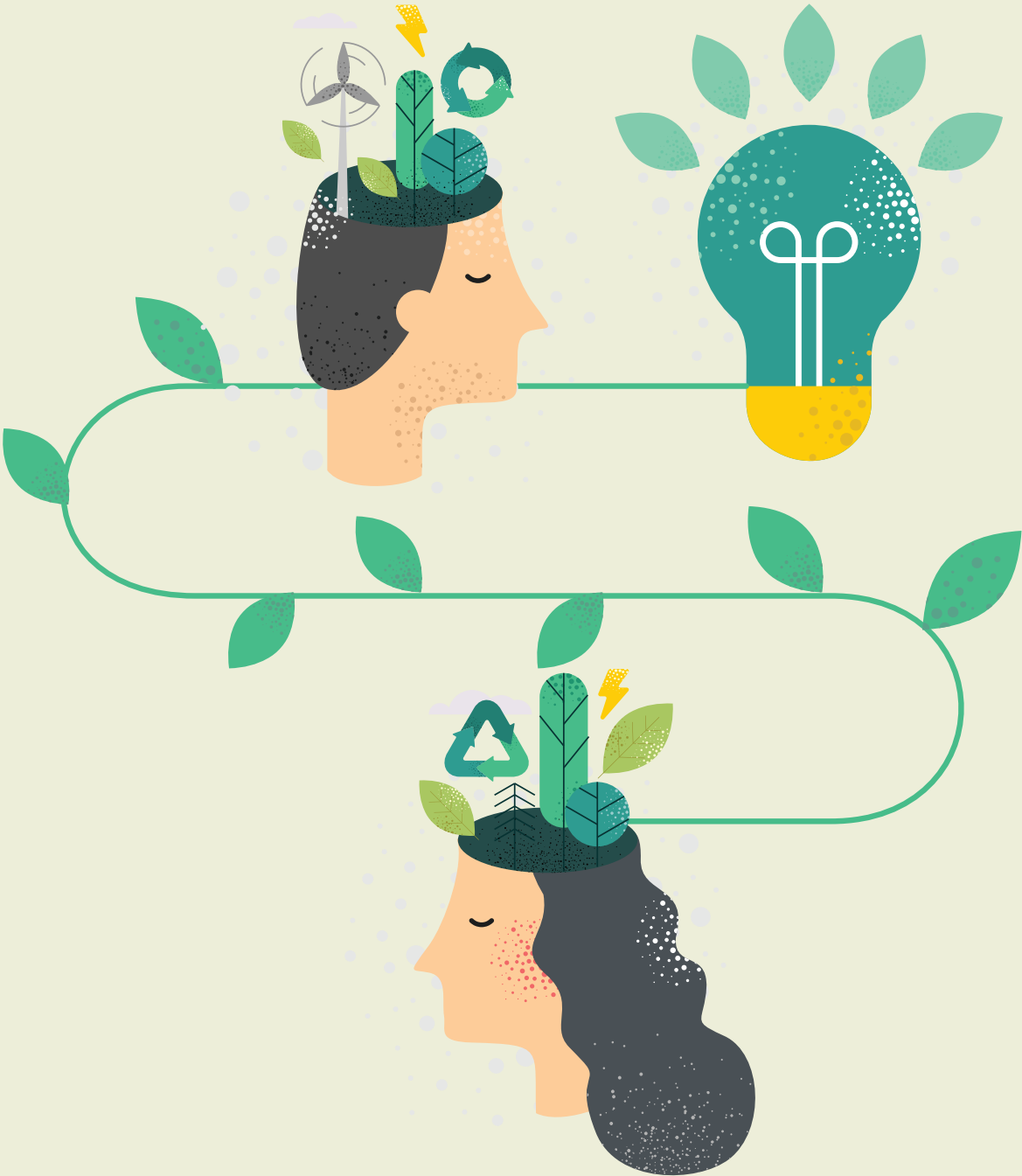
**For and on behalf of the Board**

Place : Noida  
Dated : 26<sup>th</sup> May, 2022

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



# Management Discussion & Analysis



# Management Discussion & Analysis Report

## Economy and Industry Overview

With more than two years into the Covid-19 induced pandemic, the global economy continues to be plagued by uncertainty, with resurgent waves of mutant variants, supply-chain disruptions, and a return of inflation in both advanced and emerging economies. The economic damage from the ongoing conflict between Russia and Ukraine is expected to contribute to further slowdown in global growth in FY 2022-23 and add to inflation. The interest rates are expected to rise as central banks tighten policy. This overall risks derailing the post-pandemic recovery.

The global economy that was projected to show signs of recovery in 2022 after a short-lived impact of the Omicron variant has been going through a rough recovery process. As per International Monetary Fund's (IMF), World Economic Outlook Update, the growth of global economy is projected to slow from an estimated 6.1% in 2021 to 3.6 percent in 2022 and 2023. The global trade volumes are forecasted to grow at about 5% in 2022, before moderating down to 4% in 2023. Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term.

As per the Economic Survey 21-22, India's real GDP was projected to record a growth of over 8% in 2022-23. As per the IMF's latest World Economic Outlook growth projections, India's real GDP is projected to grow at 8.2% in 2022-23 and at 6.9 % in 2023-24. This projects India as the fastest growing major economy in the world in the next two years.

In the backdrop of an evolving pandemic situation, the Government of India has adopted a calibrated fiscal policy approach to the pandemic, which had the flexibility of adapting to an evolving situation in order to support the vulnerable sections of society/firms and enable a resilient recovery. India's unique agile policy response differed from the waterfall strategy of introducing front-loaded stimulus packages, adopted by most other countries in 2020. The stimulus measures announced so far during the year 2021-22 include liquidity enhancing and investment boosting measures such as the Production Linked Incentives scheme, credit guarantee schemes and export boosting initiatives. The global supply chain vacuum caused by geo-political changes work in India's favour and expected to add momentum to economic growth trajectory as India becomes a key natural choice for sourcing and making it a promising investment destination.

Sustainability has increasingly become a focus area for the chemical industries. Industry is working on adoption of chemical recycling, decarbonization etc. These developments will likely help grow renewables, improve energy efficiency, reduce emissions, and create new markets for carbon and other byproducts as part of an increasingly circular economy. The benefits of decarbonizing chemical companies could spread beyond the industry itself, since chemistry provides the building blocks for many value chains.

The Indian chemicals industry stood at US\$ 178 billion in 2019 and is expected to reach US\$ 304 billion by 2025 registering a CAGR of 9.3%. The demand for chemicals is expected to expand by 9% per annum by 2025. Indian chemical industry accounts for approx. 3% of the global chemical industry is expected to contribute US\$ 300 billion to India's GDP by 2025. An investment of ₹ 8 lakh crore (US\$ 107.38 billion) is estimated in the Indian chemicals and petrochemicals sector by 2025. As per India Brand Equity Foundation, the chemical industry in India is extremely diversified, covering more than 80,000 commercial products. Between FY 2015 and FY 2021, the compounded annual growth rate (CAGR) in revenue for India's chemical companies was 11% and Indian chemical industry is expected to continue the trend for next couple of years.

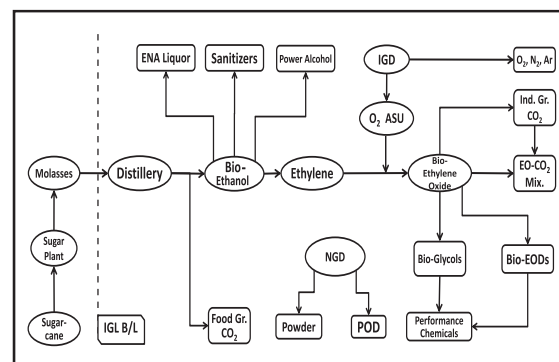
India Glycols Limited being the only Bio-based ingredients and Performance Chemicals Company of its kind, figures in the list of leading chemical manufacturers in the country.

## Products

INDIA GLYCOLS LIMITED is one of the leading manufacturers with its presence in Bio-Based Specialities and Performance Chemicals, Potable Spirits, Ennature Biopharma, Bio Polymers and Industrial Gases. Our state-of-the-art manufacturing facilities are working to provide sustainable value added products using the superior technologies. To represent all its segment in the current context, the Company has changed the names of all the segments from Industrial Chemicals, Ethyl Alcohol (Potable) & Nutraceuticals to Bio-Based Specialities and Performance Chemicals, Potable Spirits & Ennature Biopharma, respectively. For details, refer note no. 59 of the Standalone Financial Statements.

The manufacturing building blocks are as presented below:

### Manufacturing Building Blocks



The Company has organised its business into:

A. Bio-Based Specialities and Performance Chemicals ("BSPC") having following :-

- Bio-based Glycols (MEG, DEG, TEG and Heavy Glycols), Glycol Ethers, Glycol Ether Esters.

- Bio-based Ethylene Oxide and \*Ethylene Oxide Derivatives (EODs).
  - Power Alcohol (Bio Fuel), Industrial Gases, Bio Polymers etc.
- B. Potable Spirits-Indian Made Foreign Liquor (“IMFL”), Branded Country Liquor and ENA (Extra Neutral Alcohol).
- C. Ennature Biopharma

\*till 30<sup>th</sup> June, 2022. Post that EOD business was transferred in terms of Business Transfer Agreement. Details whereof are given under the heading Ethylene Oxide Derivatives (EODs) in this report.

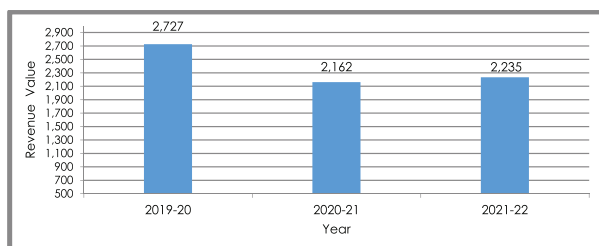
The segment wise business share is indicated as below:-

| Segment   | Gross Revenue<br>2021-22<br>(₹ In Crores)<br>(Domestic + Exports) | % Share       |
|---|---|---------------|
| A. BIO-BASED SPECIALITIES AND PERFORMANCE CHEMICALS | 2,235   | 32.82         |
| B. POTABLE SPIRITS                                  | 4,419   | 64.89         |
| C. ENNATURE BIOPHARMA                               | 156   | 2.29          |
| <b>TOTAL</b>  | <b>6,810</b>  | <b>100.00</b> |

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

Gross revenue in Bio-Based Specialities and Performance Chemicals segment has increased to ₹ 2,235 Crores from ₹ 2,162 Crores in FY 2021-22. This segment has contributed about 32.82% of the gross revenue of the Company.

| FY   | 2019-20 | 2020-21 | 2021-22 |
|--|---------|---------|---------|
| Bio-Based Specialities and Performance Chemicals Gross Revenue (₹ in Crores) | 2,727   | 2,162   | 2,235   |



### Bio-based Glycols

Sales of Glycols [Monoethylene Glycol (MEG), Diethylene Glycol (DEG), Triethylene Glycol (TEG), Heavy Glycols and Glycols Ether] has increased from 75,767 MT in FY 20-21 to 81,077 MT in FY 21-22 and resultantly, the sales value also increased from ₹ 1,024 Crores to ₹ 1,555 Crores, respectively. The global chemical trade was adversely affected by prolonged lockdowns due to spread of Covid pandemic. The Bio-MEG sales grew in Far East markets

but experienced a slowdown in US/European markets as they were also impacted by the Covid-19 scenario and shift towards Recycled Polyethylene Tetraphyte (RPET).

International prices of crude based MEG remained in the range of US\$ 650-675 during large part of the year. Tight container availability and limited sailing slots on vessels continued to impact order cycle time and disturbed delivery schedules.

IGL registered growth in the Glycol Ether segment as a result of aggressive market strategy and taking advantage of competition products being priced comparatively higher. Butyl and Propyl Glycol Ether prices were high thus pushing up the international prices of Ethyl Glycol Ethers which resulted in higher sales and better margins. There was some erosion of margins due to high sea freights and production cost going up due to high energy cost and ethanol remaining firm. The overall business performance of Glycol Ethers (exports and domestic) has been pretty impressive in terms of volume, value and contribution. All products were sold at good margins.

### Ethylene Oxide Derivatives (EODs)

The Company, during the year under review, successfully formed a 49:51 JV with Clariant International Limited (“Clariant”) wherein, the Company along with its affiliates holds 49% shares and Clariant holds 51% in Clariant IGL Specialty Chemicals Private Limited (“CISCPL”) (erstwhile IGL Green Chemicals Private Limited). The Company through JV intends to further increase its EOD business by developing new products and applications combining its synergies with Clariant in technology. For further details of the transaction, Board Report be referred.

### Surfactants and Speciality Chemicals

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

### Opportunities & Challenges

The global MEG market is about 32 Million MT and expanding at a CAGR of about 6%. At this rate the MEG market would be in excess of US\$ 65 Billion by the end of year 2031-32. In year 2020-21, the global market was estimated to be valued at US\$ 35 Billion. Manufacturers of MEG are finding opportunities in the plastics and polyester industries. MEG manufacturing is being increased in order to produce polyester fiber, packaging materials and polyester films. The product further finds application in several industrial uses such as antifreeze, hydrate inhibitor in gas pipelines, coolants and as a heat transfer agent, which is projected to produce ample prospects from various end-use industries.

The biggest driver of demand is likely to be the increasing market for polyester fiber from the textile sector in Asia Pacific region. In India, the strong domestic PET demand and increase in exports of textiles and apparel by about 40% shall keep the MEG on firm footing. In India the demand for MEG has been witnessing a CAGR of around 7-8% which is higher than global average.

Reliance Industries Limited, Indian Oil Corporation Limited and India Glycols Limited are the only MEG manufacturers

in the domestic market. Though production has seen a modest growth, it is not enough to meet domestic demand and the large gap is met through heavy imports.

The business environment in year 2021-22 has been very challenging for the Chemical industry due to Covid Pandemic and various global markets being subjected to lockdowns at different times of the year impacting sales as well as prices. The volatility in price greatly impacted the business. Feedstock Ethanol prices witnessed unprecedented increase throughout the year. The energy cost went up due to scarcity of coal and resulting high procurement price. The logistics cost and the sea freight went up steeply. All this had a cumulative impact on margins.

IGL performed rather well despite all the adverse factors due to persistent efforts to go into new markets and offer its product for diverse end use applications.

IGL has leveraged its position as the only Bio/ Green MEG supplier commercially and positioned its products for niche segments with high realizations. Potential customers interested in meeting their objective of using environment friendly chemicals made from natural renewable resources having low carbon footprint have shown lot of interest in IGL products. This concept offers a good business opportunity which will enable higher capacity utilization with better realization.

#### Power Alcohol (Bio- Fuels)

In our continued thrust towards offering sustainable and renewable ingredients, the Company has set-up Power Alcohol plants at Kashipur and Gorakhpur each with a capacity of 100 KL per day. During the year under review, production and supplies of Power Alcohol to Oil Manufacturing companies (“OMC’s”) for blending in Petrol as per Govt. Policy were continued by the Company from its both plants through tender participation. The Company registered a revenue of ₹ 9 Crores during financial year 2021-22 as compared to ₹ 74 Crores last year from sale of Power Alcohol.

#### Industrial Gases

IGL’s Kashipur Plant has a capacity of Liquid Oxygen of 60 MT/day, out of which 20 MT/day is Medical grade and 40 MT/day is Industrial grade. During the second wave of Covid in Q1/FY 22, the Company voluntarily converted the Industrial grade Liquid Oxygen to Medical grade and supplied 60 MT/day of Liquid Oxygen of Medical grade to the hospitals/refillers as per Government allotments.

During the year under review, the Company, from its Air separation unit, produced 21,954 MT of Liquid Oxygen and 844 MT of Liquid Nitrogen. Both Liquid Oxygen and Liquid Nitrogen were sold in the market and also used for in-house requirements. In addition, Argon of 2,671 MT was also produced and its sales were 2,650 MT.

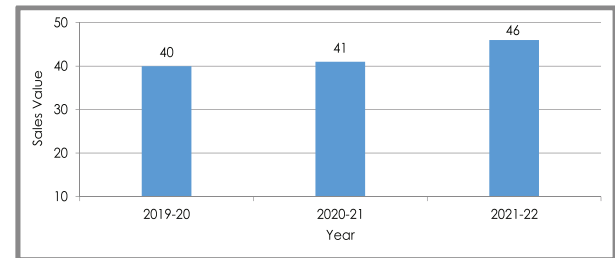
Industrial Gas Division also produced Beverage and Industrial Grade Liquid Carbon Di-oxide (LCO<sub>2</sub>) at Kashipur. During the year, your Company has produced 28,753 MT of LCO<sub>2</sub> and its sale was 28,032 MT.

Your Company also produced ETO (Ethylene Oxide & Carbon Dioxide Gas Mixtures) under the trade name IGL-STERI GAS at its Kashipur Plant. It is suitable for

sterilization of Disposable Surgical & Medical Devices, spices and packing substances like rubber, plastic etc. The Company has in-house facilities for production of EO and LCO<sub>2</sub> which are used in production of ETO and as such it is the only plant in India to have such manufacturing facility, which gives us a distinct edge over other suppliers in the market. During the year under review, the Company has sold 1,343 MT of STERI Gas as compared to 1,181 MT in the last year.

Further, the Industrial Gases segment registered total sales of all gases of ₹ 46 Crores as compared to ₹ 41 Crores during the last year.

| FY                           | 2019-20 | 2020-21 | 2021-22 |
|------------------------------|---------|---------|---------|
| Sales Value<br>(₹ In Crores) | 40      | 41      | 46      |



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

During the year, your Company registered total sales value of ₹ 4,393 Crores as compared to ₹ 3,718 Crores last year in the Potable Spirits division. The Company has three state-of-the-art distilleries (Kashipur- Uttarakhand, Gorakhpur-Uttar Pradesh, and Saharanpur- Uttar Pradesh (through its subsidiary)) with a total distillery capacity of 280,000 KLPa for the production of ethyl alcohol, out of which, 80,000 KLPa is for potable alcohol. The Kashipur facility is considered one of the most efficient distilleries in the country. Apart from producing industrial alcohol for its captive consumption, IGL is also one of the biggest exporters of international quality ENA (Extra Neutral Alcohol). The Company has been certified by CONTROLUNION, an International certifying agency, for “Bonsucro MB ‘Chain of Custody’ Standard” for ENA-Special Sprit.

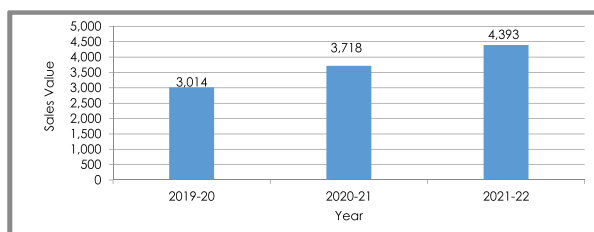
The major deviation seen from Sanitizer market which was substantially reduced because Covid was in control in India. We also saw a decline in volume to export market due to high sea freight, blank sailings and erratic shipment schedules resulted in delayed deliveries. The Company continues to be a major player in North India for domestic pharma markets. It is a trusted and reliable supplier to many well established companies manufacturing homeopathic medicines. The Company enjoys a position of premium quality ENA supplier in the international markets and is gradually trying to increase its market share.

Kashipur is the only bottling plant in India to adopt ISO 22000 (food safety management systems) quality standards in addition to ISO 9000, 14000 and 18000. In Uttar Pradesh IGL’s “Bunty Babli®” brand is the highest selling brand in the country liquor segment. The Country Liquor is now made from ENA. IGL has continue to hold the commanding position as the largest supplier

of country liquor with highest market share in the states of Uttar Pradesh and Uttarakhand. During the year under review, the Company successfully launched Semi Premium Vodka called Amazing from the Gorakhpur Unit. It's Green Apple & Orange flavours are also very appreciated by the Consumers. This is because of its excellent German flavours and brilliant printed bottles. It is a favourite of the youngsters in particular. Demography of our Country is such that young population is huge, thereby there is good potential for the brand. IGL also Launched a Semi Premium Whisky named as Single Reserve. It has a unique innovative concept of "blended with Indian Single Malt". The brand is futuristic with a note of peat & has delighted the consumers. IGL intends to take the brand national and also intends to launch couple of more premium brands of IMFL in the time to come.

Another feather in the Cap of IGL is to introduce its Bunty Green Apple Vodka in Tetra pack., The Company enjoys the largest market share (over 40%) in the flavored Vodka category in the Tetra segment. The Company is a registered supplier to the Indian Defense Forces through CSD & Para Military Forces, and under premiumisation aims to introduce a new range of Whisky & Vodka brands. In high spirits, with improved quality and packaging, IMFL brands scores over the competitive market. India Glycols is also embarking on IMFL growth.

| FY   | 2019-20 | 2020-21 | 2021-22 |
|--|---------|---------|---------|
| Potable Spirits Sales Value<br>(₹ In Crores) | 3,014   | 3,718   | 4,393   |



### Ennature Biopharma

During the year, your Company registered sale value of ₹ 153 Crores as compared to ₹ 148 Crores last year in the Ennature Bio-pharma division.

With focus on the strategy to develop a diversified product portfolio, the Company has developed few API's which did well. The division has successfully received 1<sup>st</sup> CEP (Certification of EU pharmacopeia) from EDQM for our flagship API-Thiocolchicoside. The division is targeting to receive CEP for another API in the current fiscal. During the year under review, the Nicotine API performed very well and registered significant growth in sales volumes prompting the Company to enhance the capacity. All this will help the Company in further tapping the European and Russian markets. The Company has also launched the ENNSOL range of Cold Water Soluble ingredients for which marketing and promotional activities has started in various markets. Maxicura (a curcumin formulation) in nanotized form, which is part of the ENNSOL range is more bioavailable than Curcumin itself, proven in the preclinical trials on animal models. Additionally, the Company has taken several energy saving and solvent

recycling initiatives to make the plant more efficient and competitive. On account of pandemic, people are becoming more health cautious and , the market focus would remain more on health & health supplements, making this segment look promising in the times to come.

### Exports

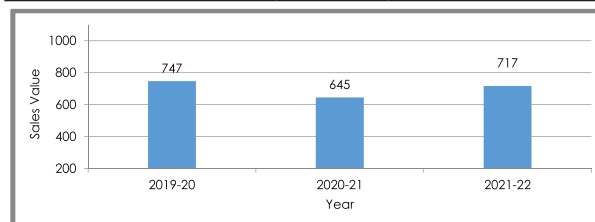
With an objective to create a niche market for its green chemicals, the Company has been focusing on exports as one of its key segments for future growth. For the past few years the effort has been to create a product differentiation and market segmentation on the basis of the green low carbon attributes of Bio-MEG. This has positioned the Company as a 'Green Chemicals' Company in the international market and is today a well-known supplier of bio-glycols. The Company is working with a well thought over strategy to cater to the global high value added green market constituting Multinationals & Large Corporates, who have a special concern for the environment and have their internal sustainability objectives of moving towards green products. As result of sustained efforts, today, IGL enjoys the trust and confidence of world renowned companies in beverage/packaging/textile fiber segment and is a regular supplier of Bio-MEG made from renewable green feedstock.

IGL has been at the forefront of taking initiatives to partner with global brands to create a new paradigm in reducing the carbon footprint and meet its sustainability objectives. In this direction, IGL has partnered with a leading international technology innovator to use ethanol made from recycled industrial carbon emissions and convert into MEG. This low carbon path of Ethanol to MEG has great acceptability with consumer brands looking to bring sustainable sourced recycled carbon into their supply chain.

Despite the challenging global scenario in chemical trade, the export sales value increased by 11%. The increase was mainly driven by increase in Glycol sales value. The total export volume remained roughly same as last year.

During the year under review, your Company has recorded export sales value of ₹ 717 Crores as compared to ₹ 645 Crores during last year. The Company continues to hold the 'Three Star Export House' status as granted by Government of India.

| FY                                   | 2019-20 | 2020-21 | 2021-22 |
|--------------------------------------|---------|---------|---------|
| Exports Sales Value<br>(₹ In Crores) | 747     | 645     | 717     |



### Financial Review

Amidst the challenging business and economic conditions, the Company's overall performance resilient, consistent and good. During the FY 2021-22 on a standalone basis,

your Company recorded total revenue of ₹ 6,837 Crores as compared to ₹ 6,070 Crores in FY 2020-21. Whereas, the profits after depreciation and tax for the FY 2021-22 were ₹ 285 Crores as compared to ₹ 84 Crores during the FY 2020-21 which includes an exceptional gain from slump sale of Company's BioEO (Speciality Chemicals) Business. For more financial details, Board Report be referred.

During the year under review, the Gross Fixed Assets has decreased to ₹ 2,589 Crores in FY 2021-22 from ₹ 2,659 Crores in FY 2020-21 on account of slump sale of Company's BioEo (Speciality Chemicals) Business to Clariant IGL Specialty Chemicals Private Limited ("CISCPL") (erstwhile IGL Green Chemicals Private Limited).

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

#### **Key Financial Ratios:**

Details of Key Financial Ratios and explanation for significant changes therein are provided in note no. 64 to the Standalone Financial Statements for FY 2021-22.

#### **Outlook**

One of the critical areas of focus for most chemical companies in 2022-23 and thereafter will likely be sustainability and decarbonization. But it's not only about taking out the carbon. There are also increasing calls for the industry to make less-toxic products that are safer for humans and the environment. Thus, the already widened scope will further expand significantly for chemical companies in response to shareholder and customer demand. The benefits of decarbonizing chemical companies could spread beyond the industry itself, since chemistry provides the building blocks for many value chains.

Also, with the rise of new materials and technologies, alternative energy sources and fuels, and circular-economy business models, new business ecosystems should and will emerge.

With global changing lifestyle habits of humans amid more environmental concerns, demand of speciality chemicals has surged. As per CRISIL Ratings, the resurgence in demand of specialty chemicals spurred to ramp up the capacity expansion (capex) plans in the segment.

As a dynamic and professionally driven organization, remaining always ahead of its time, IGL has emerged as a leading manufacturer of various Bio products with the distinction of being the first and the only company of its kind in the world, manufacturing bio-based performance chemicals adopting green technology.

In July, 2021, the Company has successfully formed a 49:51 JV with Clariant International Limited. The JV

has emerged as a unique set-up having strengths and capabilities of the two leading companies dedicating themselves for the noble cause of environment-friendly green chemistry including Bio-based surfactants, in the world.

The Company is also a producer and supplier, in B2B category, of Nutraceuticals and phytochemical products, being derived from herbs, vitamins, minerals and with time have gathered greater acceptance as a preventive health care measure. The segment is expected to grow at a fast rate due to rising demand for dietary supplements. The growth trend in the Potable Spirits segment of the Company has also showcased better growth possibilities in the coming years.

The Company has a vast product range that covers a wide variety of specialty chemicals and herbal products such as nutraceuticals, phytochemicals, bio-polymers, industrial gases etc. User industries prefer products of IGL because they have significantly low carbon footprint. In recent times, IGL has partnered with reputed companies for supplying bio-based chemicals and aims to move towards supply of more value added chemicals. With this, IGL is well placed to become the leading manufacturer of a large number of products that will have potential to replace conventional products derived from fossil resources.

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

India Glycols Limited prioritize employee's Safety, Health and Environment to enhance its reputation as a responsible corporate. The Company's Policies covers-Quality, Safety, Health, Environment Stewardship & Energy conservation; it extends support to stakeholders and influencing the entire value chain. This also helps in sustaining environmental impacts beyond the prescribed limits and address social responsibility.

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

#### **Health**

Your Company accords very high priority to provide healthy and safe working environment. Company has a medical centre at factory site with basic amenities; two qualified and experienced doctors with trained and

experienced para-medical personnel are available round the clock to meet any contingency. The Company also has a qualified Occupational Health Physician. Company also has ambulances to provide necessary assistance in case of any emergency. All employees are required to undergo annual medical check-up for early diagnosis of any health problem. Company has made arrangements for treatment of employees and their dependents under the mediclaim insurance policy, which allows employee to avail treatment from any of the listed hospitals without having to make any immediate cash payments. The Company arranged free vaccination for employees and immediate family members under Pandemic. The Company also took care for the medical expenses of employees and their family members who suffered due to the Covid-19 infection. This provides the employees much needed emotional and financial security. The Company organizes blood donation camp as part of community welfare activities.

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

### **Safety**

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

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

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

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

Various incentive schemes are in operation for motivating the employees to ensure working in the safe environment.

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

### **Environmental Stewardship**

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

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

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

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

The Company focuses on effective integration with the basic philosophy of resource optimisation, use of alternative sources and maximisation of 'recycle and reuse' by innovation. The liquid effluent from Distillery is concentrated in the evaporator system to generate concentrated spent wash (slop). The Slop (concentrated spent wash) from the evaporator is used as fuel for the generation of steam and electricity. This is a novel boiler that has been developed for utilization of concentrated spent wash and generation of steam there from.

### **Sustainable Environment and Climate Change Initiatives**

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

There are number of sustainable solutions and product grades. The raw material, properties, performance and/or content of these materials make a significant contribution

to reduced environmental impact, from lowering carbon emissions and minimize use of the earth's limited resources.

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

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

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

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

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

The Company always encourages stakeholders' by conducting motivational program on environment by celebration of World Environmental Day. The focus of the World Environment Day Program was to promote environmental stewardship practices. Special campaign was taken up with communities, employees and individuals to come together and explore sustainable alternatives to reduce Air Pollution and encourage to participate in water conservation practices. The Company has taken up several initiatives in promoting climate change and environment-sustainable projects. Your Company's Gorakhpur plant has got its Large scale CDM project

(Title: Biomass based Cogeneration Project activity taken up by IGL at Gorakhpur, U.P.; Annual CER's 110,157 MT CO2 equivalent) registered at UNFCCC.

### **Management Systems**

#### **• Integrated Management System**

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

Special emphasis on risk-based thinking has been the new focus of Quality Management System & Environmental Management System. This risk based thinking enables to determine the factors that could cause deviation in processes and thereby in management systems, which may pose business risk in turn. This risk-based thinking offers opportunity to put necessary controls, to mitigate and minimize the premature risks, in place. Furthermore, preventive actions can be implemented to avoid any potential business risk. Value addition to Environmental Management System is its new focus and emphasis on Life Cycle Perspective to achieve sustainable development by balancing three pillars Environment, Society and Economy which are essential to meet the present day need of sustainable business without compromising ability of future generation and rendering them impaired. Integrated Management System has been upgraded to cover RC 14001:2015 standard. Responsible Care helps companies to not only improve their environmental, health, safety and security performance, but also to improve their business operations. As per requirement of the standard, emphasis on risk-based thinking is given. Focus for security is also considered in addition to Quality, Health, Safety & Environment system.

The Company also has HALAL and KOSHER certificates for the defined products. The Company



has worked for “Bonsucro MB ‘Chain of Custody’ Standard” for the Extra Neutral Alcohol (ENA)- Special Sprit and successfully certified by CONTROLUNION. The Company uses an established ERP system of SAP S/4 HANA which is built on a robust IBM hardware platform and has helped the Company to achieve inter-alia, faster performance, improved user experience through simplified data structure, smaller data footprint & embedded analytics. The Company is practicing Behaviour Based Safety (BBS) under name “BHAVISHYA BANAYE SURAKSHIT”.

- **Process Safety Management System**

India Glycols is working towards implementation of Process Safety Management (PSM) along with RC in the organization to ensure systematic and high level Process Safety by elaborating its specific elements and ensuring the safety of employees, environment and physical plant assets in the event of any unexpected process excursion. All the new project and major changes has been processed through Hazard and Operability Study (HAZOP), Quantitative Risk Assessment (QRA) and Pre Startup Safety Review (PSSR). Company has digitized one of the key pillars of PSM as Management of Change in SAP system which helps to compile process safety information and changes as another key pillar of PSM.

The Company also carried out Hazard Identification and Risk Assessment as Group Risk Assessment (GRA) and have a well-defined safety work permit system to ensure safe jobs

### **Lean Management**

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

### **R&D and Customer Oriented Innovation**

R&D and innovations, for new product development (NPD), have always been driving growth of IGL, since beginning. Designing new products, establishing them with the customers, adopting novel ways to keep improving them and in the end ensuring that the products render value to the customers has been the life cycle of NPD. In order to remain competitive or to maintain an edge over competition, R&D has been focusing on finding alternative ways both in terms of inputs as well as process technology. The aim has always been to design products, while keeping the interests of customers in mind and ensuring high level of value creation and value addition. Major products of IGL are of low level of carbon footprint, keeping in view the global trends which are creating demand for products that can help achieve the targets of net zero; products being mostly derived from renewable resources.

The year gone by has been quite transformational for IGL. The Bio-EO (Speciality Chemicals) business has been transferred to a Joint Venture of IGL and Clariant International Limited. As per the business transfer arrangement, R & D facilities of Bio-EO (Speciality Chemicals) business forms part of JV. Accordingly, IGL have created a new R & D Centre focusing on NPDs of completely different chemistries as well as specialty applications. During the last one year, following notable tasks have been completed by IGL, R&D:

a) **DSIR approval for new R&D set-up:** IGL R&D Centre has always been approved by DSIR (Department of Scientific and Industrial Research), Government of India, since the year 1993. Ever since then, the approval has been renewed based on its out-come oriented Research every three years. This distinction is also received based on the State-of-the-Art facilities as well as the out-come of the Research carried out in the past. By virtue of this approval, R&D activities of India Glycols are recognized by Government as of high standard. This also provide us with an opportunity to collaborate and corporate with Govt. Institution even for strategic areas. The efforts of the R&D has always been to value create and value add through New Product Development for Sustainability of the Company.

At the time of formation of JV, it was imminent to acquire DSIR approval for JV R&D. At the same time, it was also essential to secure DSIR approval also for new R&D set up of IGL. The NPD domain of Bio-Polymers, derivatives of bio-polymers, alternative feed stock like C-smart alcohol or Purple alcohol, Nutraceuticals, Functional foods, API etc. were

covered under the new R&D plan. It is a matter of pride that all the targeted approvals from DSIR were obtained. Now, all the R&D facilities of IGL as well as JV are DSIR approved. It is a notable achievement because this brings all R&D facilities at Kashipur as well as Dehradun approved by DSIR.

- (b) **Plan for setting up facilities to carry out NPDs work:** IGL R&D would focus on completely new range of chemistries and application, in future. For this purpose, certain process development and product development facilities have been planned. This will help design process for novel NPDs so that new range of NPDs can be launched. The focus will always be to design NPDs with low carbon foot-print.
- (c) **Finalization of R&D Centre building for future:** In order to be able to pursue development work, lab scale facilities of the R&D housed in new building has been finalized. For taking the NPD work from Lab scale to Pilot and semi commercial scale, pilot plant facilities have also been finalized. All these facilities including the R&D building would be ready within a year. The NPD work for new specialties has started and some products have also been developed in the lab.
- (d) **Novel specialties, of low carbon foot-print to achieve Net Zero targets:** Based on the business case, NPD plan for novel specialties has been drawn. A system for taking up of NPDs based on business case has also been put in place. In future, all the NPDs would be taken up, following this system by a NPDI group created for this purpose.
- (e) **Future trends and growth path:** The products are being developed keeping in mind the aim of providing indigenous products for different industry sectors, by using local resources, while matching with global standards of quality. As an R&D driven organization, remaining always ahead of its time, IGL has emerged as a leading manufacturer of Bio-Glycols, Bio-Ethylene Oxide, Bio-Glycol Ethers, Bio-Surfactants, Bio-Polymers, and performance chemicals with the distinction of being the first and the only company of its kind in the world, manufacturing bio-based performance chemicals adopting green technology. The Company has a vast product range that covers a wide variety of specialties and herbal products such as nutraceuticals, phytochemicals, bio-polymers mainly Polygalactomannans, industrial gases and liquor. User industries prefer products of IGL because they have significantly low carbon footprint. IGL has several firsts to its credit including the state-of-the-art manufacturing of bio-polymers. "Ennatura

Biopharma" Division, a unit which is GMP compliant, HACCP and CEP approved, established in 2008 at Dehradun, Uttarakhand, makes IGL as the leading manufacturer of nutraceuticals, APIs, etc., adopting green technology of Highly Selective Supercritical Fluid Extraction (SCFE-CO<sub>2</sub>).

The rapidly changing scenario has put a lot of demand on R&D to ensure that areas such as Environment Protection, Control of Water Pollution and Energy Efficiency. Thus, R&D will focus on innovative solutions through "GREEN CHEMISTRY" which has also been is a key focus area of India Glycols. India Glycols Ltd. is further diversifying to Bio-based Specialities; a new ranges of products are being developed based on novel chemistries and Green Technology. Customized value-added products and processes, with emphasis on "Sustainable" approaches via use of renewable RMs and savings of energy as well as water, were designed. In order to ensure that India Glycols remain ahead of its competitors, these products were developed as per global standards using renewable resources. All these products and processes met most of the international standards and accreditation of REACH/ HALAL etc.

Future growth path: Having several key starting materials at its hand, IGL is well placed to become the leading manufacturer of a large number of products that will have potential to replace conventional products derived from fossil resources. A significantly high capacity of key starting materials: Bio-ethylene; Bio- EO; Ethanol; CO<sub>2</sub>; N<sub>2</sub>; and O<sub>2</sub>, IGL is poised to exploit these starting materials for several new chemistries. There will be possibilities of a variety of products produced by IGL to replace conventional ingredients derived from fossil-resource. Thus, IGL will not only be the provider of import substitutes of Bio-specialties (specialty chemicals of minimum carbon footprint and extraordinary performance) but it will also become a resource point of quality products for de-carbonization goals. It would be appropriate to say that IGL today is the perfect example of "Make-in-India", while helping the cause of benefiting farmers, through the indigenous product design capability of IGL, R&D. In future, IGL will be a trustworthy partner for those dedicated to net zero.

- f) **New range of products in pipeline:** following would be the new range of products from IGL, based on unique and innovative concepts: i) Products derived from C-smart or Purple alcohol, ii) Bio Based specialties, iii) Green solvents including a range

of bio-esters, glymes, Specialty amines etc., iv) Specialty derivatives of Polygalactomannans, v) APIs and Nutraceuticals.

IGL R&D would be focusing on following major industry sectors: i) Oil & Gas Industry including refineries, ii) Automobiles, iii) Metal working Industry, iv) Industrial and institutional cleaning, v) Rheology modifiers for Petroleum Industry, vi) Food Industry, vii) Health care etc.

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

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

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

The systems, procedures, checks and controls are routinely tested and certified by our Statutory as well as Internal Auditors. Moreover, Company continuously upgrades and validates these systems in line with best practices and standards on internal control systems and procedures. The Company has a Risk Management Committee consisting of Directors and the senior management personnel of the Company to monitor the Risk Management Plan, to identify and mitigate the risks attached to the business of the Company.

Your Company's objective of risk management is to have a meaningful identification, measurement, prioritization of risks or exposures to potential losses on a continual

basis through active participation of all members of the Company and accordingly establish controls and procedures to build a visible & structured enterprise-wide risk management framework; reduce the risk levels and mitigate their effects in the likelihood of a risk event with an aim to protect our Company from harm; and have a contingency plan to manage risks having high probability and high impact.

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

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

### **Human Resource/Industrial Relations**

Company continues to focus on training its employees on a continuous basis both on the job and through training program to face challenges in the business/industry. During the year, industrial relations have been cordial. Total Number of Employees on Company's role has been around 1,231 (including 80 apprentice).

### **Cautionary Statement**

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

# Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance for the year ended 31<sup>st</sup> March, 2022 in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

## I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

## II. BOARD OF DIRECTORS

### a) Composition of the Board

As on 31<sup>st</sup> March, 2022, the Board of Directors of the Company ("the Board") comprised of ten Directors

of which seven are Non-Executive Directors, one Managing Director and two Executive Directors. Out of the seven Non-Executive Directors, six are Independent Directors.

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

### b) Number of Board Meetings

During the year ended 31<sup>st</sup> March, 2022, five board meetings were held. The dates of the meetings and attendance of directors thereat are as under:

| Date                            | Board Strength | No. of Directors Present |
|---------------------------------|----------------|--------------------------|
| 25 <sup>th</sup> June, 2021     | 10             | 10                       |
| 10 <sup>th</sup> August, 2021   | 10             | 9                        |
| 12 <sup>th</sup> November, 2021 | 10             | 10                       |
| 11 <sup>th</sup> February, 2022 | 10             | 9                        |
| 30 <sup>th</sup> March, 2022    | 10             | 9                        |

During the FY 2021-22, the maximum gap between two Board Meetings was within the period/time as specified by the Companies Act, 2013 and Securities and Exchange Board of India ("SEBI").

### c) Names and category of the Directors, their attendance at Board Meetings, last Annual General Meeting and the number of Directorships and Chairman/ membership(s) held in other Companies as on 31<sup>st</sup> March, 2022:

| Name of the Director  | Category                 | Number of board meetings during the FY 2021-22 |          | Attendance at last AGM | Number of Directorships in other Companies* |              | No. of Committees in which Chairmanship/ membership held** |        | Directorship held in other listed entities and category of Directorship       |
|---|--------------------------|--|----------|------------------------|---|--------------|--|--------|---|
|   |                          | Held   | Attended |                        | Chairmanship                                | Directorship | Chairmanship   | Member |   |
| Shri U.S. Bhartia (Chairman and Managing Director)<br>DIN: 00063091 | Executive (Promoter)     | 5  | 5        | Yes                    | 4   | 13           | 1  | 5      | 1. Polylink Polymers (India) Limited (Non-Executive Non-Independent Director) |
| Smt. Jayshree Bhartia<br>DIN: 00063018                              | Non-Executive (Promoter) | 5  | 3        | Yes                    | -   | 13           | -  | 1      | -   |
| Ms. Pragya Bhartia Barwale (Executive Director)<br>DIN: 02109262    | Executive (Promoter)     | 5  | 5        | Yes                    | -   | 7            | -  | -      | 1. Polylink Polymers (India) Limited (Non-Executive Non-Independent Director) |
| Shri Sudhir Agarwal (Executive Director)<br>DIN: 08602216           | Executive                | 5  | 5        | Yes                    | -   | -            | -  | 1      | -   |

| Name of the Director                        | Category                    | Number of board meetings during the FY 2021-22 |          | Attendance at last AGM | Number of Directorships in other Companies* |              | No. of Committees in which Chairmanship/ membership held** |        | Directorship held in other listed entities and category of Directorship   |
|---|-----------------------------|--|----------|------------------------|---|--------------|--|--------|---|
|   |                             | Held   | Attended |                        | Chairmanship                                | Directorship | Chairmanship   | Member |   |
| Shri Pradip Kumar Khaitan<br>DIN: 00004821  | Non-Executive & Independent | 5  | 5        | Yes                    | -   | 7            | 2  | 4      | 1. CESC Limited (Non-Executive Non-Independent Director)<br>2. Electro Steel Castings Limited (Independent Director)<br>3. Emami Limited (Independent Director)<br>4. Firstsource Solutions Limited (Non-Executive Non-Independent Director)<br>5. Graphite India Limited (Independent Director)<br>6. Dalmia Bharat Limited (Independent Director) |
| Shri Jitender Balakrishnan<br>DIN: 00028320 | Non-Executive & Independent | 5  | 5        | Yes                    | -   | 6            | 1  | 4      | 1. Polyplex Corporation Limited (Independent Director)<br>2. Sarda Energy & Minerals Limited (Independent Director)   |
| Shri Ravi Jhunjhunwala<br>DIN: 00060972     | Non-Executive & Independent | 5  | 5        | Yes                    | 4   | 9            | 2  | 4      | 1. HEG Limited (Executive Director)<br>2. RSWM Limited (Non-Executive Non-Independent Director)<br>3. Maral Overseas Limited (Non-Executive Non-Independent Director)<br>4. BSL Limited (Non-Executive Non-Independent Director)<br>5. JK Lakshmi Cement Limited (Independent Director)   |
| Shri Jagmohan N. Kejriwal<br>DIN: 00074012  | Non-Executive & Independent | 5  | 4        | Yes                    | -   | 1            | -  | 2      | -   |
| Shri Sajeve Bhushan Deora<br>DIN: 00003305  | Non-Executive & Independent | 5  | 5        | Yes                    | -   | 4            | -  | 2      | 1. Integrated Capital Services Limited (Non-Executive Non-Independent Director)   |
| Smt. Shukla Wassan<br>DIN: 02770898         | Non-Executive & Independent | 5  | 5        | Yes                    | -   | 3            | -  | 3      | 1. Snowman Logistics Limited (Independent Director) <sup>#</sup><br>2. GE Power India Limited (Independent Director)  |

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

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

<sup>#</sup>Subsequent to closure of FY 2022, ceased to be an Independent Director w.e.f. 15<sup>th</sup> May, 2022.

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

- d) The Board of the Company is appropriately structured to ensure a high degree of diversity by qualifications, professional background, knowledge, experience, competence, skills etc. The following are the key skills/expertise/competencies identified by the Board of Directors as required in the context of its business for it to function effectively:
- 1. Manufacturing business/ sector:** Relevant Experience and knowledge related to manufacturing, Health, Safety and Environment issues including Research and Development, Logistics and operational issues.
  - 2. Leadership:** Experience in managing companies including general management.
  - 3. Marketing:** Strategic thinker to analyse and identify opportunities to stimulate business growth and enhance enterprise reputation.
  - 4. Financial:** Financially literate with basic financial and accounting knowledge. Experience of handling financial management.

**5. Compliance Management and Corporate Governance:** Knowledge and understanding of legal and regulatory aspects including risk management, maintaining board and management accountability, protecting and enhancing interest of stakeholders.

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

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

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

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

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

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

All Board members and senior management personnel have affirmed compliance with the Code of Conduct for the FY 2021-22. A declaration by Chief Executive Officer to this effect is enclosed with this report.

h) As on 31<sup>st</sup> March, 2022, no Director is inter-se related to any other Director on the Board, except Shri U.S. Bhartia and Smt. Jayshree Bhartia, who are related to each other as spouse and Ms. Pragya Bhartia Barwale, who is related to them as their daughter.

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

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

The Company has not issued any convertible instruments.

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

All IDs have confirmed that they meet the criteria of Independence as mentioned under Section 149(6) of the Act and

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

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

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

<https://www.indiaglycols.com/investors/downloads/familiarization-programme-for-independent-directors.pdf>

During the FY 2021-22, one separate meeting of the IDs was held on 24<sup>th</sup> June, 2021, without the presence of Non-Independent Directors and the members of the management. The IDs, inter-alia, reviewed the performance of Non-Independent Directors, Chairman of the Company and the Board as a whole, assessment of quality, quantity and timeliness of flow of information between Company management and the Board.

During the year under review, no Independent Director resigned.

### III. COMMITTEES OF THE BOARD

The Board has constituted various Committees with specific terms of reference as mandated by the applicable laws. As on 31<sup>st</sup> March 2022, the Board has 8 (Eight) Committees namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Share Transfer Committee, Finance Committee, Risk Management Committee, Corporate Social Responsibility Committee and Ethics Committee.

#### a) Audit Committee:

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

#### Terms of Reference:

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

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

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company namely, the Statutory Auditors, Internal Auditors, Cost Auditors, Tax Auditors, Secretarial Auditors and their replacement/removal;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Examination of the financial statement and the auditors' report thereon;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) draft auditor's report including qualifications, if any.
6. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
7. Monitoring the end use of funds raised through public offers and related matters;
8. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
9. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
10. Approval or any subsequent modification of transactions of the company with related parties;
11. Scrutiny of inter-corporate loans and investments;
12. Valuation of undertakings or assets of the company, wherever it is necessary;

13. Evaluation of internal financial controls and risk management systems;
14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussion with internal auditors of any significant findings and follow up there on;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. To review the functioning of the whistle blower mechanism/vigil mechanism including the complaints received thereunder and to address concerns in such manner as prescribed under the rules;
21. Approval of appointment of chief financial officer (i.e. any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
23. Reviewing the management discussion and analysis of financial condition and results of operations;
24. Reviewing statement of significant related party transactions (as defined by the audit committee), submitted by management;
25. Reviewing the management letters / letters of internal control weaknesses issued by the statutory auditors;
26. Reviewing the internal audit reports relating to internal control weaknesses;
27. Reviewing the appointment, removal and terms of remuneration of the chief internal auditor;
28. Review the financial statements of the Subsidiary

Companies, in particular, the investments made by the unlisted subsidiary company;

29. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended;
30. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
31. To perform such other functions as may be prescribed by the Companies act, 2013 or the SEBI Listing Regulations, as amended or under any other law or as may be prescribed or specified by the Board from time to time.

#### Composition

As on 31<sup>st</sup> March, 2022, the Committee comprises of four Non-Executive Independent Directors, namely, Shri Pradip Kumar Khaitan, Shri Ravi Jhunjhunwala, Shri Jagmohan N. Kejriwal, Shri Sajeve Bhushan Deora and One Executive Director, Shri Sudhir Agarwal. Shri Pradip Kumar Khaitan is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Audit Committee.

#### Meetings and Attendance

The Committee met five times during the year on 25<sup>th</sup> June, 2021, 10<sup>th</sup> August, 2021, 12<sup>th</sup> November, 2021, 11<sup>th</sup> February 2022 and 30<sup>th</sup> March 2022. The necessary quorum was present for all the meetings. The attendance of the members at the meetings is as follows:

| Name of Members           | Category | No. of Meetings |          |
|---------------------------|----------|-----------------|----------|
|                           |          | Held            | Attended |
| Shri Pradip Kumar Khaitan | Chairman | 5               | 5        |
| Shri Jagmohan N. Kejriwal | Member   | 5               | 4        |
| Shri Ravi Jhunjhunwala    | Member   | 5               | 5        |
| Shri Sajeve Bhushan Deora | Member   | 5               | 5        |
| Shri Sudhir Agarwal       | Member   | 5               | 5        |

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

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

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

The Chairman of the Audit Committee had attended the last Annual General Meeting held on 24<sup>th</sup> September, 2021.

#### b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") is constituted in terms of the provisions of



Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations and performs all the functions specified therein.

During the year, the terms of reference of the NRC were revised to align the same with the SEBI Listing Regulations and other applicable laws.

**Terms of Reference:**

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

1. To formulate the criterion for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration for the Directors, Key Managerial Personnel (KMPs), Senior Management Personnel and other employees;
2. While recommending appointment of an independent director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may;
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
3. To identify the persons who are qualified to become directors and who may be appointed as the KMPs or in senior management of the Company in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
4. To review the structure, size and composition (including the skills, knowledge and experience) of the Board and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board;
5. To make recommendations to the Board on the remuneration payable to the Directors/ KMPs/ Senior Management Personnel;
6. To formulate the criteria/ manner for evaluation of performance of Board of Directors, its Committees, individual directors including independent directors;
7. To assess the independence of Independent Directors;

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

**Composition**

As on 31<sup>st</sup> March, 2022, the Committee comprises of four Non-Executive Independent Directors namely, Shri Pradip Kumar Khaitan, Shri Jagmohan N. Kejriwal, Shri Ravi Jhunjunwala and Shri Sajeve Bhushan Deora. Shri Pradip Kumar Khaitan is Chairman of the Committee. The Company Secretary acts as the Secretary to the NRC.

**Meetings and Attendance**

The Committee met three times during the year on 25<sup>th</sup> June, 2021, 12<sup>th</sup> November, 2021 and 11<sup>th</sup> February 2022. The necessary quorum was present for all the meetings. The attendance of the members at the meetings is as follows:

| Name of Members           | Category | No. of Meetings |          |
|---------------------------|----------|-----------------|----------|
|                           |          | Held            | Attended |
| Shri Pradip Kumar Khaitan | Chairman | 3               | 3        |
| Shri Jagmohan N. Kejriwal | Member   | 3               | 3        |
| Shri Ravi Jhunjunwala     | Member   | 3               | 2        |
| Shri Sajeve Bhushan Deora | Member   | 3               | 3        |

The Chairman of the NRC had attended the last Annual General Meeting held on 24<sup>th</sup> September, 2021.

**Nomination, Remuneration and Evaluation Policy**

The Nomination, Remuneration and Evaluation Policy ("Policy") is formulated and adopted in line with Section 178 of the Act and the SEBI Listing Regulations (including any statutory modification(s) or re-enactments thereof) to provide a framework and

set standards for the nomination and remuneration of the Directors, KMPs, Senior Management Personnel and Other Employees and evaluation of Directors. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, KMPs and Senior Management Personnel. During the year, the Policy was revised to align the same with the SEBI Listing Regulations and other applicable laws.

#### **Board Membership Criteria**

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

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

#### **Remuneration Policy**

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

The remuneration of the Directors, KMPs, Senior Management Personnel and Other Employees shall

be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any and the Human Resource policy of the Company.

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

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

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

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

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

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

(<https://www.indiaglycols.com/investors/downloads/nomination-remuneration-and-evaluation-policy.pdf>).

#### **Performance Evaluation Criteria**

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

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

- Leadership & stewardship abilities.
- Contributing to clearly define corporate objectives & plans.
- Communication of expectations & concerns clearly with subordinates.
- Obtain adequate, relevant & timely information from external sources.
- Review achievement of strategic and operational plans, objectives, budgets.

- Regular monitoring of corporate results against projections.
- Identify, monitor & mitigate significant corporate risks.
- Assess policies, structures & procedures.
- Review management's succession plan.
- Effective meetings.
- Assuring appropriate board size, composition, independence, structure.
- Clearly defining roles & monitoring activities of Committees.
- Review of corporation's ethical conduct.

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

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

#### c) Stakeholders' Relationship Committee

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

##### Terms of Reference

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

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

Regulations, 2015, as amended or under any other law or as may be prescribed by the Board from time to time.

##### Composition

As on 31<sup>st</sup> March, 2022, the Committee comprises of three Non-Executive Independent Directors, namely, Shri Pradip Kumar Khaitan, Shri Jagmohan N. Kejriwal, Shri Jitender Balakrishnan and one Executive Director, Shri U.S. Bhartia. Shri Pradip Kumar Khaitan is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Committee. Shri Ankur Jain, Company Secretary is the Compliance officer of the Company.

##### Meetings and Attendance

The Committee met four times during the year on 25<sup>th</sup> June, 2021, 10<sup>th</sup> August, 2021, 12<sup>th</sup> November, 2021 and 11<sup>th</sup> February, 2022. The necessary quorum was present for all the meetings. The attendance of the members at the meetings is as follows:

| Name of Members            | Category | No. of Meetings |          |
|----------------------------|----------|-----------------|----------|
|                            |          | Held            | Attended |
| Shri Pradip Kumar Khaitan  | Chairman | 4               | 4        |
| Shri U.S. Bhartia          | Member   | 4               | 4        |
| Shri Jagmohan N. Kejriwal  | Member   | 4               | 3        |
| Shri Jitender Balakrishnan | Member   | 4               | 4        |

The Chairman of the SRC was present at the last Annual General Meeting held on 24<sup>th</sup> September, 2021.

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

During the year under review, the Company had received 20 Investors' Complaints. All the complaints received were duly redressed by the Company. As on 31<sup>st</sup> March, 2022, no complaint was outstanding.

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

#### d) Share Transfer Committee

##### Terms of Reference

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

##### Composition

As on 31<sup>st</sup> March, 2022, the Committee comprises

of three Non-Executive Directors, namely, Smt. Jayshree Bhartia, Shri Ravi Jhunjhunwala, Shri Jagmohan N. Kejriwal, and one Executive Director, Shri U.S. Bhartia. Shri U.S. Bhartia is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Share Transfer Committee.

#### Meetings and Attendance

The Committee met 6 (Six) times during the year. The necessary quorum was present for all the meetings. The attendance of the members at the meetings is as follows:

| Name of Members           | Category | No. of Meetings |          |
|---------------------------|----------|-----------------|----------|
|                           |          | Held            | Attended |
| Shri U.S. Bhartia         | Chairman | 6               | 6        |
| Smt. Jayshree Bhartia     | Member   | 6               | 5        |
| Shri Jagmohan N. Kejriwal | Member   | 6               | 0        |
| Shri Ravi Jhunjhunwala    | Member   | 6               | 5        |

#### e) Finance Committee

##### Terms of Reference

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

##### Composition

As on 31<sup>st</sup> March, 2022, the Committee comprises of two Directors, namely, Shri U.S. Bhartia, Chairman and Managing Director and Shri Sudhir Agarwal, Executive Director. Senior officials of the Company, namely, Shri Rupark Sarswat, Chief Executive Officer and Shri Anand Singhal, Chief Financial Officer are the permanent invitees of the Committee. Shri U.S. Bhartia is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Finance Committee.

##### Meetings and Attendance

The Committee met 9 (Nine) times during the year. The necessary quorum was present for all the meetings.

#### f) Risk Management Committee

In pursuance to the provisions of Regulation 21 of the SEBI Listing Regulations, constitution of the Risk Management Committee ("RMC") was mandatory for the Company w.e.f. 5<sup>th</sup> May, 2021. However, the Board had voluntarily constituted a RMC prior to that in line with SEBI Listing Regulations. Further, during the year under review, consequent to amendment in the said Regulation, the terms of reference of the RMC were amended to align the role and responsibilities of the RMC with the said amendments.

During FY 2021-22, the Risk Management Policy was also amended to align it with the SEBI Listing Regulations, as amended.

##### Terms of Reference

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

- To identify the existing and prospective Risks attached to the business of the Company;
- To monitor and review the Risk Management Plan of the Company;
- To suggest measures for mitigation of the Risks attached to the business of the Company;
- To formulate a detailed risk management policy covering all the risks, measures etc.;
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- To appoint, remove and review/approve terms of remuneration of the Chief Risk Officer (if any);
- To coordinate its activities with other Committees, in instances where there is any overlap with activities of such committees;
- To perform such other functions as may be prescribed by the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or under any other law or as may be prescribed by the Board from time to time.

##### Composition

As on 31<sup>st</sup> March, 2022, the Committee comprises of 8 (eight) members including three Non-Executive Independent Directors namely, Shri Ravi Jhunjhunwala, Shri Pradip Kumar Khaitan, Shri Jitender Balakrishnan; Shri U. S. Bhartia, Chairman and Managing Director, Shri Sudhir Agarwal, Executive Director and three Senior executives of the Company namely, Shri Rupark Sarswat, Chief Executive Officer Shri Anand Singhal, Chief Financial Officer and Shri Atul Govil, IT Head as its members. Shri U.S. Bhartia is the Chairman of the RMC.

The Company Secretary acts as the Secretary to the RMC.

##### Meetings and Attendance

The RMC met twice during the year on 25<sup>th</sup> June, 2021 and 12<sup>th</sup> November, 2021. The necessary quorum was present for both the meetings.

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

| Name of Members            | Category | No. of Meetings |          |
|----------------------------|----------|-----------------|----------|
|                            |          | Held            | Attended |
| Shri U.S. Bhartia          | Chairman | 2               | 2        |
| Shri Ravi Jhunjhunwala     | Member   | 2               | 1        |
| Shri Pradip Kumar Khaitan  | Member   | 2               | 2        |
| Shri Jitender Balakrishnan | Member   | 2               | 2        |
| Shri Sudhir Agarwal        | Member   | 2               | 2        |
| Shri Rupark Sarswat*       | Member   | 2               | 2        |
| Shri Anand Singhal*        | Member   | 2               | 2        |
| Shri Atul Govil*           | Member   | 2               | 2        |

\* Not a Board Member.

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

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

#### Composition

As on 31<sup>st</sup> March, 2022, the Committee comprises of four members including two Executive Directors namely Shri U.S. Bhartia, Chairman and Managing Director and Shri Sudhir Agarwal, Executive Director and two Non-Executive Independent Director namely, Shri Pradip Kumar Khaitan and Shri Jitender Balakrishnan. Shri U.S. Bhartia is Chairman of the Committee. The Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee.

#### Meetings and Attendance

The Committee met three times during the year on 25<sup>th</sup> June, 10<sup>th</sup> August and 12<sup>th</sup> November, 2021. The necessary quorum was present for all the meetings.

#### h) Ethics Committee Terms of Reference

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

#### Composition

As on 31<sup>st</sup> March, 2022, the Committee comprises of three Non-Executive Independent Directors namely, Shri Pradip Kumar Khaitan, Shri Jitender Balakrishnan and Shri Jagmohan N. Kejriwal. Shri Pradip Kumar Khaitan is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Ethics Committee.

#### Meetings and Attendance

The Directors and the senior management confirmed compliance with the Code of Conduct for the FY 2021-22. No breach of the said code was observed. During the year, no meeting of the Ethics Committee was held.

#### IV. REMUNERATION OF DIRECTORS FOR FY 2021-22:

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

| Name of Director           | Salary (Basic) | Perquisites/allowances | Retiral benefits | Provident Fund Contribution | Commission <sup>#</sup> | Total        |
|----------------------------|----------------|------------------------|------------------|-----------------------------|-------------------------|--------------|
| Shri U.S. Bhartia          | 4,80,00,000    | 14,77,343              | -                | 57,60,000                   | 5,00,00,000             | 10,52,37,343 |
| Ms. Pragya Bhartia Barwale | 99,99,996      | 2,73,600               | -                | 12,00,000                   | 2,40,00,000             | 3,54,73,596  |
| Shri Sudhir Agarwal        | 26,40,000      | 27,14,303              | -                | 5,08,752                    | -                       | 58,63,055    |

<sup>#</sup> relates to FY 2021-22 which shall be paid during FY 2022-23.

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

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

| Name of Director           | Sitting Fee | Commission <sup>#</sup> | Total     |
|----------------------------|-------------|-------------------------|-----------|
| Smt. Jayshree Bhartia      | 2,00,000    | 10,00,000               | 12,00,000 |
| Shri Pradip Kumar Khaitan  | 6,30,000    | 20,00,000               | 26,30,000 |
| Shri Jagmohan N. Kejriwal  | 4,70,000    | 10,00,000               | 14,70,000 |
| Shri Ravi Jhunjhunwala     | 5,90,000    | 10,00,000               | 15,90,000 |
| Shri Jitender Balakrishnan | 3,50,000    | 10,00,000               | 13,50,000 |
| Shri Sajeve Bhusan Deora   | 5,40,000    | 10,00,000               | 15,40,000 |
| Smt. Shukla Wassan         | 2,60,000    | 10,00,000               | 12,60,000 |

<sup>#</sup> relates to FY 2021-22 which shall be paid during FY 2022-23.

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

During the FY 2021-22, an amount ₹ 243.19 lakhs (excluding taxes) was paid by the Company to M/s Khaitan & Co. LLP, related party towards the legal and professional services rendered by them, in which Shri Pradip Kumar Khaitan, Director of the Company is a partner.

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

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

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

## V. OTHER DISCLOSURES

### (a) Related Party Transaction Disclosures

All transactions entered into with related parties by the Company during the FY 21-22 were on Arm's Length Basis and in Ordinary course of Business and were in compliance with the applicable provisions of the Act and SEBI Listing Regulations and approved by the Audit Committee. The Audit Committee reviews at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval granted. There were no materially significant transaction made by the Company with the related parties viz. Promoters, Directors or the management or relatives etc. that may have a potential conflict with the interest of the Company at large. Details of material related party transactions are given in the Board's Report.

Pursuant to Regulation 23(9) of SEBI Listing Regulations, disclosures of related party transactions on a consolidated basis for the half year ended 31<sup>st</sup> March, 2021 and 30<sup>th</sup> September, 2021 were submitted to the Stock Exchanges and also hosted on the website of the Company. The details of related party transactions with the Company as required by Indian Accounting Standards (Ind AS) on Related Party Transactions have been given in Note no. 57 of the Standalone Financial Statements forming part of Annual Report. The Related Party Transactions Policy of the Company as approved by the Board has been uploaded on the Company's website at the following link

<https://www.indiaglycols.com/investors/downloads/related-party-transactions-policy.pdf>

(b) The Company has complied with all the applicable requirements as specified under the SEBI Listing Regulations. There were no penalties or strictures imposed or passed on the Company by the Stock

Exchanges or SEBI or any Statutory Authorities on any matter related to Capital Markets for non-compliance by the Company during last three years.

(c) As a conscious and vigilant organization, the Company believes in the conduct of the affairs of its constituents in a fair and transparent manner, by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. In its endeavour to enable its employees to report concerns about unethical behavior, actual and suspected fraud or violation of the Company's conduct, the Company has put in place a Whistle Blower/Vigil Mechanism Policy ("the Policy"). Whistle Blower/Vigil Mechanism provides a channel to the employees to report to the management concerns about the suspected or confirmed malpractices and events. The policy provide for the adequate safeguard of the person availing the mechanism by maintaining confidentiality of all the matters under the policy and also provide for direct access to the Chairman of the Audit Committee in exceptional cases in the manner laid down therein. During the year under review, no person has been denied access to the Audit Committee. It is affirmed that, the Policy allows reporting of instances related to leakage of Unpublished Price Sensitive Information. The Whistle Blower/Vigil Mechanism Policy is hosted on the Company's website at the following link <https://www.indiaglycols.com/investors/downloads/vigil-mechanism-policy.pdf>

(d) The Company has also adopted Policy on determination of materiality of event/information as required by SEBI Listing Regulations the same is available at <https://www.indiaglycols.com/investors/downloads/policy-on-determination-of-materiality-of-event-information.pdf>. Also, the Policy on Preservation of Records/Archival, as adopted by the Company is available at <https://www.indiaglycols.com/investors/downloads/Policy-on-preservation-of-records-IGL-Nov2020.pdf>. Further, the details of the key managerial personnel who are authorized for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange(s) as required under sub-regulation (5) of regulation 30 of SEBI Listing Regulations are also available at <https://www.indiaglycols.com/investors/downloads/policy-on-determination-of-materiality-of-event-information-authorisation.pdf>

(e) In Compliance with the SEBI (Prohibition of Insider Trading) Regulations 2015, as amended, the Company has adopted a Code of Conduct for Regulating, Monitoring, Reporting Trading in Securities and Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The codes lay down guidelines for procedures to be followed and disclosures to be made while trading in securities of the Company. The Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available on the website of the Company at the following link: <https://www.indiaglycols.com/investors/downloads/code-practices-Procedures-Fair-Disclosure-Unpublished-Price-Information.pdf>

- (f) The Company discloses on its website all such events or information which has been disclosed to stock exchange(s) under SEBI Listing Regulations.
- (g) The Company has also uploaded the Annual return for FY 2020-21 at <https://www.indiaglycols.com/investors/downloads/IGL-MGT-7-2021.pdf>
- (h) The Company is in compliance with all the Mandatory requirements stipulated in SEBI Listing Regulations.
- (i) The Company has complied with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of the SEBI Listing Regulations.
- (j) The Company has in place a Directors and Officers (D & O) Insurance Policy for all Directors including Independent Directors and its Officers in compliance of the provisions of the Act and Regulation 25(10) of the SEBI Listing Regulations.
- (k) The Company has obtained a certificate from M/s Mukesh Agarwal & Co., Company Secretaries, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority.
- (l) During the year under review, all recommendation of the Committees of the Board which were mandatorily required have been accepted by the Board.
- (m) During FY 2021-22, an amount of ₹ 46.70 lakhs was paid by the Company and its subsidiaries on consolidated basis, for all the services to M/s K.N. Gutgutia & Co., the Statutory Auditors. Out of which, ₹ 45.70 lakhs paid by the Company (₹ 24 lakhs towards Statutory Audit fee) and ₹ 1 lakh paid by subsidiaries towards Statutory Audit fee. The Statutory Auditor has no networking/ partner in the networking entity.
- (n) In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee where any grievance of sexual harassment at workplace can be reported. No complaint pertaining to sexual harassment at workplace has been reported to the Committee during the financial year ended 31<sup>st</sup> March, 2022.
- (o) Disclosure w.r.t. Commodity, Foreign Exchange Risk and Hedging activities.**

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

a. Total exposure of the Company to commodities: ₹ 1,05,167 Lakhs (approx.)

b. Exposure of the Company to various commodities:

| Commodity name                          | Exposure (₹ in lakhs) (approx.) | Exposure in Quantity terms (MT) (approx.) | % of such exposure hedged through commodity derivatives |          |                      |          |       |
|---|---------------------------------|---|---|----------|----------------------|----------|-------|
|   |                                 |   | Domestic Market   |          | International Market |          | Total |
|   |                                 |   | OTC   | Exchange | OTC                  | Exchange |       |
| Alcohol (Raw Material)                  | 71,782                          | 15,38,67,966                              | Nil   | Nil      | Nil                  | Nil      | Nil   |
| Mono Ethylene Glycol (Finished Product) | 33,385                          | 36,691                                    | Nil   | Nil      | Nil                  | Nil      | Nil   |

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

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

The Company has a sizeable forex exposure and in order to mitigate the fluctuations in exchange rate, the Company hedges its import liabilities and export by adopting appropriate measures. The Company has adopted Forex Risk Management Policy in terms of applicable laws.

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

#### **Subsidiary Companies**

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

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

#### **CEO/CFO Certification**

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

#### **Non-Mandatory Requirements:**

- (i) The quarterly/ half yearly and yearly results are

displayed on the website of the Company viz [www.indiaglycols.com](http://www.indiaglycols.com) and also published in widely circulated English and Regional language newspapers.

- (ii) During the FY 2021-22, there is no audit qualification on the Company's financial statements.

- (iii) The Internal Auditor reports directly to the Audit Committee. The Internal Auditor has regular meetings with the Head of Finance prior to placing of the reports of Internal Auditors before the Audit Committee.

## VI. SHAREHOLDERS

### a) General Body Meetings

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

| Financial Year | Date & Time                                      | Location   | Details of Special Resolution passed   |
|----------------|--|--|--|
| 2020-21        | 24 <sup>th</sup> September, 2021 at 11.00 A.M. . | Through Video Conferencing ("VC")/Other Audio Visual means ("OAVM")<br>Deemed venue- A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt Udham Singh Nagar, Uttarakhand  | a. Ratification and confirmation of the waiver of recovery of the excess remuneration paid to Shri Sudhir Agarwal (DIN: 08602216), Executive Director of the Company, for the financial year 2020-21.<br>b. Ratification and confirmation of the waiver of recovery of the excess remuneration paid/payable to Ms. Pragya Bhartia Barwale (DIN: 02109262), Executive Director of the Company, for the financial year 2020-21.<br>c. Raising of additional long term funds through further issuance of securities/shares.   |
| 2019-20        | 24 <sup>th</sup> September, 2020 at 11.00 A.M.   | Through Video Conferencing ("VC")/Other Audio Visual means ("OAVM")<br>Deemed venue- A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar, Uttarakhand | a. Appointment of Ms. Pragya Bhartia Barwale (DIN: 02109262) as an Executive Director and Key Managerial Personnel of the Company for a period of 5 years w.e.f. 24 <sup>th</sup> June, 2020.<br>b. Approval for transfer of the BioEO (Speciality Chemicals) Business to a wholly owned subsidiary.<br>c. Approval for transfer of the Ennature Bio-pharma (Nutraceuticals) Business to a wholly owned subsidiary.<br>d. Raising of additional long term funds through further issuance of securities/shares.   |
| 2018-19        | 22 <sup>nd</sup> August, 2019 at 11.00 A.M.      | A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar, Uttarakhand  | a. Approval of the Remuneration of Shri U. S. Bhartia (DIN: 00063091), Chairman & Managing Director.<br>b. Approval for the payment of Commission to Non- Executive Directors.<br>c. Re-appointment of Shri Pradip Kumar Khaitan (DIN: 00004821) as Independent Director for second term of five years.<br>d. Re-appointment of Shri Jagmohan N. Kejriwal (DIN: 00074012) as Independent Director for second term of five years.<br>e. Re-appointment of Shri Ravi Jhunjunwala (DIN: 00060972) as Independent Director for second term of five years.<br>f. Re-appointment of Shri Jitender Balakrishnan (DIN: 00028320) as Independent Director for second term of five years.<br>g. Raising of additional long term funds through further issuance of securities/shares. |

### Postal Ballot

During FY 2021-22, two special resolutions were passed through Postal Ballot process, the details whereof including voting pattern are as under:

| S. No. | Description of Special Resolution passed   | Total No. of Votes | Number of votes polled | Votes cast in favour |        | Votes cast against |       | Date of passing of resolutions |
|--------|--|--------------------|------------------------|----------------------|--------|--------------------|-------|--------------------------------|
|        |  |                    |                        | Number of votes      | %      | Number of votes    | %     |                                |
| 1.     | Approval for re-appointment of Shri U.S. Bhartia (DIN: 00063091) as Chairman and Managing Director of the Company.   | 3,09,61,500        | 193,83,913             | 190,57,525           | 98.316 | 3,26,388           | 1.684 | 25 <sup>th</sup> April, 2021   |
| 2.     | Approval of divestment of Company's stake held in Clariant IGL Specialty Chemicals Private Limited (erstwhile IGL Green Chemicals Private Limited), a Wholly Owned Subsidiary. | 3,09,61,500        | 193,83,768             | 193,82,868           | 99.995 | 900                | 0.005 | 25 <sup>th</sup> April, 2021   |

Shri Ashish Saxena (C.P. No. 7096) of Ashish Saxena & Co., Company Secretaries, Ghaziabad, was appointed as the Scrutinizer to conduct the aforesaid Postal Ballot process in a fair and transparent manner. The Company had provided the facility of voting through electronic means. The procedure of Postal Ballot, as contained in the Postal Ballot Notice, is available on the Company's website at <https://www.indiaglycols.com/investors/agm-postal-ballot-notice.htm>. Further, as on date, no resolution is proposed to be passed through postal ballot.



**b) Means of Communication**

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

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

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

During the FY 2021-22, the Company started holding calls/meetings with Investors and Analysts. During these calls/meetings, Company's performance is discussed.

Details of these calls alongwith presentation(s) made, Audio recordings and transcripts thereof are hosted on the Stock Exchanges Websites ([www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)) and also on the Company's website ([www.indiaglycols.com](http://www.indiaglycols.com)) under investor relations section.

**c) General shareholder information**
**i) Annual General Meeting**

**Date: Wednesday, 7<sup>th</sup> September, 2022**

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

**Time : 11.00 A.M.**

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

For the financial year 2022-23, the tentative dates for approval and adoption of unaudited quarterly financial results will be by 14<sup>th</sup> August, 2022 for the first quarter, by 14<sup>th</sup> November, 2022 for half yearly, by 14<sup>th</sup> February, 2023 for third quarter and by 15<sup>th</sup> May/30<sup>th</sup> May, 2023 for the fourth quarter and annual audited financial results.

**iii) Book Closure**

The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, 1<sup>st</sup> September, 2022 till Wednesday, 7<sup>th</sup> September, 2022 (Both days inclusive).

**iv) Dividend:**

The dividend of ₹ 7.50 per equity share, as recommended by the Board of Directors, if

declared at the Annual General Meeting, will be paid/dispatched within 30 days from the date of ensuing AGM of the Company as under:

- To all those beneficial owners holding shares in electronic form, as per the beneficial ownership data made available to the Company by National Securities Depository Limited (NSDL) and the Central depository Services (India) Limited (CDSL) as on Wednesday, 31<sup>st</sup> August, 2022.
- To all those shareholders holding shares in physical form, after giving effect to all the valid share transmission or transposition request lodged with the Company/Share Transfer Agent, M/s MCS Share Transfer Agent Limited ("RTA"), F-65, 1<sup>st</sup> Floor, Okhla Industrial Area Phase-I, New Delhi 110020 on or before Wednesday, 31<sup>st</sup> August, 2022.

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

The Stock Exchanges at which the equity shares of the Company are listed as on 31<sup>st</sup> March, 2022 and the respective stock codes are as under:

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

The Annual Listing fees for the financial year 2022-23 has been paid by the Company to BSE and NSE.

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

**vi) Market Price Data**

High/Low of market price of the Company's equity shares traded on BSE and NSE during each month of FY 2021-22 is as under:-

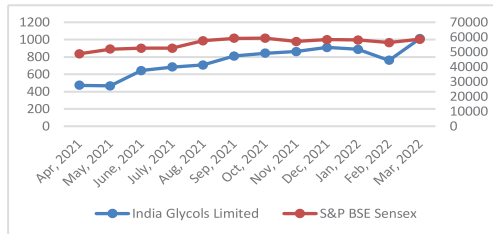
| Month  | High    |         | Low    |        |
|--------|---------|---------|--------|--------|
|        | BSE     | NSE     | BSE    | NSE    |
| Apr-21 | 497.30  | 498.00  | 397.05 | 396.05 |
| May-21 | 551.90  | 560.00  | 465.20 | 463.95 |
| Jun-21 | 659.95  | 659.90  | 465.00 | 464.60 |
| Jul-21 | 768.70  | 769.00  | 632.00 | 631.00 |
| Aug-21 | 764.70  | 765.00  | 621.70 | 621.50 |
| Sep-21 | 831.60  | 831.45  | 634.95 | 634.90 |
| Oct-21 | 1011.15 | 1012.70 | 792.55 | 790.50 |
| Nov-21 | 1028.20 | 1029.80 | 798.50 | 798.75 |
| Dec-21 | 940.25  | 941.20  | 758.05 | 758.70 |
| Jan-22 | 1060.00 | 1060.00 | 861.00 | 862.30 |
| Feb-22 | 933.75  | 933.80  | 725.05 | 725.40 |
| Mar-22 | 1024.50 | 1025.00 | 753.70 | 751.85 |

Source: BSE and NSE Website.

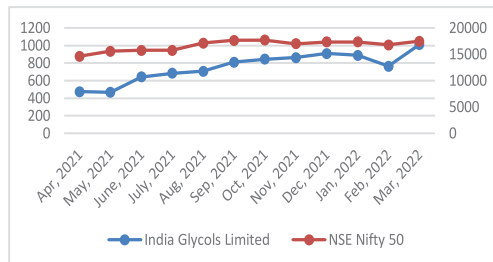
**vii) Performance of Company's equity shares in comparison to S&P BSE Sensex and NSE NIFTY 50**

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

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



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



**viii) Registrar and Share Transfer Agents**

Name and Address - M/s MCS Share Transfer Agent Limited, F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi -110 020  
 Telephone - 011-41406149  
 E-mail - admin@mcsregistrars.com  
 Website - www.mcsregistrars.com  
 Fax - 011-41709881

**ix) Share Transfer System**

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

SEBI had mandated that, effective from 1<sup>st</sup> April 2019, securities of listed companies can only be transferred in dematerialized form. Therefore, the Company has not been accepting any request for transfer of shares in physical form w.e.f. 1<sup>st</sup> April, 2019.

Further, SEBI vide its circular dated 25<sup>th</sup> January 2022, amended the SEBI Listing Regulations and mandated that the listed companies shall henceforth issue the securities in dematerialized form only while processing the service requests such as transmission, transposition, Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios of

securities. Accordingly, Members are requested to make service requests by submitting a duly filled in and signed Form ISR-4, format whereof is available on the Company's website (www.indiaglycols.com) under investor relations section. It was further clarified that listed entities/ RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

In view of the above, Members holding shares in physical form are requested to consider converting their holdings to demat mode.

SEBI vide its circular dated 3<sup>rd</sup> November, 2021 has mandated registration of PAN, KYC details and Nomination, by holders of physical securities. Members holding shares in physical form are requested to submit their PAN, KYC details and Nomination details by sending a duly filled and signed Form ISR-1 (request for registering/ change/ updation of PAN, KYC details), ISR-2 (signature of shareholder), SH-13 (nomination), SH-14 (cancellation/variation in nomination), ISR-3 (opting out of Nomination) to MCS Share Transfer Agent Limited, F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase I, New Delhi - 110020 or email at admin@mcsregistrars.com. All these forms are available on the Company's website (www.indiaglycols.com) under investor relations section. The Company has also sent individual letters to all the Members holding shares of the Company in physical form in this regard.

Members holding shares in electronic form are requested to verify and update any change/ updation in their KYC details/ Bank mandate(s) or details of nomination immediately to their respective Depository Participants (NSDL or CDSL) with whom they are maintaining their demat accounts.

The Company under its Green Initiative intends to send all intimations electronically, accordingly, the Company availed services of National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') to send SMS to those shareholders whose email addresses were not registered with the Company.

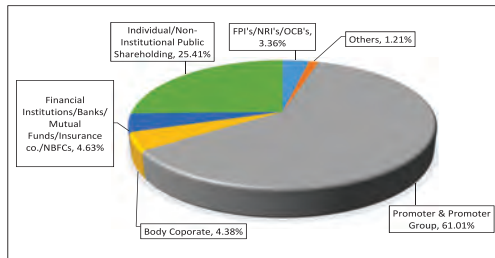
During the year, the Company had obtained a certificate from a Company Secretary in practice as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and filed copy of the same with the Stock Exchanges. Also, pursuant to Regulation 7(3) of the SEBI Listing regulations, compliance certificate certifying compliance regarding maintenance of securities transfer facilities have also been submitted to stock exchanges within stipulated time.

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

**x) Category & Distribution of shareholding as on 31<sup>st</sup> March, 2022**

| Category (Shares) | Shares             | %age of Total Shares | Holders       | %age of Total Share-holders |
|-------------------|--------------------|----------------------|---------------|-----------------------------|
| Up to 500         | 33,83,341          | 10.93                | 41,181        | 94.89                       |
| 501-1000          | 9,23,938           | 2.98                 | 1,172         | 2.70                        |
| 1001-2000         | 8,22,373           | 2.66                 | 537           | 1.24                        |
| 2001-3000         | 4,45,254           | 1.44                 | 176           | 0.40                        |
| 3001-4000         | 2,95,402           | 0.95                 | 83            | 0.19                        |
| 4001-5000         | 2,80,549           | 0.91                 | 59            | 0.14                        |
| 5001-10000        | 6,43,326           | 2.08                 | 91            | 0.21                        |
| 10001-50000       | 15,94,512          | 5.15                 | 73            | 0.17                        |
| 50001-100000      | 6,57,611           | 2.12                 | 9             | 0.02                        |
| 100001 and above  | 2,19,15,194        | 70.78                | 19            | 0.04                        |
| <b>Total</b>      | <b>3,09,61,500</b> | <b>100.00</b>        | <b>43,400</b> | <b>100.00</b>               |

**Category of Shareholders as at 31<sup>st</sup> March, 2022**



**Shares held in physical and dematerialized form**

| Mode of Holding | %age  |
|-----------------|-------|
| NSDL            | 24.92 |
| CDSL            | 73.34 |
| Physical        | 1.74  |

**xi) Dematerialization of shares and liquidity**

The shares of the Company are compulsorily traded in dematerialized form. As on 31<sup>st</sup> March, 2022, 98.26% shares were held in dematerialized form and 1.74% in physical form. Entire Promoters shareholding is in dematerialized form. The Company's shares are actively traded on BSE and NSE.

**xii) Outstanding GDR's / ADR's / Warrants / convertible instruments, conversion date and their impact on equity – Nil**

**xiii) Plant Locations**

- 1) A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar, Uttarakhand.
- 2) E-1, Sector-15, Gorakhpur Industrial Development Area, Gorakhpur, Uttar Pradesh.
- 3) Plot No. 2, 3, 4 & 5 Pharma City, Selaqui, Dehradun, Uttarakhand

**xiv) Address for correspondence**

India Glycols Limited, Plot No. 2-B, Sector-126, Noida-201304, Gautam Budh Nagar, Uttar Pradesh  
 Telephone : 0120- 3090100  
 Fax : 0120-3090111  
 Website : www.indiaglycols.com  
 E-Mail : compliance.officer@indiaglycols.com

**xv) Management**

**a) Management discussion and analysis** - Management discussion and analysis report forms separate part of the Annual Report.

**b) Disclosure on Risk Management** - The Company has further strengthened the Risk Management System in the Company. The Board of Directors periodically reviews the Risk Assessment and minimizing procedure thereof.

**xvi) Reconciliation of Share Capital**

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

**xvii) Compliance Certificate from the Statutory Auditors**

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

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

**xix) Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund**  
 During the financial year 2021-22, the Company transferred ₹ 7,64,280/- being dividend for FY 2013-14 to Investor Education and Protection Fund pursuant to Section 125 of the Act.

Further, pursuant to the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), as amended, during the financial year 2021-22, 45,287 equity shares of ₹10/- each, on which the dividend remained unpaid/unclaimed for seven consecutive years, were transferred to the demat account of the IEPF Authority ("IEPF Account"), after completing all the procedural formalities in this regard.

Members who have not encashed the dividend warrants so far are requested to claim the same to avoid transferring the unpaid/unclaimed dividend and respective shares to the IEPF Authority and IEPF Account, respectively.

The details of unpaid/unclaimed dividend lying with the Company in respect of last seven years and date for transfer of the same to IEPF has been uploaded on the website of the Company at <https://www.indiaglycols.com/investors/iepf.htm>.

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

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

**(xx)** The details pertaining to Credit Ratings obtained by the Company have been disclosed in the Board's Report forming part of Annual Report.

**INDEPENDENT AUDITORS' CERTIFICATE ON  
CORPORATE GOVERNANCE**

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

1. We, **K.N. GUTGUTIA & CO., CHARTERED ACCOUNTANTS**, the Statutory Auditors of **INDIA GLYCOLS LIMITED** (the "Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March, 2022, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

**Management's Responsibility**

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

**Auditor's Responsibility**

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

**Opinion**

6. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2022.
7. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**PLACE : NEW DELHI  
DATE : 26<sup>th</sup> May, 2022**

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

**(B. R. GOYAL)  
PARTNER  
M. NO. 12172  
UDIN: 22012172AJQGWB1779**

## CEO/CFO CERTIFICATE

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

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

We, the undersigned do hereby certify as under in the capacity of Chief Executive Officer and Chief Financial Officer of India Glycols Limited in respect of the year ended on 31<sup>st</sup> March, 2022:

- a. We have reviewed the financial statements and the cash flow statements for the financial year ended 31<sup>st</sup> March, 2022 and to the best of our knowledge and belief, we state that:
- i) these statements do not contain any misleading untrue statements or omit any material fact or contain any statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated, wherever applicable, to the Auditors and the Audit Committee:
- i) that there were no significant changes in internal control over financial reporting during the year;
  - ii) significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) that there were no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For India Glycols Limited**

**For India Glycols Limited**

Place: Noida  
Date : 26<sup>th</sup> May, 2022

**Rupark Sarswat**  
*Chief Executive Officer*

**Anand Singhal**  
*Chief Financial Officer*

**To the Members of India Glycols Limited**

## DECLARATION

I, Rupark Sarswat, Chief Executive Officer of India Glycols Limited do hereby declare that the Company had received affirmation from all the members of the Board and Senior Management personnel stating compliance of the code of conduct for the year 2021-22 pursuant to the requirement of the Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015.

**For India Glycols Limited**

Place : Noida  
Date : 19<sup>th</sup> April, 2022

**Rupark Sarswat**  
*Chief Executive Officer*

# BUSINESS RESPONSIBILITY REPORT

## Introduction

This Business Responsibility Report has been prepared in pursuance to the reporting framework of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the National Guidelines on Responsible Business Conduct (“NGRBC”) issued by the Ministry of Corporate Affairs, Government of India.

## ANNEXURE I

[See Regulation 34(2)(f)]

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:**  
L24111UR1983PLC009097
2. **Name of the Company:** India Glycols Limited
3. **Registered address:** A-1, Industrial Area, Bazpur Road, Kashipur- 244713, Distt. Udham Singh Nagar, Uttarakhand
4. **Website:** www.indiaglycols.com
5. **E-mail id:** compliance.officer@indiaglycols.com
6. **Financial Year reported:** 2021-22
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**
  - a. Bio-Based Specialities and Performance Chemicals (NIC code 20119)
  - b. Bio-Based Ethylene Oxide (NIC code 20229)
  - c. Potable Spirits (NIC code 1101)
  - d. Ennature Bio-pharma (NIC code 21001)
8. **List three key products/services that the Company manufactures/provides (as in balance sheet)**
  - a. Mono Ethylene Glycol
  - b. Bio Based Ethylene Oxide
  - c. Ethyl Alcohol (Potable)
  - d. Nutraceuticals
9. **Total number of locations where business activity is undertaken by the Company**
  - (a) **Number of International Locations (Provide details of major 5):** We undertake business activities in USA and South East Asia (through subsidiary companies).
  - (b) **Number of National Locations:**  
The Company has manufacturing activities at 3 locations namely Kashipur, Gorakhpur, Dehradun. The Company also has its Head office at Noida, Corporate Office at Kolkata and Registered office at Kashipur. Additionally, the Company has marketing offices and depots.
10. **Markets served by the Company – Local/State/ National/International:** All

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (₹):** 30,96,15,000
2. **Total Turnover (₹):** 6,75,790 lakhs
3. **Total profit after taxes (₹):** 28,539 lakhs
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** ₹ 237.01 Lakhs [about 2.69% of the average net profits of previous three financial years i.e. ₹ 8,819.75 Lakhs]

5. **List of activities in which expenditure in 4 above has been incurred:-**
  - (a) Health Care.
  - (b) Promoting Education.
  - (c) Sanitation and Safe Drinking Water.
  - (d) Conservation of Natural Resources.

### SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**  
Yes, the Company has 6 (Six) subsidiary companies as on 31<sup>st</sup> March, 2022.
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).**  
No, but India Glycols Limited encourages its subsidiaries for the same.
3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**  
The Company does not mandatorily require its suppliers and distributors to participate in BR initiatives of the Company. [Less than 30%]

### SECTION D: BR INFORMATION

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

#### S.No. Particulars Details

|   |              |                                |
|---|--------------|--------------------------------|
| 1 | DIN          | : 00063091                     |
| 2 | Name         | : Shri U. S. Bhartia           |
| 3 | Designation: | Chairman and Managing Director |

- b) **Details of the BR head:**

#### S.No. Particulars Details

|   |             |                                 |
|---|-------------|---------------------------------|
| 1 | DIN Number  | : 08602216<br>(if applicable)   |
| 2 | Name        | : Shri Sudhir Agarwal           |
| 3 | Designation | : Executive Director            |
| 4 | Telephone   | : 05947-269000/269500<br>number |
| 5 | E-mail id   | : s.agarwal@indiaglycols.com    |

2. **Principle-wise (as per NGRBC) BR Policy/policies (Reply in Y/N)**

**The nine Principles are as under:**

- P1 Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.

- |  |   |
|--|---|
| <p><b>P2</b> Businesses should provide goods and services in a manner that is sustainable and safe.</p> <p><b>P3</b> Businesses should respect and promote the well-being of all employees, including those in their value chains.</p> <p><b>P4</b> Businesses should respect the interests of and be responsive to all its stakeholders.</p> <p><b>P5</b> Businesses should respect and promote human rights.</p> | <p><b>P6</b> Businesses should respect and make efforts to protect and restore the environment.</p> <p><b>P7</b> Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.</p> <p><b>P8</b> Businesses should promote inclusive growth and equitable development.</p> <p><b>P9</b> Businesses should engage with and provide value to their consumers in a responsible manner.</p> |
|--|---|

**a) Details of compliance (Reply in Y/N)**

| No. | Questions  | P1   | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|-----|--|--|----|----|----|----|----|----|----|----|
| 1   | Do you have a policy/ policies for   | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 2   | Has the policy being formulated in consultation with the relevant stakeholders?  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 3   | Does the policy conform to any national / international standards?   | The policies are based on the National Guidelines on responsible Business conduct (“NGRBC”) in addition to the desires of ISO on Social, Environment, Safety, Energy Conservation & Business Stewardship.  |    |    |    |    |    |    |    |    |
| 4   | Has the policy being approved by the Board?<br>Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?                                   | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 5   | Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?                                  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 6   | Indicate the link for the policy to be viewed online?  | <a href="https://www.indiaglycols.com/investors/downloads/BR-Policy.pdf">https://www.indiaglycols.com/investors/downloads/BR-Policy.pdf</a>  |    |    |    |    |    |    |    |    |
| 7   | Has the policy been formally communicated to all relevant internal and external stakeholders?  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 8   | Does the Company have in-house structure to implement the policy/ policies?  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 9   | Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies? | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 10  | Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?                                 | <i>BR Policies are reviewed/evaluated at routine interval internally. Policies pertaining to Health, Safety, Environment, Quality, Social Accountability and Energy conservation are being audited by External Agency(ies), as applicable under the concerned ISO certification.</i> |    |    |    |    |    |    |    |    |

**b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

| No. | Questions   | P 1            | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-----|---|----------------|-----|-----|-----|-----|-----|-----|-----|-----|
| 1   | The Company has not understood the Principles   | Not Applicable |     |     |     |     |     |     |     |     |
| 2   | The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles |                |     |     |     |     |     |     |     |     |
| 3   | The Company does not have financial or manpower resources available for the task  |                |     |     |     |     |     |     |     |     |
| 4   | It is planned to be done within next 6 Months   |                |     |     |     |     |     |     |     |     |
| 5   | It is planned to be done within the next 1 year   |                |     |     |     |     |     |     |     |     |
| 6   | Any other reason (please specify)   |                |     |     |     |     |     |     |     |     |

### 3. Governance related to BR

- a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The BR performance of the Company are assessed/reviewed annually by the Board and CSR Committee.

- b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Business Responsibility Report of Company is published as a part of its Annual Report and can be viewed on Company's website at the following link: <https://www.indiaglycols.com/investors/downloads/annual-report-2021-22.pdf>

## SECTION E: PRINCIPLE-WISE PERFORMANCE

**Principle 1: Business should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable.**

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

The Company's Anti-bribery and Anti-corruption Policy is applicable to all its affiliates, subsidiaries, their Directors and employees at all level, Consultants, Contractors, Trainees, casual workers, or any other persons associated with the Company. The Company also has Code of Conduct and Ethics Policy which covers employees and Board members of the Company.

In addition, the Company also has in place a Policy on Vigil Mechanism (Whistle Blower Policy) which covers Directors and Employees of the Company to report their grievances/concerns related to actual/suspected fraud or unethical behavior or breach of SEBI Insider Trading Regulations.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The Company has not received any complaint under the above Codes /Policies during FY 22. However, during FY 22, the Company received 20 investors' complaints. All these complaints were properly attended and

resolved satisfactorily with in time. As on 31<sup>st</sup> March, 2022, no compliant was pending.

**Principle 2: Business should provide goods and services in a manner that is sustainable and safe**

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

India Glycols is a leading Company that manufactures green technology based bulk, specialty and performance chemicals and natural gums, spirits, industrial gases and nutraceuticals and phytochemical products. Based on the disclosure requirements under this Principle, following are the key products:

- I. **Bio based Glycols** i.e. Mono Ethylene Glycol (MEG), Diethylene Glycol (DEG) and Triethylene Glycol (TEG), which are made out of renewable feedstock i.e. Molasses and Ethanol.
- II. **Bio based Ethylene Oxide** which has been used for production of Glycols Ether and Acetate as well as other Specialty Chemicals.
- III. **Natural Active Pharmaceutical ingredients (APIs), Standardized botanical extracts and spice extracts** derived from plant based herbal raw material & extracted through renewable feedstock & green solvents such as ethanol & liquid carbon dioxide, recycled in the process. These solvents are non-polluting & environment friendly.
- IV. **Others** includes Power Alcohol which is used for blending in Petrol as per Govt. policy by Oil Manufacturing companies, Alcohol-based Hand Sanitizer, Natural Gums covering Guar gum and others hydrocolloids products with specialty PO derivatized guar, Liquid Oxygen including medical oxygen, liquid nitrogen, liquid argon, liquid CO<sub>2</sub> and EO-CO<sub>2</sub> Gas Mixtures.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional) :**
- (a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**
  - (b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

India Glycols at its Kashipur Plant have Energy Management System (ISO 50001:2018) in place and energy consumption, energy performance monitoring is being done. Distilleries effluent i.e. spent wash is



concentrated in evaporator and the concentrated spent wash (SLOP) is used as renewable fuel in boilers at Kashipur and Gorakhpur Units.

At Dehradun unit, herbal biomass extraction is utilized for the preparation of briquettes which are used as boiler fuel. Hence, the plant is self-sustainable for fuel need for thermal energy and saves 100% fossil fuel.

The Company has Zero Liquid Discharge (“ZLD”) from its Dehradun, Gorakhpur and ethanol unit of Kashipur. The condensate generated during concentration of spent wash is recycled in the process to reduce the fresh water consumption at Kashipur and Gorakhpur.

The Company is focused on recharging maximum rain water in to the ground and various water recharge measures have also been adopted. Rain water harvesting system has been installed to recharge ground water. Gabion Structures have been constructed at natural seasonal drains at up stream of the site to recharge the same basin.

The Company is continuously focusing on optimizing the resource use in order to minimize environmental impact and contributing to long term sustainability. For details of the steps undertaken towards conservation of energy etc., please refer to Annexure C of the Board’s Report.

**3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

Yes. The Company believes in and follows Integrated Management System Policy with utmost focus on environmental and social aspects. The Company ensures the sustainability of resources by reducing, reusing, recycling and managing waste.

The Company uses molasses-a sugar plant by-product cum waste as major raw material which is 100% bio-based material for operating its distilleries. The Company uses Bio based raw materials and Ethanol is one such key raw material, whereas in conventional process fossil fuel is used as raw material for production of Ethylene Oxide (EO)/ Mono Ethylene Glycol (MEG) and others, throughout the globe.

The responsible sourcing of raw material, their properties, performance and content of these materials make a significant contribution to reduced environmental impacts such as lowering carbon emissions and minimize use of the earth’s limited resources.

Sustainable solutions are based on number of defined action plans and standards based on Life Cycle Assessment (“LCA”) methodologies. India Glycols sustainable solutions for responsible sourcing of raw materials enables customers to confidently choose high-performance materials that advance their environmental and business goals.

**4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company promotes and provides opportunities to the local contractors and vendors and undertakes special initiatives to support them as and when required, as local contractors/vendors plays a vital role in the business growth at lesser cost/. The Company also provides training to many apprentice of local areas through skill development programmes. The Company also procures raw material and packaging material from nearby areas thereby creating employment opportunities and hence boosting local Economy.

The Company initiates training program for local farmers to make them capable of using latest techniques of cultivation, farming and polyhouse nurseries.

**5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The Company believes in waste minimization and increasing waste utilization as a part of drive for process efficiency and product stewardship. One of the Key raw material molasses itself is a sugar plant waste cum by product and is used for ethanol production.

Distillery effluent i.e. spent wash is concentrated in evaporator and the concentrated spent wash (‘SLOP’) is used as renewable fuel in boilers. Overall 100% spent wash from Distilleries is processed for renewable energy production. Condensate generated during concentration of spent wash is being recycled in the process to reduce the fresh water consumption at Kashipur and Gorakhpur.

The Herbal biomass extraction is utilized for the preparation of briquettes which are used as boiler fuel. Hence, the Dehradun plant is self-sustainable for fuel need for thermal energy and saves 100% fossil fuel.

We have Zero Liquid Discharge (“ZLD”) System Installation at our Distilleries at Kashipur and Gorakhpur as well as herbal extraction plant of Dehradun.

Most of the Hazardous waste (spent catalysts & used/waste oil) is recyclable and sent to Ministry of Environment and Forests and Climate Change (‘MoEF&CC’) approved recyclers.

**Principle 3: Business should respect and promote the well-being of all employees including those in their value chains.**

1. **Please indicate the Total number of employees: 1231** [Includes 80 Apprentice]
2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis: 2950**
3. **Please indicate the Number of permanent women employees:23**
4. **Please indicate the Number of permanent employees with disabilities: 1**
5. **Do you have an employee association that is recognized by management: No**
6. **What percentage of your permanent employees is members of this recognized employee association: Not applicable**
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

| Sr. No. | Category   | No. of complaints filed during the financial year (2021-22) | No. of complaints pending as on end of the financial year (2021-22) |
|---------|--|---|---|
| 1       | Child labour / forced Labour /involuntary Labour | NIL   | NIL   |
| 2       | Sexual harassment                                | NIL   | NIL   |
| 3       | Discriminatory employment                        | NIL   | NIL   |

**8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?**

- (a) Permanent Employees
  - (b) Permanent Women Employees
  - (c) Casual/Temporary/Contractual Employees
  - (d) Employees with Disabilities
- 100 % employees covering permanent, contractual, women and disabled have gone through Fire & Safety, process specific and skill up-gradation training based on competence and job profile.

The Company maintained distancing and limited trainings had been planned following industrial operational guideline during pandemic.

Also, every year employees go through fire and safety refresher training and other process specific and skill up-gradation training as per defined plan. Refresher and other specific trainings covered 95% employee in training calendar for 2021-22.

Employees at various level also participated in virtual training programs conducted through external agencies.

**Principle 4: Business should respect the interests of and be responsive to all their stakeholders.**

**1. Has the company mapped its internal and external stakeholders? Yes/No**

Yes, the Company has identified employees and their family(ies) as key internal stakeholders and customers, neighbouring society as key external stakeholders.

**2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

The Company has mapped its stakeholders as a part of its stakeholder engagement strategy development process. The Company also follow High Level Structure ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018 and SA 8000:2014 standard procedure for stakeholder identification as interested parties.

The Company regularly undertakes initiatives to serve the interested issue of those stakeholders identified as disadvantaged, vulnerable and marginalized for its sustainability.

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

**Employees:** India Glycol’s policies safeguard its employees against any kind of discrimination based on caste, creed, religion, geography, educational or social background, gender, age, family status, citizenship, disability etc. The Company believes in the continuous people development through investment in the training & development of employees even in adverse business times. The Company provides medical support and facilities across location as well as provision of medical insurance policy of employee(s) and their family(ies), which provides the employees much needed emotional and financial security.

**Local Communities:** Development of need based community programs in the areas of health, education, drinking water, skill development, sanitation, livelihood, conservation of natural resources etc. are undertaken as part of Corporate Social Responsibility (CSR) initiatives. The Company has Identified the disadvantaged students from primary schools & help them by providing amenities e.g. fans, study material, furniture etc. Also, take up some civil repair jobs of school buildings. The Company also organizes medical camps at nearby villages and assist in National health related programs as part of community welfare activities.

**Customers:** The Company houses a marketing team to ensure pre to post services to customers. Adequate system have been established for handling customers' concerns, which operated through SAP. Post sale service ensures smooth usage of our products and in case of any assistance technical team support to customer for long lasting relationships.

**Principle 5: Business should respect and promote human rights.**

**1. Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

Social performance team (SPT), Works Committee, Canteen Committee and Safety Committee are framed as forum for dialogue between workers and management and to take-up basic eminent of employees to appropriate forum. Grievance handing policy and Social Accountability system are in place to address these issues. We adhere to the human rights principles of dignity of workforce regardless of the religion, language, location, ethnic origin or any other status of any person. Therefore, we follow a policy of no discrimination of any kind with employees. The Company does not hire child labour, forced labour or involuntary labour.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

The Company has not received any complaint related to violation of human rights during FY 2021-22.

**Principle 6: Business should respect and make effort to protect and restore the environment.**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

The Company policy covers environment stewardship and energy conservation approach. Requisite processes are in place to reach the suppliers and

service providers for environment and energy conservation. Environmental impacts in lifecycle of key products are carried out with the scope of cradle to gate to identify environment hotspots. Integrated Management System Policy is also communicated with supplier, contractors and customer to influence sustainable aspects.

The Company is a global exemplar in environmental sustainability and takes pride in being green production since beginning. The Company has contributed to environmental stewardship by not only ensuring efficient use of resources but also conserve precious natural resources.

**2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

Yes, the Company believes in life cycle approach which directs business to consider responsibility on environmental protection from raw material procurement to product use. We are promoting our Glycols and other products as Bio based to potential customers interested in meeting their objective of using environment friendly chemicals made from natural renewable resources which has reduction in CO<sub>2</sub>eq emission compared to petro route similar products and have comparative lesser climate change impact.

The Company has conducted comparative Life Cycle Assessment (LCA) study of Bio-Mono Ethylene Glycol (Bio-MEG) based on ISO 14044-2006 standard and determining GHG emission as well as product specific carbon footprint as well as global warming impacts with the scope of cradle to gate.

The Company has become a key partner in supply chain for innovative process of MEG, Ethylene Oxide and derivatives as Glycol Ethers etc. production by utilizing biotechnological converted Ethanol from industrial carbon emissions. The new process now allows production using recycled carbon and reduction of GHG emissions.

The Company has developed a green belt all around its factory by growing trees of different species some of which are fruit bearing in addition to providing green cover.

For further details, "Management Discussion and Analysis Report" forming part of the Annual Report be referred.

**3. Does the company identify and assess potential environmental risks? Y/N**

Yes. The Company is an ISO 14001:2015 certified and follows all the standard conditions accordingly. Environmental risk and opportunity assessment

study conducted and various steps and objectives taken to overcome the risk and conserve environment with carbon footprint reduction, energy saving, water conservation and waste minimization processes and projects.

Since our major key raw materials are renewable and the plant at Dehradun is also a herbal extraction unit, hence there is least potential risk of natural resources reduction from our plants and processes.

**4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

Yes, the Company's Gorakhpur Unit has got its large scale CDM project -Biomass based Cogeneration, registered at UNFCCC. The purpose of the project activity is to utilize the Slop (concentrated spent wash) from the evaporator and other biomass as the fuel for the generation of steam and electricity in a novel boiler that has been developed for the first time in India for the utilization of concentrated spent wash and generation of steam.

**5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Yes, we have been able to decompose food waste generated from Colony, Canteen & Guest House by installing Bio-gas plant. Company uses renewable fuels such as rice husk, herbal agro waste, concentrated spent wash (SLOP) as a substitute of the conventional fuel. This allows us to reduce the carbon emissions along with saving the fossil fuel reserves to a great extent. The Company promotes the uses of non-conventional source of energy in the form of Solar heater for water heating, Solar operated traffic light for road safety and Solar operated street light.

The Company has taken Innovative changes for total energy integration strategy. For details of the steps undertaken towards conservation of energy, please refer to Annexure C of the Board's Report.

**6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes, the Emission/waste generated by company is within permissible limits as per concerned consents' conditions

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

There were no show cause notices pending as on the end of financial year 2021-22.

**Principle 7: Business when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

Yes, the Company is a member of number of chambers and associations. The major ones includes Indian Chemical Council ('ICC'), National Safety Council (NSC), Center of Chemical Process Safety (CCPS), Confederation of Indian Industry (CII), Federation of Indian Chamber of Commerce & Industry ('FICCI'), PHD Chamber of Commerce and Industry, All India Distillery Association, Uttar Pradesh Distillery Association, Chamber of Commerce-Gorakhpur, Kumaun Garhwal Chamber of Commerce & Industries ('KGCCI'), Basic Chemicals, Cosmetics and Dyes Export Promotion Council ('CHEMEXCIL'), Shellac and Forest Products Exports Promotion Council ('SHEFEXIL') and Federation of India Export Organizations (FIEO).

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).**

Yes, being member of various organizations as above, the Company regularly interacts and initiates various discussions at the platform of these Associations/ Chambers on the matters related to environment, economic/sector reforms, governance, administration etc. The Company does not promote/practice lobbying on a particular matter and discuss/raise the issue in a transparent manner.

**Principle 8: Business should promote inclusive growth and equitable development**

**1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof:**

Yes, the Company through its CSR programmes and/ or projects focuses, inter-alia, around Healthcare, Education, Sanitation etc. which facilitates in improving the livelihood of others. In Healthcare, the Company organizes medical camps with free consultancy and medicines; blood donation camps, ambulance service and medical devices/equipments. In Education field, the Company

provides Scholarships and other educational material to needy students, undertakes development activities in schools in the vicinity, Equipped schools with basic and modern schooling amenities. In the Community Development programme, the Company support various initiatives including toilet building, Installation of Hand Pumps and also contributed for conservation of natural resources by repair & construction work in Canal. The Company also supports to neighbouring companies and society at large in handling emergency situation such as fire incidents etc. A detailed Annual Report on CSR activities for the financial year 2021-22 is annexed to the Board's Report.

**2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

Generally, the programs /projects are undertaken through in-house team of dedicated professionals and takes help of related external NGO's and government departments.

**3. Have you done any impact assessment of your initiative?**

Yes, we assess our self at the field level on the social reforms and develop programs accordingly.

**4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

During FY 2021-22, the Company has spent an amount of ₹ 237.01 Lakhs towards various project/programs, details whereof are provided in the Annual Report on CSR activities forming part of Board's Report.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

Yes, the process of engagement with the community is an ongoing process and the Company attempts to focus the initiatives relating to CSR considering

the need, priorities and expectation of the society. The Company encourages the participation of the community to ensure community development thereby meeting the needs, priorities and expectations of the local community.

**Principle 9: Business should engage with and provide value to their consumer in a responsible manner**

**1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.: Nil**

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks(additional information):**

The Company displays the product information appropriately on the product label as per the applicable standards. It is always ensured that the products meet the necessary compliance.

**3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

Nil.

**4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

The Company responds to the Complaints of all its stakeholders in an efficient and effective manner. To address Customer Complaints satisfactorily, the Company follows corrective action and preventive action (CAPA). The Company conducts periodic surveys/feedbacks for ascertaining customer satisfaction in line with ISO requirements. On the basis of these feedbacks, we address the grievances in time to their satisfaction and also attempts to improve the performances.

# Financials

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## Independent Auditor's Report

### TO THE MEMBERS OF INDIA GLYCOLS LIMITED

#### I. Report on the Audit of Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022

##### 1. Opinion

A. We have audited the Standalone Financial Statements of India Glycols Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its Profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### 2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

##### 3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

##### 4. Information Other than the Standalone Financial Statements and Auditor's Report thereon

A. The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information

included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

B. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

##### 5. Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

A. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of company Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are responsible for overseeing the Company's financial reporting process.

## 6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

- A. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
- B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- i) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - v) Evaluate the overall presentation, structure and

content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- C. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- D. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- E. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## II. Report on Other Legal and Regulatory Requirements

1. 1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable:
2. (A) As required by Section 143(3) of the Act, based on our audit we report that;
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
  - e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the



Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.

(B) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements; Refer note 40(A)(i), 42 and 44 to the standalone financial statements;
- ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; Refer note 53 (B) to the standalone financial statements;
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv) a) The management has represented that, to the best of its knowledge and belief, as disclosed in in Note 65 (d) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or
  - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 (b) The management has represented, that, to the best of its knowledge and belief, as disclosed in in Note 65 (e) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
  - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
  - Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
 (c) Based on such audit procedures as considered reasonable and appropriate in the nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) contain any material mis-statement.

- (v) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 58 and 63, to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend

- (C) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For **K.N. Gutgutia & Co.**

Chartered Accountants  
(Firm’s Registration No. 304153E)

**(B.R. GOYAL)**

Partner

Place : Noida

Date : 26<sup>th</sup> May, 2022

(Membership No.12172)

(UDIN:22012172AJQFCL8619)

#### **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph II point 1 under “Report on Other Legal and Regulatory Requirements” section of our report to the members of India Glycols Limited of even date)

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification however, the same has been properly adjusted in the books of accounts.
- (c) As per the record and information and explanations given to us, we report that, the title deeds for all the immovable properties of the company (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company as at the balance sheet date.
- (d) According to the information and explanations given to us and on the basis of our examination

of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year.

- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) As explained to us, the inventories (except stock in transit which have been verified based on subsequent receipt /reconciliation) were physically verified during the year by the Management at reasonable intervals, and the procedures of physical verification of inventory followed by the management are reasonable and adequate, no material discrepancies were noticed on physical verification of inventories. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) The Company has made investments in one company during the year. The company has not granted secured/unsecured loans/advances in the nature of loans or stood guarantee or provide securities to any parties. Therefore, the reporting under clause 3 (iii)(a),(c) ,(d),(e), (f) of the order are not applicable to company.
- (b) The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Act. Further the company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of investments made by it and the company has not provided any loans, guarantees or securities to the parties covered under section 186 of the Act.
- (v) According to information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year, Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed

the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

- (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

Details of dues of Custom duty, Service Tax, Sales tax and Excise Duty which have not been deposited as at March 31, 2022 on account of disputes are given below:

| Name of Statute   | Nature of Dues | Forum where Dispute is Pending          | Period to which the Amount Relates (Financial Year) | Amount Involved (₹ In Lakhs) |
|-------------------|----------------|---|---|------------------------------|
| Custom Act, 1962  | Custom Duty    | Uttarakhand High court                  | 1992-93   | 11.42                        |
|                   | Custom Duty    | Assistant Commissioner Customs          | 2004-05, 2009-10 and 2015-16                        | 196.55                       |
|                   | Custom Duty    | Commissioner Customs (Appeal)           | 2004-05, 2010-11                                    | 763.77                       |
| Finance Act, 1994 | Service Tax    | Assistant Commissioner LTU-Ahmedabad    | 2010-11 to 2015-16                                  | 2.2                          |
|                   | Service Tax    | Assistant/Deputy Commissioner LTU-GKP   | 2005-06 to 2008-09, 2010-11                         | 8.09                         |
|                   | Service Tax    | Assistant/Deputy Commissioner LTU-Noida | 2015-16   | 3.51                         |

|                          |               |                                     |                                |        |
|--------------------------|---------------|-------------------------------------|--------------------------------|--------|
| Central Excise Act, 1994 | Cenvat Credit | Additional Commissioner LTU-KSP     | 2011-12 to 2013-14 and 2015-16 | 11.07  |
|                          | Cenvat Credit | Commissioner LTU-GKP                | 2011-12, 2012-13               | 10.86  |
|                          | Cenvat Credit | Superintendent-LTU-GKP              | 2016-17                        | 1.24   |
|                          | Excise Duty   | Deputy Commissioner – GKP           | 2020-21                        | 15.89  |
|                          | Excise Duty   | Principal Secretary Excise, Lucknow | 2018-19                        | 102.24 |
|                          | Excise Duty   | High court Nainital                 | 2005-06 to 2008-09             | 46.20  |
|                          | Excise Duty   | Allahabad High Court                | 2007-2008 to 2011-12           | 852.57 |
|                          | Excise Duty   | CESTAT - DELHI                      | 2010-11                        | 961.38 |

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961, as income during the year.

(ix) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowing or in the payment of interest thereon to any lender during the year.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion and according to the information and explanations given to us, term loans have been applied for the purposes for which the loans were obtained.

d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

e) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, the company has not taken any funds from an entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence 3 (xii) of the Order is not applicable to the Company.

(xiii) As per the information and explanations and records made available by the management of the company and audit procedure performed, for the related parties transaction entered during the year, the company has complied with the provisions of sec 177 and 188 of the act, wherever applicable. As explained, as per records and details made available to us such related parties transactions have been disclosed in the note no. 57 to the standalone financial statements as required by the applicable Ind-AS.

(xiv) a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) During the year, the Company has not entered into any non-cash transaction with Director or person connected with him covered within the meaning of Section 192 of the Act, Hence paragraph 3 (xv) of the Order is not applicable to the Company.

(xvi) a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

c) The Company is not a Core Investment Company

(CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

d) According to the information and explanation given to us by the management, the Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable / paragraph 3(xviii) of the Order is not applicable.

(xix) On the basis of the financial ratios disclosed in note no. 64 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to information and explanation given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any projects. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable. Refer note no. 49 to the standalone financial statements.

For **K.N. Gutgutia & Co.**  
Chartered Accountants  
(Firm's Registration No. 304153E)

**(B.R. GOYAL)**

Place: Noida  
Date: 26<sup>th</sup> May, 2022

Partner  
(Membership No. 12172)

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

(Referred to in paragraph II point 2 A (f) under "Report on Other Legal and Regulatory Requirements" section of our report to the members of India Glycols Limited of even date)

### **Report on the Internal Financial Controls With reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

#### **Opinion**

We have audited the internal financial controls with reference to standalone financial statements of **INDIA GLYCOLS LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to the standalone 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 (the "Guidance Note") 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 Companies Act, 2013.

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

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the standalone 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the standalone financial statements.

#### **Meaning of Internal Financial Controls with reference to the standalone financial statements**

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

#### **Inherent Limitations of Internal Financial Controls with reference to the standalone financial statements**

Because of the inherent limitations of internal financial controls with reference to the standalone 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 the standalone financial statements to future periods are subject to the risk that the internal financial control with reference to the standalone 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to the standalone financial statements and such internal financial controls with reference to the standalone financial statements were operating effectively as of March 31, 2022, based on the internal financial controls with reference to the standalone 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.

**For K.N. Gutgutia & Co.**

Chartered Accountants  
(Firm's Registration No. 304153E)

**(B.R. GOYAL)**

Partner

(Membership No. 12172)

Place: Noida

Date: 26<sup>th</sup> May, 2022

## Standalone Balance Sheet as at March 31, 2022

(₹ in lakhs)

| Particulars  | Note No. | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|----------|-------------------------|-------------------------|
| <b>ASSETS</b>  |          |                         |                         |
| <b>(1) NON-CURRENT ASSETS:</b>   |          |                         |                         |
| (a) Property, Plant and Equipment  | 2        | 221,752.57              | 208,109.57              |
| (b) Capital work-in-progress   | 2A       | 23,680.14               | 11,938.79               |
| (c) Investment Property  | 3        | 775.00                  | 788.74                  |
| (d) Other Intangible assets  | 4        | 165.22                  | 187.09                  |
| (e) Right to use assets  | 5        | 510.97                  | 1,148.85                |
| (f) Financial Assets   |          |                         |                         |
| (i) Investments  | 6        | 2,861.74                | 2,860.74                |
| (ii) Loans   | 7        | 43.53                   | 73.66                   |
| (iii) Others   | 8        | 11,144.98               | 4,603.55                |
| (g) Other Non-Current assets   | 9        | 1,344.41                | 1,511.04                |
| <b>Total Non Current Assets</b>  |          | <b>262,278.56</b>       | <b>231,222.03</b>       |
| <b>(2) CURRENT ASSETS:</b>   |          |                         |                         |
| (a) Inventories  | 10       | 68,942.60               | 60,550.83               |
| (b) Financial Assets   |          |                         |                         |
| (i) Trade receivables  | 11       | 40,233.46               | 36,470.13               |
| (ii) Cash and cash equivalents   | 12       | 664.06                  | 300.13                  |
| (iii) Bank balances other than (ii) above  | 13       | 9,467.14                | 9,415.09                |
| (iv) Loans   | 14       | 8,733.63                | 8,763.63                |
| (v) Others   | 15       | 16,411.70               | 4,366.36                |
| (c) Current Tax Assets (Net)   | 16       | -                       | 1,594.45                |
| (d) Other current assets   | 17       | 19,984.37               | 16,465.71               |
| <b>Total Current Assets</b>  |          | <b>164,436.96</b>       | <b>137,926.33</b>       |
| <b>(3) Assets held for sale and discontinued operations</b>                            | 62       | -                       | 38,268.90               |
| <b>TOTAL ASSETS</b>  |          | <b>426,715.52</b>       | <b>407,417.26</b>       |
| <b>EQUITY AND LIABILITIES</b>  |          |                         |                         |
| <b>EQUITY:</b>   |          |                         |                         |
| (a) Equity Share capital   | 18       | 3,096.15                | 3,096.15                |
| (b) Other Equity   | 18A      | 148,079.89              | 121,405.75              |
| <b>Total Equity</b>  |          | <b>151,176.04</b>       | <b>124,501.90</b>       |
| <b>LIABILITIES:</b>  |          |                         |                         |
| <b>NON-CURRENT LIABILITIES:</b>  |          |                         |                         |
| (a) Financial Liabilities  |          |                         |                         |
| (i) Borrowings   | 19       | 53,507.69               | 50,821.95               |
| (ii) Lease Liabilities   |          | -                       | 727.14                  |
| (iii) Other financial liabilities  | 20       | 3,804.42                | 4,217.19                |
| (b) Provisions   | 21       | 457.92                  | 595.00                  |
| (c) Deferred tax liabilities (Net)   | 22       | 33,485.62               | 32,738.30               |
| (d) Other non-current liabilities  | 23       | 18,883.87               | 26,166.92               |
| <b>Total Non Current Liabilities</b>   |          | <b>110,139.52</b>       | <b>115,266.50</b>       |
| <b>CURRENT LIABILITIES:</b>  |          |                         |                         |
| (a) Financial Liabilities  |          |                         |                         |
| (i) Borrowings   | 24       | 42,732.71               | 54,202.62               |
| (ii) Lease Liabilities   |          | 649.46                  | 650.36                  |
| (iii) Trade payables   | 25       |                         |                         |
| Total Outstanding dues of micro enterprises and small enterprises                      |          | 16.61                   | 16.61                   |
| Total Outstanding dues of creditors other than micro enterprises and small enterprises |          | 64,181.89               | 58,164.10               |
| (iv) Other financial liabilities   | 26       | 26,141.38               | 24,854.32               |
| (b) Other current liabilities  | 27       | 28,877.00               | 26,002.07               |
| (c) Provisions   | 28       | 277.27                  | 321.39                  |
| (d) Current Tax Liabilities (Net)  | 29       | 2,523.64                | -                       |
| <b>Total Current Liabilities</b>   |          | <b>165,399.96</b>       | <b>164,211.47</b>       |
| <b>Liabilities held for sale and discontinued operations</b>                           | 62       | -                       | 3,437.39                |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |          | <b>426,715.52</b>       | <b>407,417.26</b>       |

Company Overview, Basis of preparation and significant accounting policies

1

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date

**For K N Gutgutia & Co.**

Chartered Accountants

Firm Registration no. 304153E

**B.R.Goyal**

Partner

Membership Number 12172

Place : Noida, UP

Date : May 26, 2022

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

**Rupark Sarswat**  
*Chief Executive Officer*

**Sudhir Agarwal**  
*Executive Director*  
 DIN - 08602216

**Anand Singhal**  
*Chief Financial Officer*

**Ankur Jain**  
 Company Secretary

**Standalone Statement of Profit & Loss** For the year ended March 31, 2022 (₹ in lakhs), except as otherwise stated

| Particulars   | Note No. | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2021 |
|---|----------|------------------------------|------------------------------|
| <b>CONTINUING OPERATIONS</b>  |          |                              |                              |
| <b>Income</b>   |          |                              |                              |
| Revenue from operations   | 30       | 659,632.83                   | 539,000.03                   |
| Other income  | 31       | 2,653.05                     | 1,208.31                     |
| <b>Total Revenue</b>  |          | <b>662,285.88</b>            | <b>540,208.34</b>            |
| <b>Expenses:</b>  |          |                              |                              |
| Cost of materials consumed  | 32       | 166,693.50                   | 118,559.66                   |
| Excise Duty on Sales  |          | 373,310.20                   | 311,047.71                   |
| Purchase of Stock-in-Trade  | 33       | 35,036.39                    | 30,090.01                    |
| Change in inventories of finished goods, work-in-progress<br>and Stock-in-trade | 34       | (9,688.80)                   | (1,440.37)                   |
| Employee benefits expense   | 35       | 8,758.62                     | 8,168.87                     |
| Finance costs   | 36       | 6,217.32                     | 7,345.11                     |
| Depreciation and amortization expense   | 37       | 7,597.70                     | 7,581.19                     |
| Other expenses  | 38       | 60,285.96                    | 46,824.08                    |
| <b>Total Expenses</b>   |          | <b>648,210.89</b>            | <b>528,176.26</b>            |
| <b>Profit/ (Loss) before exceptional items and tax</b>                          |          | <b>14,074.99</b>             | <b>12,032.08</b>             |
| Exceptional Items (Net)   | 39       | 20,062.91                    | -                            |
| <b>Profit/ (Loss) before tax</b>  |          | <b>34,137.90</b>             | <b>12,032.08</b>             |
| Tax Expense:  | 61       |                              |                              |
| - Current Tax   |          | 5,875.70                     | 1,016.02                     |
| - Deferred tax Charged / (Credit)   |          | 749.76                       | 1,789.17                     |
| - Tax for earlier years   |          | -                            | 3,037.52                     |
| <b>Profit after tax from continuing operations</b>                              |          | <b>27,512.44</b>             | <b>6,189.37</b>              |
| <b>DISCONTINUING OPERATIONS</b>   |          |                              |                              |
| Profit from discontinued operations before tax                                  | 62       | 1,371.94                     | 4,518.39                     |
| Tax expense of discontinued operations  |          | 345.29                       | 2,277.85                     |
| <b>Profit after tax from discontinued operations</b>                            |          | <b>1,026.65</b>              | <b>2,240.54</b>              |
| <b>Profit/ (Loss) for the year</b>  |          | <b>28,539.09</b>             | <b>8,429.91</b>              |
| <b>Other Comprehensive Income</b>   |          |                              |                              |
| Items that will not be reclassified to Profit or Loss                           |          |                              |                              |
| (i) Remeasurement benefit of defined benefit plans                              |          | (9.70)                       | 393.68                       |
| (ii) Income tax expense on remeasurement benefit of defined benefit plans       |          | 2.44                         | (99.09)                      |
| <b>Other comprehensive Income/ (Loss) for the year</b>                          |          | <b>(7.26)</b>                | <b>294.59</b>                |
| <b>Total Comprehensive Income for the year</b>                                  |          | <b>28,531.83</b>             | <b>8,724.50</b>              |
| <b>Earnings per Equity share of ₹10 each basic/ diluted (in ₹)</b>              | 56       | <b>92.18</b>                 | <b>27.23</b>                 |
| - For continuing operations (in ₹)  |          | <b>88.86</b>                 | <b>19.99</b>                 |
| - For discontinuing operations (in ₹)   |          | <b>3.32</b>                  | <b>7.24</b>                  |

Company Overview, Basis of preparation and significant accounting policies 1  
The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date

**For K N Gutgutia & Co.**  
Chartered Accountants  
Firm Registration no. 304153E

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

**Sudhir Agarwal**  
*Executive Director*  
DIN - 08602216

**B.R.Goyal**  
Partner

**Rupark Sarswat**  
*Chief Executive Officer*

**Anand Singhal**  
*Chief Financial Officer*

Membership Number 12172  
Place : Noida, UP  
Date : May 26, 2022

**Ankur Jain**  
Company Secretary

## Statement of Changes in Equity as on March 31, 2022

### A. Equity Share Capital

(₹ in Lakhs)

| Particulars   | Balance as at 31 <sup>st</sup> March 2021 | Changes due to prior period errors | Restated balance at the beginning of the year | Changes during the year | Balance as at 31 <sup>st</sup> March 2022 |
|---|---|------------------------------------|---|-------------------------|---|
| <b>ISSUED, SUBSCRIBED AND PAID UP</b>                 |   |                                    |   |                         |   |
| 30,961,500 Equity Shares of ₹ 10/- each fully paid up | 3,096.15                                  | -                                  | 3,096.15                                      | -                       | 3,096.15                                  |
| <b>Total</b>  | <b>3,096.15</b>                           | <b>-</b>                           | <b>3,096.15</b>                               | <b>-</b>                | <b>3,096.15</b>                           |

| Particulars   | Balance as at 31 <sup>st</sup> March 2020 | Changes due to prior period errors | Restated balance at the beginning of the year | Changes during the year | Balance as at 31 <sup>st</sup> March 2021 |
|---|---|------------------------------------|---|-------------------------|---|
| <b>ISSUED, SUBSCRIBED AND PAID UP</b>                 |   |                                    |   |                         |   |
| 30,961,500 Equity Shares of ₹ 10/- each fully paid up | 3,096.15                                  | -                                  | 3,096.15                                      | -                       | 3,096.15                                  |
| <b>Total</b>  | <b>3,096.15</b>                           | <b>-</b>                           | <b>3,096.15</b>                               | <b>-</b>                | <b>3,096.15</b>                           |

### B. Other Equity

(₹ in Lakhs)

| Particulars                          | Reserve & Surplus          |                           |                  |                   | Items of Other Comprehensive Income that will not be classified to profit & loss | Total             |
|--------------------------------------|----------------------------|---------------------------|------------------|-------------------|--|-------------------|
|                                      | Securities Premium Reserve | Reserve for Contingencies | General Reserve  | Retained Earnings |  |                   |
| <b>Balance as at March 31, 2020</b>  | <b>3,958.36</b>            | <b>200.00</b>             | <b>10,600.14</b> | <b>97,896.71</b>  | <b>26.04</b>   | <b>112,681.25</b> |
| Profit/ (loss) for the year          | -                          | -                         | -                | 8,429.91          | -  | 8,429.91          |
| Other Comprehensive income/ (losses) | -                          | -                         | -                | -                 | 294.59   | 294.59            |
| <b>Balance as at March 31, 2021</b>  | <b>3,958.36</b>            | <b>200.00</b>             | <b>10,600.14</b> | <b>106,326.62</b> | <b>320.63</b>  | <b>121,405.75</b> |
| Profit/ (loss) for the year          | -                          | -                         | -                | 28,539.09         | -  | 28,539.09         |
| Other Comprehensive income/ (losses) | -                          | -                         | -                | -                 | (7.26)   | (7.26)            |
| Dividends Paid                       | -                          | -                         | -                | (1,857.69)        | -  | (1,857.69)        |
| <b>Balance As at March 31, 2022</b>  | <b>3,958.36</b>            | <b>200.00</b>             | <b>10,600.14</b> | <b>133,008.02</b> | <b>313.37</b>  | <b>148,079.89</b> |

As per our report of even date  
**For K N Gutgutia & Co.**  
 Chartered Accountants  
 Firm Registration no. 304153E

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

**Sudhir Agarwal**  
 Executive Director  
 DIN - 08602216

**B.R.Goyal**  
 Partner

**Rupark Sarswat**  
 Chief Executive Officer

**Anand Singhal**  
 Chief Financial Officer

Membership Number 12172  
 Place : Noida, UP  
 Date : May 26, 2022

**Ankur Jain**  
 Company Secretary



## Standalone Cash Flow Statement for the year ended 31<sup>st</sup> March, 2022

(₹ in lakhs)

|  | 2021-22     |             | 2020-21     |             |
|--|-------------|-------------|-------------|-------------|
| <b>A Cash Flow from Operating Activities</b>                                 |             |             |             |             |
| Net Profit/(Loss) Before Tax   |             | 34,137.90   |             | 12,032.08   |
| Adjustments For:   |             |             |             |             |
| Depreciation and amortisation expense  | 7,597.70    |             | 7,581.19    |             |
| (Profit)/Loss on Sale of Property, plant & equipment                         | 8.96        |             | 5.53        |             |
| Net Unrealised Foreign Exchange Fluctuation (Gain) / Loss                    | (656.81)    |             | (1,066.09)  |             |
| Govt Grant (Net)   | (20.21)     |             | (30.21)     |             |
| Profit on sale of Non-Current Investment                                     | (14.58)     |             | -           |             |
| Profit on slump sale of BioEO Business                                       | (22,133.86) |             | -           |             |
| Interest receivable from subsidiary company written off                      | 2,070.95    |             | -           |             |
| Provision No Longer Required Written Back                                    | (930.53)    |             | (680.05)    |             |
| Finance Costs  | 6,587.86    |             | 7,653.49    |             |
| Interest Income  | (2,943.90)  | (10,434.42) | (1,444.95)  | 12,018.91   |
| <b>Operating Profit/ (Loss) before Working Capital Changes</b>               |             | 23,703.48   |             | 24,050.99   |
| Adjustments For:   |             |             |             |             |
| (Increase)/Decrease in Trade & Other Receivables                             | (14,441.22) |             | 6,928.10    |             |
| (Increase)/Decrease in Inventories   | (1,234.09)  |             | (243.80)    |             |
| Increase / (Decrease) in Trade & Other Payables                              | 3,049.68    | (12,625.63) | (20,405.98) | (13,721.68) |
| <b>Cash Generated from / (Used in) Operations</b>                            |             | 11,077.85   |             | 10,329.31   |
| Income Tax Paid (Net)  |             | (2,102.70)  |             | (1,771.08)  |
| <b>Net Cash flow from / (Used in) Operating Activities</b>                   |             | 8,975.15    |             | 8,558.23    |
| <b>Net Cash flow from / (Used in) discontinued activities</b>                |             | 2,461.52    |             | 5,607.00    |
| <b>Net Cash flow from / (Used in) continuing and discontinued activities</b> |             | 11,436.67   |             | 14,165.23   |
| <b>B Cash Flow from Investing Activities</b>                                 |             |             |             |             |
| Purchase of Property, plant & equipment                                      | (37,992.39) |             | (15,116.74) |             |
| Sale of Property, plant & equipment  | 22.11       |             | 21.09       |             |
| Interest received  | 1,425.35    |             | 865.06      |             |
| Sale consideration received on slump sale of BioEO Business                  | 45,848.82   |             | -           |             |
| Sale consideration received on Sale of Non-Current Investments               | 14.58       |             | -           |             |
| ICDs received back   | 30.00       |             | 282.00      |             |
| Purchase of non-current investments  | (1.00)      |             | (2.00)      |             |
| <b>Net Cash flow from / (Used in) Investing Activities</b>                   |             | 9,347.47    |             | (13,950.59) |
| <b>Net Cash flow from / (Used in) discontinued activities</b>                |             | (1,667.76)  |             | (1,780.26)  |
| <b>Net Cash flow from / (Used in) continuing and discontinued activities</b> |             | 7,679.71    |             | (15,730.85) |
| <b>C Cash Flow from Financing Activities</b>                                 |             |             |             |             |
| Net Proceeds from Borrowings   | 32,158.44   |             | 29,878.82   |             |
| Repayment of Borrowings  | (40,963.80) |             | (15,806.88) |             |
| Payment of lease liabilities   | (728.04)    |             | (486.86)    |             |
| Finance Costs  | (6,585.92)  |             | (8,130.13)  |             |
| Dividends Paid   | (1,839.20)  |             | (38.43)     |             |
| <b>Net Cash flow from / (Used in) Financing Activities</b>                   |             | (17,958.52) |             | 5,416.52    |
| <b>Net Cash flow from / (Used in) discontinued activities</b>                |             | (793.93)    |             | (3,826.74)  |
| <b>Net Cash flow from / (Used in) continuing and discontinued activities</b> |             | (18,752.45) |             | 1,589.78    |
| <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>                |             | 363.93      |             | 24.16       |
| <b>[A+B+C]</b>   |             |             |             |             |
| Opening Cash & Cash Equivalent (refer note 12)                               |             | 300.13      |             | 275.97      |
| Closing Cash & Cash Equivalent (refer note 12)                               |             | 664.06      |             | 300.13      |

The accompanying notes are an integral part of these standalone financial statements.

**Note:**

1. The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

This is the Cash Flow Statement referred to in our report of even date.

As per our report of even date

**For K N Gutgutia & Co.**  
Chartered Accountants  
Firm Registration no. 304153E

**B.R.Goyal**  
Partner  
Membership Number 12172

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

**Rupark Sarawat**  
Chief Executive Officer

**Sudhir Agarwal**  
Executive Director  
DIN - 08602216

**Anand Singhal**  
Chief Financial Officer

**Ankur Jain**  
Company Secretary

Place : Noida, UP  
Date : May 26, 2022

# Notes to Standalone Financial Statements

## 1 Company Overview, Basis of Preparation and Significant Accounting Policies

### 1.1. Company Overview

India Glycols Limited (“IGL” or “the company”) is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are publicly traded on the National Stock Exchange (“NSE”) and the Bombay Stock Exchange (“BSE”) in India. The registered office of IGL is situated at A-1, Industrial Area, Bazpur Road, Kashipur – 244713, Distt. Udham Singh Nagar, Uttarakhand, India.

The Company manufactures Industrial Chemicals such as green technology based bulk, specialty and performance chemicals and natural gums and industrial gases; Ethyl Alcohol (Potable) and nutraceuticals.

These financial statements were authorized for issue in accordance with a resolution of the directors on dated 26<sup>th</sup> May, 2022.

### 1.2. Basis of Preparation of financial statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

### 1.3. Significant Accounting Policies

#### (a) Basis of Measurement

The Financial statements have been prepared under historical cost convention on accrual basis, except for the items that have been measured at fair value as required by relevant Ind AS.

The standalone financial statements are presented in Indian Rupees (₹), which is the Company’s functional and presentation currency and all amounts are rounded to the nearest Lakhs (₹00,000) and two decimals thereof, except as stated otherwise.

#### (b) Basis of classification of Current and Non – Current

Assets and Liabilities in the balance sheet have been classified as either current or non-current.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company’s normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company’s normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as noncurrent.

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

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current /non-current assets and liabilities.

#### (c) Property, Plant and Equipment (PPE)

Property, Plant and Equipment are carried at deemed cost (fair value model) less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

The Assets’ residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. Depreciation on Plant, Property and equipment has been provided using straight line method over the useful life of assets as specified in Schedule II of the Companies Act, 2013. However, in case of certain Plant & Machinery depreciation have been provided based on technical evaluation of the useful life by technical valuer ranging from 40-48 years.

Depreciation on additions/ disposals is provided with reference to the month of addition/ disposal. Certain plant and machinery have been considered as continuous process plant as provided in schedule II of the Companies Act, 2013 on technical evaluation.

Freehold land is not depreciated. Leasehold land is amortised over the period of lease.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from

## Notes to Standalone Financial Statements

active use. Losses/gain arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

### *Expenditure during construction*

Expenditure including qualifying interest during construction period is being included under capital work-in-progress and the same is allocated to Property, Plant & Equipment on completion of installation/construction.

### **(d) Investment Properties**

Investment properties are measured at cost less accumulated depreciation and impairment losses, if any.

Depreciation on such properties is provided over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each financial year end. The effects of any revision are included in the statement of profit and loss when the changes arise.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on annual evaluation performed by an external independent valuer/internal assessment.

### **(e) Intangible Assets**

Identifiable intangible assets are recognised a) when the Company controls the asset, b) it is probable that future economic benefits attributed to the asset will flow to the Company and c) the cost of the asset can be reliably measured.

Computer software's are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license, generally not exceeding six years on straight line basis. The assets' useful lives are reviewed at each financial year end.

### **(f) Leases**

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the period of lease term.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the incremental borrowing rate of the company.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

### **(g) Inventories**

Inventories are valued 'at lower of cost or net realizable value' except stock of residual products and scrap which are valued at net realizable value. The cost is computed on the weighted average basis. In case of finished goods and stock in process, cost is determined by considering material, labour, related overheads and duties thereon.

### **(h) Employee benefits**

#### **I. Short-term employee benefits:**

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

#### **II. Post-employment benefits**

##### **(i) Defined Contribution Plan**

Employee benefits in the form of Provident Fund (with Government Authorities) are considered as defined contribution plan and the contributions are charged to the statement of Profit & Loss of the year when the contributions to the respective funds are due.

## Notes to Standalone Financial Statements

### Actuarial Valuation

#### (ii) Defined Benefit Plan

Retirement benefits in the form of Gratuity and Long term compensated leaves are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

The liability in respect of all defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Other short term absences are provided based on past experience of leave availed.

Actuarial Gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

All other expenses related to defined benefit plans are recognized in Statement of Profit and Loss as employee benefit expenses.

#### (i) Foreign currency transactions and translation

Standalone financial statements have been presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in the statement of profit or loss. Differences arising on settlement of monetary items are also recognised in the statement of profit or loss.

#### (j) Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell.

Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale.

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Standalone Balance Sheet.

A discontinued operation is a component of the entity that has been disposed off or is classified as held for sale and:

- represents a separate major line of business or geographical area of operations and;
- is part of a single co-ordinated plan to dispose of such a line of business or area of operations.

The results of discontinued operations are presented separately in the Standalone Statement of Profit and Loss.

#### (k) Grants

Grants and subsidies from the government are recognised at their fair value where there is a reasonable assurance that the grant/subsidies will be received and the Company will comply with all attached conditions. Revenue Grants are recognised in the statement of Profit & Loss. Government grants relating to the specific Property, Plant & Equipment is disclosed in the balance sheet as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income to match them with the cost that they are intended to compensate. Changes in estimates are recognised prospectively over the remaining life of the assets.

#### (l) Taxation

Income tax expense represents the sum of current, MAT and deferred tax. Tax is recognised in the Statement of

## Notes to Standalone Financial Statements

Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that in future taxable profits will be available to set off such deductible temporary differences. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off- set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Deferred Tax includes MAT paid in accordance with Law of India which is recognised as MAT credit entitlement.

Minimum Alternative Tax (MAT) as applicable to the Company is charged to the statement of Profit and loss. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement.

### **(m) Provisions and Contingencies**

#### **(i) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting period and are adjusted to reflect the current best estimate.

#### **(ii) Contingencies**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognized in financial statements but are disclosed, if any.

### **(n) Impairment of non-current assets**

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

### **(o) Borrowing Cost / Finance Cost**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying assets treated as of the cost of that asset and other borrowing cost are recognised as expenses in the period in which it incurs them. Ancillary cost incurred in connection with the arranging the borrowings is amortized over the terms of the loan.

### **(p) Financial instruments – initial recognition, subsequent measurement and impairment**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial assets or a liability is recognised when the Company becomes a Party to the contractual provision of the instrument.

#### **a) Financial Assets**

Financial assets include cash and cash equivalent, trade and other receivables, investments in securities

## Notes to Standalone Financial Statements

and other eligible current and noncurrent assets.

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

The company derecognizes a financial assets when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and the transfer qualifies for the derecognition under Ind-AS 109.

### **Investment in Equity shares**

Investments in equity securities (Other than Investment in Subsidiaries & Joint Venture) are initially measured at fair value. Any subsequent fair value gain or loss is recognized through Profit or Loss.

### **Investment in Subsidiaries & Joint Venture**

Investments in subsidiaries and Joint Venture are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

The company assesses impairment based on expected credit loss (ECL) model to all its financial assets measured at amortised cost.

## **b) Financial liabilities**

Financial liabilities include long term and short term loan and borrowings, trade and other payables and other eligible current and non-current liabilities.

All financial liabilities recognized initially at fair value and, in the case of loans and borrowing and other payable, net of directly attributable transaction costs. After initial recognition, financial liabilities are classified under one of the following two categories

### **i) Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

### **ii) Financial liabilities measured at amortised cost**

After initial recognition, such financial liabilities are subsequently measured at amortized cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of financial liability. The EIR amortization is included in finance expense in the profit and loss.

### **De-recognition of financial liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

## **(q) Derivative financial instruments**

The Company uses derivative financial instruments, such as forward & Options currency contracts to hedge its foreign currency risks. Derivative financial instruments are measured at their fair value at the end of each reporting period.

## **(r) Cash and Cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

## **(s) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of the equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the year is adjusted for the effect of all dilutive potential equity shares.

## **(t) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief

## Notes to Standalone Financial Statements

operating decision maker. Management of the Company is responsible for allocating resources and assessing the performance of the operating segment. Revenue, expenses assets and liabilities which are common to the company are shown as results, assets and liabilities as unallocable.

### (u) Revenue recognition and other income

#### a) Sale of goods

Revenue is recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. Revenue from the sale of goods is measured at fair value of consideration received or receivable, inclusive of excise duty as applicable but after deducting discounts, rebates and Goods & Service Tax.

#### b) Sale of services-job work

Revenue from job work charges are recognised on when performance obligation is met.

#### c) Export Incentives

Revenue in respect of Export benefit are recognised on post export basis at the rate at which the entitlement accrues in terms of import export policy and is included in the turnover of the company.

### (v) Exceptional Items

When items of income and expenses within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

## 1.4. Critical accounting estimates, assumptions and judgements

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement.

Uncertainty about these assumptions and estimates could result in outcome that require a material adjustment to assets or liabilities affected in future periods.

### a) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities based on probability that taxable profit will be available against which the deductible temporary differences can be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax assets and liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

### b) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

### c) Allowance for uncollected accounts receivable and advances

Trade receivables and advances are stated at their transaction value as reduced by appropriate allowances for estimated irrecoverable amounts. Trade receivables and advances are written off on case to case basis when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

### d) Insurance claims

Insurance claims are recognised when the Company have reasonable certainty of recovery. Subsequently any change in recoverability is appropriately adjusted for and give effect in the statement of profit and loss.

### e) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### f) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## Notes to Standalone Financial Statements

### 2. Property, Plant & Equipment

(₹ in Lakhs)

| Particulars  | Freehold Land    | Leasehold Land   | Buildings        | Plant & Equipment | Office Equipment | Furniture & Fixtures | Vehicles#     | Total             |
|--|------------------|------------------|------------------|-------------------|------------------|----------------------|---------------|-------------------|
| <b>Gross block As at March 31, 2020</b>              | 12,387.72        | 11,895.00        | 9,484.60         | 206,674.97        | 873.25           | 2,332.23             | 671.69        | <b>244,319.46</b> |
| Additions  | -                | -                | 1,709.92         | 18,424.43         | 159.33           | 101.55               | 130.51        | 20,525.74         |
| Disposals  | -                | -                | -                | -                 | 35.06            | 0.72                 | 47.92         | 83.70             |
| Relating to discontinued operations                  | 1,729.00         | -                | 417.72           | 18,757.22         | 75.59            | 715.49               | 10.96         | 21,705.98         |
| <b>As at March 31, 2021</b>                          | <b>10,658.72</b> | <b>11,895.00</b> | <b>10,776.80</b> | <b>206,342.18</b> | <b>921.93</b>    | <b>1,717.57</b>      | <b>743.32</b> | <b>243,055.52</b> |
| Additions  | -                | -                | 933.90           | 27,984.27         | 141.91           | 9.53                 | 159.30        | 29,228.91         |
| Disposals  | -                | -                | -                | -                 | 25.96            | -                    | 67.76         | 93.72             |
| Relating to discontinued operations                  | -                | -                | -                | 14,399.99         | -                | -                    | -             | 14,399.99         |
| <b>As at March 31, 2022</b>                          | <b>10,658.72</b> | <b>11,895.00</b> | <b>11,710.70</b> | <b>219,926.46</b> | <b>1,037.88</b>  | <b>1,727.10</b>      | <b>834.86</b> | <b>257,790.72</b> |
| <b>Accumulated Depreciation As at March 31, 2020</b> | -                | 884.50           | 1,495.77         | 29,568.18         | 467.92           | 1,144.44             | 91.41         | 33,652.22         |
| Charge for the year                                  | -                | 152.85           | 331.93           | 6,133.86          | 123.24           | 121.44               | 105.12        | 6,968.44          |
| Disposals  | -                | -                | -                | -                 | 30.03            | 0.47                 | 26.58         | 57.08             |
| Relating to discontinued operations                  | -                | -                | 126.97           | 5,167.26          | 41.58            | 277.39               | 4.43          | 5,617.63          |
| <b>As at March 31, 2021</b>                          | -                | <b>1,037.35</b>  | <b>1,700.73</b>  | <b>30,534.78</b>  | <b>519.55</b>    | <b>988.02</b>        | <b>165.52</b> | <b>34,945.95</b>  |
| Charge for the period                                | -                | 176.90           | 373.78           | 6,155.63          | 120.07           | 117.20               | 107.54        | 7,051.12          |
| Disposals  | -                | -                | -                | -                 | 18.08            | -                    | 44.66         | 62.74             |
| Relating to discontinued operations                  | -                | -                | -                | 5,896.18          | -                | -                    | -             | 5,896.18          |
| <b>As at March 31, 2022</b>                          | -                | <b>1,214.25</b>  | <b>2,074.51</b>  | <b>30,794.23</b>  | <b>621.54</b>    | <b>1,105.22</b>      | <b>228.40</b> | <b>36,038.15</b>  |
| <b>Net Carrying Amount</b>                           | -                | -                | -                | -                 | -                | -                    | -             | -                 |
| As at March 31, 2021                                 | <b>10,658.72</b> | <b>10,857.65</b> | <b>9,076.07</b>  | <b>175,807.40</b> | <b>402.38</b>    | <b>729.55</b>        | <b>577.80</b> | <b>208,109.57</b> |
| As at March 31, 2022                                 | <b>10,658.72</b> | <b>10,680.75</b> | <b>9,636.19</b>  | <b>189,132.23</b> | <b>416.34</b>    | <b>621.88</b>        | <b>606.46</b> | <b>221,752.57</b> |

Notes:

# Gross block includes ₹ 490.95 Lakhs (Previous Year ₹ 368.65 Lakhs) secured by hypothecation against loan.

#### 2A. Ageing schedule of Capital Work-in-progress

(₹ in Lakhs)

| Particulars                    | Amount in CWIP for a period of |                 |               |                   | Total            |
|--------------------------------|--------------------------------|-----------------|---------------|-------------------|------------------|
|                                | Less than 1 year               | 1-2 years       | 2-3 years     | More than 3 years |                  |
| <b>As at March 31, 2022</b>    |                                |                 |               |                   |                  |
| Project in Progress            | 21,341.08                      | 1,813.12        | 436.91        | 89.03             | 23,680.14        |
| Projects Temporarily Suspended | -                              | -               | -             | -                 | -                |
|                                | <b>21,341.08</b>               | <b>1,813.12</b> | <b>436.91</b> | <b>89.03</b>      | <b>23,680.14</b> |
| <b>As at March 31, 2021</b>    |                                |                 |               |                   |                  |
| Project in Progress            | 7,701.03                       | 3,834.81        | 303.82        | 99.13             | 11,938.79        |
| Projects Temporarily Suspended | -                              | -               | -             | -                 | -                |
|                                | <b>7,701.03</b>                | <b>3,834.81</b> | <b>303.82</b> | <b>99.13</b>      | <b>11,938.79</b> |



## Notes to Standalone Financial Statements

| <b>3. Investment Property</b>                        |                |                |
|--|----------------|----------------|
| (₹ in Lakhs)   |                |                |
| Particulars  | Amount         |                |
| <b>Gross block As at March 31,2020</b>               | <b>833.54</b>  |                |
| Additions  | -              |                |
| Disposals  | -              |                |
| <b>As at March 31,2021</b>                           | <b>833.54</b>  |                |
| Additions  | -              |                |
| Disposals  | -              |                |
| <b>As at March 31,2022</b>                           | <b>833.54</b>  |                |
| <b>Accumulated Depreciation As at March 31, 2020</b> | <b>31.06</b>   |                |
| Charge for the period                                | 13.74          |                |
| Disposals  | -              |                |
| <b>As at March 31,2021</b>                           | <b>44.80</b>   |                |
| Charge for the year                                  | 13.74          |                |
| Disposals  | -              |                |
| <b>As at March 31,2022</b>                           | <b>58.54</b>   |                |
| <b>Net Carrying Amount</b>                           |                |                |
| As at March 31,2021                                  | 788.74         |                |
| As at March 31,2022                                  | 775.00         |                |
| <b>Fair Value</b>                                    |                |                |
| As at March 31,2021                                  | 976.22         |                |
| As at March 31,2022                                  | 1,150.82       |                |
|  | <b>2021-22</b> | <b>2020-21</b> |
| Rental Income Derived from Investment Properties     | 43.45          | 38.36          |
| Direct Operating Expenses                            | 8.61           | 3.63           |
| <b>Profit arising from investment properties</b>     | <b>34.84</b>   | <b>34.73</b>   |

| <b>4. Other Intangibles</b>                          |               |  |
|--|---------------|--|
| (₹ in Lakhs)   |               |  |
| Particulars  | Amount        |  |
| <b>Computer Software</b>                             |               |  |
| <b>Gross block As at March 31, 2020</b>              | <b>295.91</b> |  |
| Additions  | 7.69          |  |
| Disposal   | -             |  |
| <b>As at March 31, 2021</b>                          | <b>303.60</b> |  |
| Additions  | -             |  |
| Disposal   | -             |  |
| <b>As at March 31, 2022</b>                          | <b>303.60</b> |  |
| <b>Accumulated Amortisation As at March 31, 2020</b> | <b>91.92</b>  |  |
| Charge for the year                                  | 24.59         |  |
| Disposals  | -             |  |
| <b>As at March 31, 2021</b>                          | <b>116.51</b> |  |
| Charge for the year                                  | 21.87         |  |
| Disposals  | -             |  |
| <b>As at March 31, 2022</b>                          | <b>138.38</b> |  |
| <b>Net Carrying Amount</b>                           |               |  |
| As at March 31, 2021                                 | <b>187.09</b> |  |
| As at March 31, 2022                                 | <b>165.22</b> |  |

## Notes to Standalone Financial Statements

### 5. Right to use assets

| (₹ in Lakhs)   |                 |
|--|-----------------|
| Particulars  | Amount          |
| <b>Gross block As at March 31, 2020</b>              | <b>2,299.27</b> |
| Additions  | -               |
| Disposal   | -               |
| <b>As at March 31, 2021</b>                          | <b>2,299.27</b> |
| Additions  | -               |
| Disposal   | 126.91          |
| <b>As at March 31, 2022</b>                          | <b>2,172.36</b> |
| <b>Accumulated Amortisation As at March 31, 2020</b> | 576.00          |
| Charge for the year                                  | 574.42          |
| Disposals  | -               |
| <b>As at March 31, 2021</b>                          | <b>1,150.42</b> |
| Charge for the year                                  | 510.97          |
| Disposals  | -               |
| <b>As at March 31, 2022</b>                          | <b>1,661.39</b> |
| <b>Net Carrying Amount</b>                           |                 |
| As at March 31, 2021                                 | 1,148.85        |
| As at March 31, 2022                                 | 510.97          |

### 6. NON CURRENT FINANCIAL ASSETS : INVESTMENTS

| (₹ in Lakhs), except as otherwise stated  |                      |            |                 |                      |            |                 |
|---|----------------------|------------|-----------------|----------------------|------------|-----------------|
| Particulars   | As at March 31, 2022 |            |                 | As at March 31, 2021 |            |                 |
|   | No. of shares        | Face Value | Amount          | No. of shares        | Face Value | Amount          |
| <b>- UNQUOTED</b>   |                      |            |                 |                      |            |                 |
| <b>(A) Investment in Equity Instruments</b>   |                      |            |                 |                      |            |                 |
| <b>(1) Subsidiary Companies</b>   |                      |            |                 |                      |            |                 |
| a) IGL Finance Ltd.*  | 15,00,000            | ₹ 10.00    | -               | 15,00,000            | ₹ 10.00    | -               |
| b) IGL CHEM International PTE Ltd., Singapore   | 1,00,000             | SGD 1      | 27.41           | 1,00,000             | SGD 1      | 27.41           |
| c) IGL CHEM International USA LLC   | 2,00,000             | USD 1      | 127.00          | 2,00,000             | USD 1      | 127.00          |
| d) Shakumbari Sugar & Allied Industries Ltd.*   | 2,58,62,100          | ₹ 10.00    | -               | 5,01,12,100          | ₹ 10.00    | -               |
| e) Clariant IGL Specialty Chemicals Private Limited** (Previously known as IGL Green Chemicals Private Limited) | -                    | -          | -               | 10,000               | ₹ 10.00    | 1.00            |
| f) IGL Chemicals and Services Private Limited   | 10,000               | ₹ 10.00    | 1.00            | 10,000               | ₹ 10.00    | 1.00            |
| g) Ennature Bio Pharma Private Limited  | 10,000               | ₹ 10.00    | 1.00            | -                    | -          | -               |
| <b>(2) Joint Venture</b>  |                      |            |                 |                      |            |                 |
| Kashipur Infrastructure and Freight Terminal Pvt Ltd  | 26,74,418            | ₹ 10.00    | 2,704.33        | 26,74,418            | ₹ 10.00    | 2,704.33        |
| Clariant IGL Specialty Chemicals Private Limited** (Previously known as IGL Green Chemicals Private Limited)    | 10,000               | ₹ 10.00    | 1.00            | -                    | -          | -               |
|   |                      |            | <b>2,861.74</b> |                      |            | <b>2,860.74</b> |

## Notes to Standalone Financial Statements

| <b>(B) Investment in Preference Shares</b> |           |         |                 |            |         |                 |
|--|-----------|---------|-----------------|------------|---------|-----------------|
| <b>(1) Subsidiary Companies</b>            |           |         |                 |            |         |                 |
| Shakumbari Sugar & Allied Industries Ltd.* | 51,00,000 | ₹ 10.00 | -               | 10,000,000 | ₹ 10.00 | -               |
|  |           |         | -               |            |         | -               |
|  |           |         | <b>2,861.74</b> |            |         | <b>2,860.74</b> |

Aggregated book value of unquoted investment 2,861.74 2,860.74

\*The Company has elected to fair value in investment in certain subsidiaries to the date of transition.

\*Refer Note no. 45 to financial statements.

\*\*w.e.f. 30<sup>th</sup> June, 2021 from the time of allotment of equity shares to JV Partner. (Refer Note 62)

### 7. Non Current Loans

| (₹ in Lakhs)                 |                         |                         |
|------------------------------|-------------------------|-------------------------|
| Particulars                  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>Other Loans</b>           |                         |                         |
| Loans to Employee            |                         |                         |
| - Unsecured, considered good | 43.53                   | 73.66                   |
|                              | <b>43.53</b>            | <b>73.66</b>            |

### 8. Other non-Current financial assets

| (₹ in Lakhs)  |                         |                         |
|---|-------------------------|-------------------------|
| Particulars   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Bank deposits with remaining maturity of more than 12 months (Note no. 13)* | 930.11                  | 1,293.50                |
| Deferred Sale consideration receivable from related party                   | 6,350.00                | -                       |
| Security Deposits   |                         |                         |
| - Unsecured, considered good#   | 3,864.87                | 3,310.05                |
|   | <b>11,144.98</b>        | <b>4,603.55</b>         |

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

# Includes ₹ 1,759.31 lakhs (Previous Year ₹ 1,387.39 lakhs) (net of deferred expenditure) security deposit to director, private companies in which director/directors of company is director and are also related parties.

### 9. Other non-current assets

| (₹ in Lakhs)                                 |                         |                         |
|--|-------------------------|-------------------------|
| Particulars                                  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>Capital Advances</b>                      |                         |                         |
| - Unsecured, considered good                 | 1,067.20                | 1,218.56                |
| <b>Advances other than capital advances:</b> |                         |                         |
| - Prepaid Expenses                           | 168.25                  | 140.62                  |
| - Deferred Expenditure                       | 108.96                  | 151.86                  |
|  | <b>277.21</b>           | <b>292.48</b>           |
|  | <b>1,344.41</b>         | <b>1,511.04</b>         |

## Notes to Standalone Financial Statements

### 10. Inventories (At lower of cost and net realisable value)

| Particulars           | (₹ in Lakhs)            |                         |
|-----------------------|-------------------------|-------------------------|
|                       | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Raw Materials         | 11,176.70               | 14,487.06               |
| Add: Goods in transit | 5,085.67                | 7,566.33                |
|                       | <b>16,262.37</b>        | <b>22,053.39</b>        |
| Work-in-Process       | 8,890.55                | 7,966.86                |
| Finished Goods        | 12,225.67               | 3,435.23                |
|                       | <b>12,225.67</b>        | <b>3,435.23</b>         |
| Stores and Spares     | 31,465.07               | 26,969.54               |
| Residue Product       | 43.84                   | 69.17                   |
| Loose Tools & others  | 55.10                   | 56.64                   |
|                       | <b>68,942.60</b>        | <b>60,550.83</b>        |

### 11. Trade Receivables

| Particulars   | (₹ in Lakhs)            |                         |
|---|-------------------------|-------------------------|
|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| - Undisputed Trade Receivables-considered good                                | 39,801.55               | 35,728.57               |
| - Undisputed Trade Receivables-which have significant increase in Credit Risk | -                       | -                       |
| - Undisputed Trade Receivables-Credit impaired                                | -                       | -                       |
| - Disputed Trade Receivables-considered good                                  | 431.91                  | 741.56                  |
| - Disputed Trade Receivables-which have significant increase in Credit Risk   | -                       | -                       |
| - Disputed Trade Receivables-Credit impaired                                  | 78.79                   | 78.79                   |
|   | 40,312.25               | 36,548.92               |
| Less: Loss Allowance  | (78.79)                 | (78.79)                 |
|   | <b>40,233.46</b>        | <b>36,470.13</b>        |

### 12. Cash & Cash Equivalents

| Particulars                | (₹ in Lakhs)            |                         |
|----------------------------|-------------------------|-------------------------|
|                            | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>Balances with Banks</b> |                         |                         |
| - On Current Accounts      | 626.98                  | 265.27                  |
| - Cash on Hand             | 37.08                   | 34.86                   |
|                            | <b>664.06</b>           | <b>300.13</b>           |

### 13. Bank balance other than cash & cash equivalents

| Particulars   | (₹ in Lakhs)            |                         |
|---|-------------------------|-------------------------|
|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>Other bank balances</b>  |                         |                         |
| - In Fixed Deposit Accounts* Current                              | 9,347.05                | 9,313.39                |
| - In Fixed Deposit Accounts* - Non Current                        | 930.11                  | 1,293.50                |
| - On Unpaid Dividend Accounts                                     | 120.09                  | 101.70                  |
|   | 10,397.25               | 10,708.59               |
| Less: Amount disclosed under Other Non Current Assets (Note No 8) | 930.11                  | 1,293.50                |
|   | <b>9,467.14</b>         | <b>9,415.09</b>         |

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

## Notes to Standalone Financial Statements

### 14. Current loans

| (₹ in Lakhs)   |                         |                         |
|--|-------------------------|-------------------------|
| Particulars  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>Inter Corporate Deposits (ICD) #</b>                |                         |                         |
| - Unsecured, considered good                           | 8,733.63                | 8,763.63                |
| - Loans which have significant increase in Credit Risk | -                       | -                       |
| - Loans- Credit Impaired                               | -                       | 11,719.71               |
| Less : Provision/ Allowance for doubtful ICD           | -                       | (11,719.71)             |
|  | <b>8,733.63</b>         | <b>8,763.63</b>         |

# Includes deposit with related party ₹ 6,219.13 lakhs (Previous year ₹ 6,219.13 lakhs), 71.21% (Previous year - 71.21%) of total deposits.(Refer note no 45(b)).

### 15. Other financial assets

| (₹ in Lakhs)  |                         |                         |
|---|-------------------------|-------------------------|
| Particulars   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Export Incentive receivable - Duty Drawback                     | 94.71                   | 204.73                  |
| Interest receivable#  | 2,358.75                | 2,911.05                |
| Deferred Sale consideration receivable from related party       | 12,756.00               | -                       |
| Others (including security deposit, claims & other receivable)  | 1,494.02                | 3,002.61                |
| Less : Provision/ Allowance for doubtful other financial assets | (291.78)                | (1,752.03)              |
|   | 1,202.24                | 1,250.58                |
|   | <b>16,411.70</b>        | <b>4,366.36</b>         |

# Includes receivable from related party ₹ Nil (Previous year ₹ 1587.95 lakhs ), refer note no 45(a).

### 16. Current tax assets (Net)

| (₹ in Lakhs)   |                         |                         |
|--|-------------------------|-------------------------|
| Particulars  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Advance Income Tax/ Tax deducted at source<br>(net of income tax provision ) | -                       | 1,594.45                |
|  | -                       | <b>1,594.45</b>         |

### 17. Other current assets

| (₹ in Lakhs)  |                         |                         |
|---|-------------------------|-------------------------|
| Particulars   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Export Incentive receivable   | 151.01                  | 934.77                  |
| Balance with Excise and Other Authorities                           | 9,605.96                | 4,183.23                |
| Deposits with Government Departments & Others                       | 758.43                  | 800.95                  |
| Prepaid expenses  | 3,049.90                | 4,064.43                |
| Other Advances:   |                         |                         |
| Advances recoverable in cash or in kind or for value to be received | 6,419.07                | 6,482.33                |
| Doubtful advances   | 204.11                  | 204.11                  |
|   | <b>6,623.18</b>         | <b>6,686.44</b>         |
| Less : Provision/ Allowance for doubtful advances#                  | (204.11)                | (204.11)                |
|   | <b>6,419.07</b>         | <b>6,482.33</b>         |
|   | <b>19,984.37</b>        | <b>16,465.71</b>        |

## Notes to Standalone Financial Statements

### 18. EQUITY SHARE CAPITAL

(₹ in Lakhs), except as otherwise stated

| Particulars   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>Authorised :</b>                                   |                         |                         |
| 45,000,000 Equity Shares of ₹ 10/- each               | 4,500.00                | 4,500.00                |
|   | <b>4,500.00</b>         | <b>4,500.00</b>         |
| <b>Issued, Subscribed and paid up :</b>               |                         |                         |
| 30,961,500 Equity Shares of ₹ 10/- each fully paid up | 3,096.15                | 3,096.15                |
| <b>Total Equity share Capital</b>                     | <b>3,096.15</b>         | <b>3,096.15</b>         |

#### a) Terms/rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of Rs 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

| Name of Shareholders                                | As at March 31, 2022 |              | As at March 31, 2021 |              |
|---|----------------------|--------------|----------------------|--------------|
|   | No. of Shares        | % of holding | No. of Shares        | % of holding |
| Kashipur Holdings Limited                           | 1,18,08,472          | 38.14%       | 1,18,08,472          | 38.14%       |
| Executors to the Estate of Late Sajani Devi Bhartia | 21,00,249            | 6.78%        | 21,00,249            | 6.78%        |

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

| Particulars  | No. of Shares<br>As at<br>March 31, 2022 | No. of Shares<br>As at<br>March 31, 2021 |
|--|--|--|
| Shares outstanding as at the beginning of the year | 30,961,500                               | 30,961,500                               |
| Additions during the year                          | -  | -  |
| Deletions during the year                          | -  | -  |
| Shares outstanding as at the end of the year       | <b>30,961,500</b>                        | <b>30,961,500</b>                        |

#### d) Detail of shares held by promoters in the Company

| Name of Promoter                                    | As at<br>March 31, 2022 |                      | % Change<br>during the<br>year | As at<br>March 31, 2021 |                      | % Change<br>during the<br>year |
|---|-------------------------|----------------------|--------------------------------|-------------------------|----------------------|--------------------------------|
|   | No. of<br>Shares        | % of total<br>Shares |                                | No. of<br>Shares        | % of total<br>Shares |                                |
| Kashipur holdings Limited                           | 1,18,08,472             | 38.14%               | -                              | 1,18,08,472             | 38.14%               | 4.70%                          |
| Executors to the Estate of Late Sajani Devi Bhartia | 21,00,249               | 6.78%                | -                              | 21,00,249               | 6.78%                | -                              |
| Mayur Barter Pvt. Ltd.                              | -                       | -                    | -                              | -                       | -                    | (4.70)%                        |
| Uma Shankar Bhartia                                 | 4,48,722                | 1.45%                | -                              | 4,48,722                | 1.45%                | -                              |
| Jayshree Bhartia                                    | 2,29,003                | 0.74%                | -                              | 2,29,003                | 0.74%                | -                              |
| Pooja Jhaver  | 97,592                  | 0.32%                | -                              | 97,592                  | 0.32%                | -                              |
| Pragya Bhartia Barwale                              | 300                     | -                    | -                              | 300                     | -                    | -                              |

## Notes to Standalone Financial Statements

|                                   |           |       |   |           |       |   |
|-----------------------------------|-----------|-------|---|-----------|-------|---|
| Facit Commosales Pvt. Ltd.        | 10,57,853 | 3.42% | - | 10,57,853 | 3.42% | - |
| JB Commercial Company Pvt. Ltd.   | 9,77,915  | 3.16% | - | 9,77,915  | 3.16% | - |
| J Boseck & Co. Pvt. Ltd.          | 8,64,401  | 2.79% | - | 8,64,401  | 2.79% | - |
| Ajay Commercial Co. Pvt. Ltd.     | 6,11,255  | 1.97% | - | 6,11,255  | 1.97% | - |
| Sukhvarsha Distributors Pvt. Ltd. | 3,61,875  | 1.17% | - | 3,61,875  | 1.17% | - |
| Supreet Vyapaar Pvt. Ltd.         | 2,67,895  | 0.87% | - | 2,67,895  | 0.87% | - |
| Hindustan Wires Ltd.              | 65,000    | 0.21% | - | 65,000    | 0.21% | - |
| Lund & Blockley Pvt. Ltd.         | 500       | -     | - | 500       | -     | - |

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

### 18A. Other Equity

(₹ in Lakhs)

| Particulars                                     | Reserve & Surplus  |                           |                  |                   |  | Total             |
|---|--------------------|---------------------------|------------------|-------------------|--|-------------------|
|   | Securities Premium | Reserve for Contingencies | General Reserve  | Retained Earnings | Items of Other Comprehensive Income that will not be classified to profit & loss |                   |
| <b>Balance as at April 1, 2020</b>              | <b>3,958.36</b>    | <b>200.00</b>             | <b>10,600.14</b> | <b>97,896.71</b>  | <b>26.04</b>   | <b>112,681.25</b> |
| Profit / (Loss ) for the year                   |                    |                           |                  | 8,429.91          | -  | 8,429.91          |
| Re-measurement of the net defined benefit Plans |                    |                           |                  |                   | 294.59   | 294.59            |
| <b>Balance As at March 31, 2021</b>             | <b>3,958.36</b>    | <b>200.00</b>             | <b>10,600.14</b> | <b>106,326.62</b> | <b>320.63</b>  | <b>121,405.75</b> |
| Profit / (Loss ) for the year                   |                    |                           |                  | 28,539.09         | -  | 28,539.09         |
| Re-measurement of the net defined benefit Plans |                    |                           |                  |                   | (7.26)   | (7.26)            |
| Dividend paid                                   |                    |                           |                  | (1,857.69)        |  | (1,857.69)        |
| <b>Balance As at March 31, 2022</b>             | <b>3,958.36</b>    | <b>200.00</b>             | <b>10,600.14</b> | <b>133,008.02</b> | <b>313.37</b>  | <b>148,079.89</b> |

#### Nature of reserves

Reserve from Contingencies are created in earlier years to meet any contingencies in future and in the nature of free reserve.

General reserve amount transferred/ apportioned represents is in accordance with Indian Corporate law (The Companies Act, 1956) wherein a portion of profit is apportioned to general reserve, before a company can declare dividend.

Other comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into i) Items that will not be reclassified to profit & loss ii) Items that will be reclassified to profit & loss.

## Notes to Standalone Financial Statements

### 19. Non-current borrowings

(₹ in Lakhs)

|  | Non-Current Portion     |                         | Current Maturities      |                         |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>SECURED LOANS</b>   |                         |                         |                         |                         |
| Rupee Term Loans   |                         |                         |                         |                         |
| - from Banks & NBFCs   | 32,432.44               | 36,212.52               | 12,130.56               | 11,699.99               |
| - Vehicle Loan & others  | 189.45                  | 294.86                  | 73.69                   | 61.33                   |
| Foreign Currency Term Loans from Banks   | 13,060.80               | 7,939.57                | 2,572.800               | 1,428.000               |
|  | <b>45,682.69</b>        | <b>44,446.95</b>        | <b>14,777.05</b>        | <b>13,189.32</b>        |
| <b>UNSECURED LOANS</b>   |                         |                         |                         |                         |
| Loan from Body Corporates  | 7,825.00                | 6,375.00                | -                       | -                       |
|  | <b>7,825.00</b>         | <b>6,375.00</b>         | -                       | -                       |
| Less: Amount disclosed under the head "other financial liabilities "( Note No. 24) |                         |                         | 14,777.05               | 13,189.32               |
| <b>Total Non- Current Borrowings</b>   | <b>53,507.69</b>        | <b>50,821.95</b>        | -                       | -                       |

#### Notes:

- The Term Loans inter-se, are secured / to be secured by mortgage of all immovable properties of the Company both present and future and hypothecation of all movable properties of the Company (save and except book debts) including movable machinery, machinery spares, tools and accessories, both present and future subject to prior charges created and / or to be created in favour of the bankers of the Company on stocks, book debts and other specified movable properties for working capital requirements / Buyers Credit. .
- Vehicle Loan & others include loan of ₹ 263.14 lakhs (Previous Year ₹ 209.24 lakhs) secured by hypothecation of Motor Vehicles purchased there under which is repayable on different dates & loan of ₹ Nil (Previous Year ₹ 146.96 lakhs) secured against bank guarantee. (read with para 7)
- Term Loan from NBFC of ₹ Nil lakhs (Previous year ₹ 2850.00 lakhs), is repayable in 20 equal quarterly instalments of ₹ 356.25 lakhs commencing from June 2018. This RTL facility has been fully prepaid through the proceeds of slump sale of BioEO business.
- Term Loan from NBFC of ₹ 2,995 lakhs (Previous year ₹ Nil lakhs), is repayable in 20 equal quarterly instalments commenced from March 22.
- Term Loan from bank of ₹ 5,415 lakhs (Previous year ₹ Nil lakhs), is repayable in 20 equal quarterly instalments commenced from Feb 22.
- Term Loan from bank of ₹ 450.00 lakhs (Previous year ₹ 1,050.00 lakhs), is repayable in 9 equal quarterly instalments of ₹ 150.00 lakhs commencing from October 2019.
- Term Loan from DBT Bio-pharma ₹ Nil (Previous year ₹ 146.96 lakhs), is repayable in 8 equal half yearly instalments commencing from July 2018.
- Term Loan from bank of ₹ 8,000 lakhs (Previous year ₹ Nil lakhs), is repayable in 12 equal quarterly instalments commencing from July 2022.
- Term Loan from NBFC of ₹ Nil (Previous year ₹ 1,400.00 lakhs), is repayable in 20 equal quarterly instalments of ₹ 140.00 lakhs commencing from October 2018. This RTL facility has been fully prepaid through the proceeds of slump sale of BioEO business.
- Term Loan from bank of ₹ 4,000.00 lakhs (Previous year ₹ 6,000.00 lakhs), is repayable in 20 equal quarterly instalments of ₹ 500.00 lakhs commencing from February 2019.
- Term Loan from bank of ₹ Nil (Previous year ₹ 4,179 lakhs), is repayable in 20 structured quarterly instalments commencing from next quarter from date of each disbursement. This RTL facility has been fully prepaid through the proceeds of slump sale of BioEO business.
- Term Loan from bank of ₹ Nil (Previous year ₹ 6,948 lakhs), is repayable in 72 structured monthly instalments commencing from next month from date of each disbursement. This RTL facility has been fully prepaid through the proceeds of slump sale of BioEO business.
- Term Loan from bank of ₹ 3,500 lakhs (Previous year ₹ 4,000 lakhs), is repayable in 48 equal monthly instalments commencing from end of 13th months from the date of disbursement.
- Term Loan from bank of ₹ Nil (Previous year ₹ 3,650 lakhs), is repayable in 18 structured quarterly instalments commencing from the same month of disbursement.
- Term Loan from bank of ₹ 5,000 lakhs (Previous year ₹ 5,000 lakhs), is repayable in 16 equal quarterly instalments commencing from July 2022.
- Term Loan from bank of ₹ 4,000 lakhs (Previous year ₹ 5,000 lakhs), is repayable in 20 equal quarterly instalments commenced from June 2021.
- Term Loan from bank of ₹ 2,752 lakhs (Previous year ₹ Nil lakhs), is repayable in 24 quarterly equal instalments after moratorium of 1 year from the date of 1st disbursement.
- Term Loan from bank of ₹ 2,428 lakhs (Previous year ₹ Nil lakhs), is repayable in 24 quarterly equal instalments after moratorium of 1 year from the date of 1st disbursement.
- Term Loan from bank of ₹ 5971 lakhs (Previous year ₹ Nil lakhs), is repayable in 24 quarterly structured instalments after moratorium of 1 year from the date of 1st disbursement.
- Foreign Currency Term Loan (converted from Rupee Term loan) from bank of USD 10151700 (Rupee Term Loan - Previous Year - ₹ 5,000 lakhs), is repayable in 28 quarterly instalments commenced from Jan 2022.
- Term Loan from bank of ₹ Nil (Previous year ₹ 2,838), is repayable in 20 equal quarterly instalments of ₹ 195 lakhs commencing from December 2019. This RTL facility has been fully prepaid through the proceeds of slump sale of BioEO business.
- Foreign Currency Term Loan (converted from Rupee Term loan) from bank of USD 10423339 (Previous year - USD 12849174.55), is repayable in 28 equal quarterly instalments commenced from March 2021.
- Loan from Body Corporate of ₹ 6,375 lakhs (Previous Year ₹ 6,375 lakhs) is repayable only post confirmation from consortium banks and balance loan of ₹ 1450 lakhs (Previous Year ₹ Nil) is payable after one year of balance sheet date.



## Notes to Standalone Financial Statements

### 20. Other non-current financial liabilities

| (₹ in Lakhs)      |                         |                         |
|-------------------|-------------------------|-------------------------|
| Particulars       | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Security Deposits | 3,804.42                | 4,217.19                |
|                   | <b>3,804.42</b>         | <b>4,217.19</b>         |

### 21. Provisions

| (₹ in Lakhs)                           |                         |                         |
|--|-------------------------|-------------------------|
| Particulars                            | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>Provision for employee benefits</b> |                         |                         |
| - Leave Encashment                     | 457.92                  | 595.00                  |
|  | <b>457.92</b>           | <b>595.00</b>           |

### 22. Deferred Tax Liabilities (Net)

| (₹ in Lakhs)                                   |                         |                         |
|--|-------------------------|-------------------------|
| Particulars                                    | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>Deferred Tax Assets :-</b>                  |                         |                         |
| Amount covered U/s 43B of Income Tax Act, 1961 | 214.18                  | 262.13                  |
| Provision for doubtful debts / advances        | 273.00                  | 3,713.45                |
| Others   | 101.12                  | 123.82                  |
| <b>Gross Deferred tax Assets</b>               | <b>588.30</b>           | <b>4,099.40</b>         |
| <b>Deferred Tax Liabilities :-</b>             |                         |                         |
| Property, Plant & Equipment                    | 34,035.37               | 36,757.57               |
| Others   | 38.55                   | 80.13                   |
| <b>Gross Deferred tax Liability</b>            | <b>34,073.92</b>        | <b>36,837.70</b>        |
| <b>Net Deferred Tax Liability</b>              | <b>33,485.62</b>        | <b>32,738.30</b>        |

### 23. Other non-current liabilities

| (₹ in Lakhs)                                  |                         |                         |
|---|-------------------------|-------------------------|
| Particulars                                   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Advance from Customers*                       | 18,602.13               | 25,870.07               |
| Deferred Income-Govt Grant & Security Deposit | 281.74                  | 296.85                  |
|   | <b>18,883.87</b>        | <b>26,166.92</b>        |

\* Long term export advance received from customers with supply schedule over period of 8-10 years. Export advance are secured by Guarantees given by State Bank of India (SBI) to the customers, while other export performance bank guarantee (EPBG) member banks have given counter guarantee in favour of SBI. Such guarantee are secured by first charge on the fixed assets and second charge on the current assets of the Company on pari passu basis.

## Notes to Standalone Financial Statements

### 24. Current Borrowings

| (₹ in Lakhs)   |                         |                         |
|--|-------------------------|-------------------------|
| Particulars  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>Secured Loans</b>                                     |                         |                         |
| Loans repayable on demand from Banks:                    |                         |                         |
| - Working Capital Loans*                                 | 27,955.66               | 41,013.30               |
| Current maturities of long term borrowings (Note No. 19) | 14,777.05               | 13,189.32               |
|  | <b>42,732.71</b>        | <b>54,202.62</b>        |

\* Working Capital Loans from Banks are secured / to be secured by way of hypothecation of book debts and stocks including in-transit and other specified movable properties and second charge on all immovable properties of the Company. Buyers Credit facility is secured against non-fund based facility sanctioned to the Company.

### 25. Trade Payable

| (₹ in Lakhs)                                       |                         |                         |
|--|-------------------------|-------------------------|
| Particulars  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Payable to Micro Enterprises and Small Enterprises | -                       | -                       |
| Payable to Others                                  | 64,176.62               | 58,158.83               |
| Disputed dues (MSMEs)                              | 16.61                   | 16.61                   |
| Disputed dues (Others)                             | 5.27                    | 5.27                    |
|  | <b>64,198.50</b>        | <b>58,180.71</b>        |

#### Ageing of Trade payables

| Particulars                 | Outstanding for the following periods from the due date of payment |               |               |                   |                  |
|-----------------------------|--|---------------|---------------|-------------------|------------------|
|                             | Less than 1 year   | 1-2 years     | 2-3 years     | More than 3 years | Total            |
| <b>As at March 31, 2022</b> |  |               |               |                   |                  |
| (i) MSME                    | -  | -             | -             | -                 | -                |
| (ii) Others                 | 63,425.43  | 485.90        | 207.77        | 57.52             | <b>64,176.62</b> |
| (iii) Disputed dues-MSME    | -  | -             | -             | 16.61             | <b>16.61</b>     |
| (iv) Disputed Dues-Others   | -  | -             | -             | 5.27              | <b>5.27</b>      |
| <b>Total</b>                | <b>63,425.43</b>   | <b>485.90</b> | <b>207.77</b> | <b>79.40</b>      | <b>64,198.50</b> |
| <b>As at March 31, 2021</b> |  |               |               |                   |                  |
| (i) MSME                    | -  | -             | -             | -                 | -                |
| (ii) Others                 | 57,743.17  | 280.17        | 104.50        | 30.99             | <b>58,158.83</b> |
| (iii) Disputed dues-MSME    | -  | -             | -             | 16.61             | <b>16.61</b>     |
| (iv) Disputed Dues-Others   | -  | -             | -             | 5.27              | <b>5.27</b>      |
| <b>Total</b>                | <b>57,743.17</b>   | <b>280.17</b> | <b>104.50</b> | <b>52.87</b>      | <b>58,180.71</b> |

## Notes to Standalone Financial Statements

### 26. Other current financial liabilities

| Particulars   | (₹ in Lakhs)            |                         |
|---|-------------------------|-------------------------|
|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Interest accrued but not due on borrowings          | 51.46                   | 49.52                   |
| Capital Payables                                    | 15,848.74               | 13,934.98               |
| Retention Money                                     | 3,837.56                | 4,540.70                |
| Expenses payable (Including derivative liabilities) | 4,318.01                | 4,895.97                |
| Investor education & protection fund shall be       |                         |                         |
| (i) Unclaimed Dividends                             | 120.09                  | 101.70                  |
| (ii) Unclaimed matured deposits                     | -                       | -                       |
| (iii) Unclaimed interest on above (ii)              | -                       | -                       |
| Other Payables                                      | 1,965.52                | 1,331.45                |
|   | <b>26,141.38</b>        | <b>24,854.32</b>        |

### 27. Other current liabilities

| Particulars                            | (₹ in Lakhs)            |                         |
|--|-------------------------|-------------------------|
|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Duties, taxes and other statutory dues | 1,267.17                | 1,377.90                |
| Advance from Customers                 | 27,266.86               | 24,391.98               |
| Deferred Income Govt Grant & others    | 45.63                   | 47.93                   |
| Other Payables                         | 297.34                  | 184.26                  |
|  | <b>28,877.00</b>        | <b>26,002.07</b>        |

### 28. Current Provisions

| Particulars                            | (₹ in Lakhs)            |                         |
|--|-------------------------|-------------------------|
|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>Provision for employee benefits</b> |                         |                         |
| - Leave Encashment                     | 277.27                  | 321.39                  |
|  | <b>277.27</b>           | <b>321.39</b>           |

### 29. Current tax liabilities (Net)

| Particulars              | (₹ in Lakhs)            |                         |
|--------------------------|-------------------------|-------------------------|
|                          | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Provision for Income Tax | 2,523.64                | -                       |
|                          | <b>2,523.64</b>         | <b>-</b>                |

## Notes to Standalone Financial Statements

### 30. Revenue From Operations

| (₹ in Lakhs)   |                              |                              |
|--|------------------------------|------------------------------|
| Particulars  | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| <b>a) Sales of Products</b>                                |                              |                              |
| Glycols & Others   | 1,55,542.12                  | 1,02,406.08                  |
| Power Alcohol (DAE)  | 915.17                       | 7,363.09                     |
| Guar Gum Powder and derivatives                            | 4,343.02                     | 2,325.42                     |
| Ethyl Alcohol (Potable)                                    | 4,39,312.85                  | 3,71,785.05                  |
| Industrial Gases   | 4,569.10                     | 4,114.21                     |
| Sale of traded goods                                       |                              |                              |
| Chemicals and oil Products                                 | 33,426.27                    | 29,148.12                    |
| Nutraceutical  | 15,277.83                    | 14,754.13                    |
|  | <b>6,53,386.36</b>           | <b>5,31,896.10</b>           |
| <b>b) Sales of Service</b>                                 | 1,030.43                     | 1,227.73                     |
|  | <b>1,030.43</b>              | <b>1,227.73</b>              |
| <b>c) Other Operating Revenue</b>                          |                              |                              |
| Provision no longer required/ Sundry balances written back | 930.53                       | 680.05                       |
| Export Incentive   | 211.56                       | 862.05                       |
| Miscellaneous Income                                       | 4,073.95                     | 4,334.10                     |
|  | <b>5,216.04</b>              | <b>5,876.20</b>              |
| <b>Total Revenue from operations</b>                       | <b>6,59,632.83</b>           | <b>5,39,000.03</b>           |

### 31. Other Income

| (₹ in Lakhs)                                  |                              |                              |
|---|------------------------------|------------------------------|
| Particulars                                   | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| Interest                                      | 2,573.36                     | 1,136.57                     |
| Rent  | 43.45                        | 38.36                        |
| Profit on sale of Property, Plant & Equipment | 1.45                         | 3.17                         |
| Profit on sale of Non-Current Investment      | 14.58                        | -                            |
| Govt Grants                                   | 20.21                        | 30.21                        |
|   | <b>2,653.05</b>              | <b>1,208.31</b>              |

### 32. Cost of Materials Consumed

| (₹ in Lakhs)      |                              |                              |
|-------------------|------------------------------|------------------------------|
| Particulars       | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| Raw Materials     | 146,013.27                   | 102,587.53                   |
| Packing Materials | 20,680.23                    | 15,972.13                    |
|                   | <b>166,693.50</b>            | <b>118,559.66</b>            |

### 33. Purchase of Stock-In-Trade

| (₹ in Lakhs)              |                              |                              |
|---------------------------|------------------------------|------------------------------|
| Particulars               | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| Chemical and Oil Products | 35,036.39                    | 30,090.01                    |

## Notes to Standalone Financial Statements

### 34. Changes In Inventories of Finished Goods, Work- In-Progress And Stock-In-Trade

| Particulars  | (₹ in Lakhs)                 |                              |
|--|------------------------------|------------------------------|
|  | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| <b>CLOSING STOCK</b>   |                              |                              |
| Finished Goods   | 12,225.67                    | 3,435.23                     |
| Work-in-Process  | 8,890.55                     | 7,966.86                     |
| Residue Product  | 43.84                        | 69.17                        |
|  | <b>21,160.06</b>             | <b>11,471.26</b>             |
| <b>OPENING STOCK</b>   |                              |                              |
| Finished Goods   | 3,435.23                     | 3,201.62                     |
| Work-in-Process  | 7,966.86                     | 6,590.82                     |
| Residue Product  | 69.17                        | 238.45                       |
|  | <b>11,471.26</b>             | <b>10,030.89</b>             |
| Change in inventories of finished goods, work-in-progress and Stock-in-trade | <b>(9,688.80)</b>            | <b>(1,440.37)</b>            |

### 35. Employee Benefit Expenses

| Particulars                               | (₹ in Lakhs)                 |                              |
|---|------------------------------|------------------------------|
|   | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| Salaries, Wages, Allowances, etc.         | 7,448.41                     | 7,202.88                     |
| Contribution to Provident and other Funds | 775.18                       | 581.86                       |
| Employees' Welfare and other Benefits     | 535.03                       | 384.13                       |
|   | <b>8,758.62</b>              | <b>8,168.87</b>              |

### 36. Finance Costs

| Particulars                                   | (₹ in Lakhs)                 |                              |
|---|------------------------------|------------------------------|
|   | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| Interest on Fixed Loans                       | 1,786.49                     | 2,474.21                     |
| Other Interest                                | 3,260.86                     | 3,841.19                     |
| Other Borrowing Cost                          |                              |                              |
| Financial Charges                             | 1,540.51                     | 1,338.09                     |
|   | 6,587.86                     | 7,653.49                     |
| Less: Interest Received on temporary deposits | 370.54                       | 308.38                       |
|   | <b>6,217.32</b>              | <b>7,345.11</b>              |

a) Forex losses treated as finance cost ₹ 754.44 lakhs (previous year ₹ 286.63) as per IND AS23 -Borrowing Costs.

b) Net of ₹ 2642.41 Lakhs (previous year ₹2038.82) interest capitalised during the year as per IND AS 23- Borrowing Costs.

### 37. Depreciation And Amortisation Expense

| Particulars                                 | (₹ in Lakhs)                 |                              |
|---|------------------------------|------------------------------|
|   | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| Depreciation on Property, Plant & Equipment | 7,051.12                     | 6,968.44                     |
| Depreciation on Right to use assets         | 510.97                       | 574.42                       |
| Depreciation on Investment Property         | 13.74                        | 13.74                        |
| Amortisation on other intangible assets     | 21.87                        | 24.59                        |
|   | <b>7,597.70</b>              | <b>7,581.19</b>              |

## Notes to Standalone Financial Statements

### 38. Other Expenses

| (₹ in Lakhs)  |           |                              |           |                              |
|---|-----------|------------------------------|-----------|------------------------------|
| Particulars   |           | Year Ended<br>March 31, 2022 |           | Year Ended<br>March 31, 2021 |
| Stores and spares consumed  |           | 4,673.65                     |           | 4,846.82                     |
| Power and Fuel  |           | 33,208.19                    |           | 21,393.10                    |
| Repairs and Maintenance   |           |                              |           |                              |
| - Buildings   |           | 504.92                       |           | 559.65                       |
| - Plant and Equipment   |           | 2,849.14                     |           | 2,430.14                     |
| - Others  |           | 772.78                       |           | 627.55                       |
| Rent  |           | 241.75                       |           | 114.11                       |
| Rates and Taxes   |           | 1,766.53                     |           | 1,816.79                     |
| Travelling and Conveyance   |           | 679.27                       |           | 641.82                       |
| Insurance   |           | 1,509.02                     |           | 1,313.06                     |
| Directors' sitting Fee  |           | 30.40                        |           | 33.00                        |
| Commission to Selling agents  |           | 1,003.45                     |           | 1,178.69                     |
| Freight forwarding and others (Net of recovery from customers / provision written back) |           | 8,571.97                     |           | 6,175.03                     |
| Exchange Fluctuation loss/ (gain) (Net) *   |           | 1,153.37                     |           | 1,496.75                     |
| Bad debts /advance written off  | 13,179.96 | -                            | 10,368.96 | -                            |
| Less : Provision for doubtful debts utilised  | 13,179.96 | -                            | 10,368.96 | -                            |
| Loss on Sale / Discard of Property, Plant & Equipment                                   |           | 10.41                        |           | 8.70                         |
| Legal & Professional  |           | 1,365.69                     |           | 2,290.82                     |
| Printing & Stationery, Postage, Telephone, security and other Miscellaneous Expenses    |           | 1,945.42                     |           | 1,898.05                     |
|   |           | <b>60,285.96</b>             |           | <b>46,824.08</b>             |

\* Net of Forex losses treated as finance cost ₹754.44 Lakhs (Previous Year ₹286.63) as per IND AS 23- Borrowing Costs

### 39. Exceptional Items (Net)

| (₹ in Lakhs)  |  |                              |                              |
|---|--|------------------------------|------------------------------|
| Particulars   |  | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| Profit on slump sale of BioEO Business (Refer Note 62)                  |  | 22,133.86                    | -                            |
| Interest receivable from subsidiary company written off (Refer Note 45) |  | (2,070.95)                   | -                            |
|   |  | <b>20,062.91</b>             | -                            |

Notes accompanying to the standalone financial statements for the Year Ended 31.03.2022

### 40. (A) Contingent Liabilities not Provided For

(i) In respect of :-

| (₹ in Lakhs) |                                |                         |                         |
|--------------|--------------------------------|-------------------------|-------------------------|
| Sl. No       | Particulars                    | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| 1            | Central Excise/ State Excise @ | 2,001.45                | 2,001.45                |
| 2            | Customs                        | 971.74                  | 971.74                  |
| 3            | Service Tax                    | 13.80                   | 13.80                   |
| 4            | Other matters                  | 494.31                  | 180.79                  |
|              | <b>Total</b>                   | <b>3,481.30</b>         | <b>3,167.78</b>         |

@ Excluding show cause notice (SCNs), where management is confident that on merits SCNs will be dropped and also as legally advised possibility of an outflow of fund is remote.

(ii) Bills discounted with banks/others ₹ 1147.44 Lakhs (Previous Year: ₹ 660.44 Lakhs).

## Notes to Standalone Financial Statements

- (B) Custom duty saved on import of raw material under Advance License pending fulfillment of export obligation amounting to ₹ 1,444.99 Lakhs (Previous Year ₹ 596.97 Lakhs). The Management is of the view that considering the past export performance and future prospects there is certainty that pending export obligation under advance licenses will be fulfilled before expiry of the validity of respective advance licenses, accordingly and also on "Going Concern Concept" basis there is no need to make any provision for custom duty saved.
41. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 1067.20 Lakhs, Previous Year ₹ 1218.56 Lakhs) are ₹ 12576.04 Lakhs (Previous Year ₹ 8365.16 Lakhs).
42. In the earlier years, the State Government of Uttar Pradesh (UP) had imposed a levy of license fee on transfer of alcohol from the distillery to the chemical plant. The levy was challenged by the Company in the Hon'ble Supreme Court and on October 18, 2006 the matter was finally decided by The Hon'ble Supreme Court in favour of the Company. Accordingly, Company had filed an application for refund of amount paid ₹ 507.05 Lakhs (Previous Year ₹ 507.05 Lakhs) (shown as recoverable under the head "Other Current Assets") with State Government of Uttarakhand, which is still pending for refund of the amount.
43. In the earlier years, the State Government of Uttarakhand had levied Export Pass Fee on ENA/R.S. export outside India. The matter is finally disposed of by Hon'ble High Court of Uttarakhand vide its Order dated 9th January, 2012 and has declared the levy of said fee as unsustainable and irrecoverable. Subsequently, on June 8, 2012, vide Uttarakhand Excise (Amendment) Act, 2012, Uttarakhand Government retrospectively revived old notification relating to imposition of export fee on ENA and R.S. The Company filed Writ Petition challenging the above said notification and vide order dated September 12, 2012 the Hon'ble High Court of Uttarakhand had granted stay and restrained State from imposing export fee. Vide Judgement of Hon'ble High Court has held levy of export fee @ ₹2.50 on export of ENA as unjustified and set aside the levy. Till date the State Government has neither challenged the High Order nor levied export pass fee on export of ENA out of India. A sum of ₹ 106.15 Lakhs (Previous Year ₹ 106.15 Lakhs) paid under protest is shown as recoverable from State Govt. of Uttarakhand, under the head "Other Current Assets".
44. In the previous year, Directorate of Revenue Intelligence (DRI) issued summons to the Company in connection with investigation in respect to import of Denatured Ethyl Alcohol by importer other than manufacturer of Excisable Goods and as per DRI, Company was not eligible for lower rate of BCD @ 2.5% under notification no. 50/2017 dated 30.06.2017. The Company has filed Writ Petition before Gujarat High Court that Company is eligible to avail benefit of concessional rate of 2.5% BCD on import of DEA and for quashing of investigations initiated by DRI. A sum of ₹ 750.00 Lakhs (Previous Year ₹ 750.00 Lakhs) paid under protest is shown as recoverable from department, under the head "Other Current Assets".
45. (a) (i) Company has Investment of ₹ 5,427.50 Lakhs Company (Previous year ₹ 5,427.50 Lakhs) in equity share capital and 10% cumulative redeemable preference share capital in subsidiary company namely Shakumbari Sugar and Allied Industries Limited (SSAIL) whose net worth has been fully eroded and SSAIL has also been declared sick industrial undertaking as per provision of Sick Industrial Companies Act. 1985. During the year, the company has sold 242.50 lakhs equity shares and 49.00 lakhs preference shares of its subsidiary, Shakumbari Sugar and Allied Industries Limited @ ₹ 0.05 per share (Fair value - Nil) & carried at Nil value in the financial statement of the Company and recognized gain of ₹ 14.58 lakhs on such transaction as approved by the Board of Directors at their meeting held on 30<sup>th</sup> March 2022.
- (ii) In earlier year, the company has also given to SSAIL-Inter corporate deposit (ICD) amounting to ₹ 1,915.13 Lakhs (Previous Year ₹ 1,915.13 Lakhs) (including interest thereon) and advances of ₹ 8,453.83 Lakhs (Previous Year ₹ 8,453.83 Lakhs).
- (iii) Based upon the application and adoption of fair value of the aforesaid investment are carried at nil value. During the previous year, the Company has written off ICD including interest & Advance of ₹ 1915.13 Lakhs & ₹ 8453.83 Lakhs respectively and the same has been adjusted against the provision, which was created in earlier year. Hence, there is no impact on profitability of the company.
- (iv) During the current year, the company has written - off interest of ₹ 2070.95 lakhs on ICD receivable from its subsidiary, Shakumbari Sugar and Allied Industries Limited, which has been disclosed as exceptional items in financial (Refer Note 39).
- (b) (i) In earlier year the company had given (included in current Loan) Inter Corporate Deposit (ICD) of ₹14,649.64 Lakhs (Previous Year ₹ 14,649.64 Lakhs) to its subsidiary IGL Finance Ltd. (IGLFL) (A 100% subsidiary). IGLFL in earlier year had invested funds for short term in commodity financing contracts offered by National Spot Exchange Ltd. (NSEL). NSEL had defaulted in settling the contracts on due dates, for which IGLFL has initiated legal and other action and in turn IGLFL did not pay back due amount to the company. Accordingly considering the prudence no interest on above ICD has been accrued for the period from 01-09-2013 onwards.

## Notes to Standalone Financial Statements

- (ii) In respect of the above, the Company has made a loss allowance of ₹ 11,719.71 Lakhs based on expected credit loss Policy and other estimation made by the management and for balance ₹ 2,041.93 Lakhs (and also fully provided for against equity investment of ₹ 125.00 Lakhs), the management and IGLFL is confident for recovery of dues from NSEL over a period of time and hence shown as good (considering the arrangement of merger of NSEL with Financial Technologies (India) Limited (FTIL) and other measure which have so far been taken for and pending before the Govt. and other authorities and current scenario/present state of affairs.). However, during the year, the Company has written off ICD of ₹ 11,719.71 Lakhs and same has been adjusted against the provision, which was created in earlier year. Hence there is no impact on profitability of the company.

46. The disclosures required under IND AS 19 “Employee Benefits” notified in the Companies (Accounting Standards) Rules, 2006 are as given below :

### A) Defined Contribution plan

Contribution to Defined Contribution Plan, recognized as expense for the Year is as under:

(₹ in Lakhs)

| Particulars                              | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2021 |
|--|------------------------------|------------------------------|
| Company's contribution to provident fund | 714.52                       | 759.31                       |

### B) Defined Benefit Plan :

The employees' gratuity fund scheme managed by a trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using by projected unit credit method in case of gratuity and Leave Encashment.

#### a) Reconciliation of opening and closing Balance of Defined Benefit Obligation

(₹ in Lakhs)

| Particulars   | Gratuity<br>(Funded)<br>March<br>31, 2022 | Gratuity<br>(Funded)<br>March<br>31, 2021 | Leave<br>encashment<br>(Unfunded)<br>March 31,<br>2022 | Leave<br>encashment<br>(Unfunded)<br>March 31,<br>2021 |
|---|---|---|--|--|
| Present value of obligation at the beginning of the year      | 3,592.77                                  | 3,545.71                                  | 916.39   | 912.41   |
| Liability Transfer In/Out                                     | (514.01)                                  | --  | (109.23)   | --   |
| Current service cost  | 208.89                                    | 233.04                                    | 69.90  | 99.04  |
| Interest cost   | 211.97                                    | 223.38                                    | 54.07  | 57.48  |
| Benefits paid   | (319.87)                                  | (254.77)                                  | (81.04)  | (77.34)  |
| Remeasurements - actuarial loss/(gain) arising from:          |   |   |  |  |
| - Changes in demographic assumptions                          | --  | --  | --   | --   |
| - Change in financial assumptions                             | (22.32)                                   | 51.50                                     | (3.97)   | 10.08  |
| - Experience variance (i.e. actual experience vs assumptions) | 35.98                                     | (206.09)                                  | (110.93)   | (85.28)  |
| <b>Present value of obligation at the end of year</b>         | <b>3,193.42</b>                           | <b>3,592.77</b>                           | <b>735.19</b>  | <b>916.39</b>  |



## Notes to Standalone Financial Statements

### b) Changes in the fair value of plan assets – Gratuity (₹ in Lakhs)

| Particulars  | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2021 |
|--|------------------------------|------------------------------|
| Fair value of plan assets at beginning of year                             | 3723.90                      | 3,077.28                     |
| Interest Income  | 219.71                       | 193.87                       |
| Employer contributions   | --                           | 468.43                       |
| Benefits paid  | (319.87)                     | (254.77)                     |
| Return on plan assets, excluding amount recognized in net interest expense | 3.96                         | 239.09                       |
| Fair value of plan assets at end of year                                   | 3,627.70                     | 3,723.90                     |
| Present value of obligation  | 3,193.42                     | 3,592.77                     |
| Net funded status of plan  | 434.27                       | 131.13                       |

The components of the gratuity and leave encashment are as follows:

### c) Expenses recognized statement of profit & loss account (₹ in Lakhs)

| Particulars   | Gratuity<br>March 31,<br>2022 | Gratuity<br>March 31,<br>2021 | Leave<br>encashment<br>March 31,<br>2022 | Leave<br>encashment<br>March 31,<br>2021 |
|---|-------------------------------|-------------------------------|--|--|
| Current service cost  | 208.89                        | 233.04                        | 69.90                                    | 99.05                                    |
| Net interest income /(Cost) on the Net Defined Benefit Liability(Asset)   | (7.74)                        | 29.51                         | 54.07                                    | 57.48                                    |
| Re-measurements - Actuarial loss/ (gain)                                  | -                             | -                             | (114.90)                                 | (75.20)                                  |
| <b>Defined benefit cost recognized in statement of Profit &amp; loss.</b> | <b>201.16</b>                 | <b>262.55</b>                 | <b>9.07</b>                              | <b>81.33</b>                             |

### d) Recognized in Other Comprehensive Income (₹ in Lakhs)

| Particulars  | Gratuity<br>March 31,<br>2022 | Gratuity<br>March 31,<br>2021 |
|--|-------------------------------|-------------------------------|
| 1. Actuarial loss/ (gain)  |                               |                               |
| - Change in demographic assumptions  | -                             | -                             |
| - Change in financial assumptions  | (22.32)                       | 51.50                         |
| - Experience variance (i.e. actual experience vs assumptions)                      | 35.98                         | (206.09)                      |
| 2. Return on plan assets, excluding amount recognized in net interest expense      | (3.96)                        | (239.09)                      |
| <b>Component of defined benefit costs recognized in other comprehensive income</b> | <b>9.70</b>                   | <b>(393.68)</b>               |

### e) Investment Detail

All Investments are made with trust

## Notes to Standalone Financial Statements

- f) The principal actuarial assumptions used for estimating the Company's defined benefit obligations for gratuity and leave encashment are set out below:

| Actuarial assumptions   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| Discount Rate   | 6.10%                   | 5.90%                   |
| Expected Rate of increase in salary                           | 5.00%                   | 5.00%                   |
| Withdrawal rate   | 10% p.a.                | 10% p.a.                |
| Expected Average remaining working lives of employees (years) | 17.35                   | 17.22                   |

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds. The estimate of rate of escalation in salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

- g) Sensitivity analysis: (₹ in Lakhs)

| Particulars        | Change in Assumptions | Increase/<br>(decrease)<br>in Gratuity<br>Obligations<br>March 31, 2022 | Increase/<br>(decrease)<br>in Gratuity<br>Obligations<br>March 31,<br>2021 | Increase/<br>(Decrease)<br>in Leave<br>Encashment<br>Obligations<br>March 31, 2022 | Increase/<br>(Decrease)<br>in Leave<br>Encashment<br>Obligations<br>March 31, 2021 |
|--------------------|-----------------------|---|--|--|--|
| Discount rate      | +1%                   | (105.67)  | (125.32)   | (19.05)  | (24.70)  |
|                    | -1%                   | 115.92  | 137.52   | 20.42  | 26.48  |
| Salary Growth rate | +1%                   | 116.04  | 137.38   | 20.44  | 26.45  |
|                    | -1%                   | (107.71)  | (127.51)   | (19.43)  | (25.14)  |

The above sensitivity analysis is based on change in an assumption while holding all other assumption constant in practice, this is unlikely to occur, and change in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumption the same method [projected unit credit method] has been applied as when calculating the defined benefit obligation recognized within the balance sheet.

### Estimate of expected benefit payments (₹ in Lakhs)

| Particulars                | Gratuity | Leave Encashment |
|----------------------------|----------|------------------|
| 01 Apr 2022 to 31 Mar 2023 | 1299.43  | 285.61           |
| 01 Apr 2023 to 31 Mar 2024 | 401.21   | 133.36           |
| 01 Apr 2024 to 31 Mar 2025 | 303.49   | 99.27            |
| 01 Apr 2025 to 31 Mar 2026 | 302.96   | 80.04            |
| 01 Apr 2026 to 31 Mar 2027 | 288.37   | 66.54            |
| 01 Apr 2027 Onwards        | 1534.59  | 222.70           |

#### 47. Financial risk management objectives and Policies

The Company's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest rate risk and commodity risk etc.), credit risk and liquidity risk. The company's overall risk management policy seeks to minimize potential adverse effects on company's financial performance.

- (i) **Market Risk:** Market risk is the risk that the fair value of future cash flow of a financial instruments will fluctuate because of change in market prices. Market risk comprises mainly three types of risk: interest rate, currency risk and other price risk such as commodity price risk.

- (a) **Foreign Currency Risk:** Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company has obtained foreign currency borrowing and has foreign currency trade payable and receivable and is therefore, exposed to foreign currency risk.

After taking cognizance of the natural hedge, the company takes appropriate hedge to mitigate its risk resulting from fluctuation in foreign currency exchange rate(s).

## Notes to Standalone Financial Statements

**Foreign Currency sensitivity:** The following tables demonstrate the sensitivity to a reasonable possible change in Foreign Currency with all other variable held constant. The impact on company's profit/(loss) before tax is due to change in the foreign exchange rate for:

(₹ in Lakhs)

| Particulars                        | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|------------------------------------|-------------------------|-------------------------|
| Change in USD                      | + 1%                    | + 1%                    |
| Effect on profit/(loss) before tax | (456.37)                | (155.31)                |
| Change in USD                      | -1%                     | -1%                     |
| Effect on profit/(loss) before tax | 456.37                  | 155.31                  |

- (b) **Interest rate risk:-** Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any change in the interest rates environment may impact future rates of borrowing. The company mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments, interest rate negotiation with the lenders for ensuring the cost effective method of financing.

**Interest Rate Sensitivity:** The following table demonstrates the sensitivity to a reasonable possible change in interest rate on financial assets affected. With all other variable held constant, the company's profit before tax is affected through the impact on finance cost with respect to our borrowing, as follows:

A change in 25 basis points in interest rates would have following impact on profit before tax.

(₹ in Lakhs)

| Particulars                 | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|-----------------------------|-------------------------|-------------------------|
| Change in basis point       | +25                     | +25                     |
| Effect on profit before tax | (285.70)                | (335.20)                |
| Change in basis point       | -25                     | -25                     |
| Effect on profit before tax | 285.70                  | 335.20                  |

- (c) **Commodity Price risk:** The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of raw material therefore, requires a continuous supply of certain raw materials. To mitigate the commodity price risk, the Company has an approved supplier base to get competitive prices for the commodities and to assess the market to manage the cost without any compromise on quality.

### (ii) Credit Risk:

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, Inter Corporate deposit, derivative financial instruments, other balances with banks, loans and other receivables. The Company's exposure to credit risk is disclosed in Note 6, 7, 8, 11, 14 & 15.

Credit risk arising from investment derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counter parties are banks and recognised financial institutions with high credit ratings.

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Financial assets measured at amortized cost (other than trade receivables)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance. The ageing of the trade receivables are given below.

## Notes to Standalone Financial Statements

(₹ in Lakhs)

| Particulars  | Due Ageing         |                   |               |               |                   | Total            |
|--|--------------------|-------------------|---------------|---------------|-------------------|------------------|
|  | Less than 6 Months | 6 Months - 1 Year | 1-2 years     | 2-3 years     | More than 3 years |                  |
| <b>As at 31<sup>st</sup> March, 2022</b>   |                    |                   |               |               |                   |                  |
| (i) Undisputed Trade Receivables - considered good                               | 37,838.51          | 526.05            | 343.24        | 493.99        | 599.75            | 39,801.54        |
| (ii) Undisputed Trade Receivables-which have significant increase in Credit Risk | -                  | -                 | -             | -             | -                 | -                |
| (iii) Undisputed Trade Receivables-Credit impaired                               | -                  | -                 | -             | -             | -                 | -                |
| (iv) Disputed Trade Receivables-considered good                                  | 1.01               | 11.83             | 59.78         | 73.99         | 285.31            | 431.92           |
| (v) Disputed Trade Receivables-which have significant increase in Credit Risk    | -                  | -                 | -             | -             | -                 | -                |
| (vi) Disputed Trade Receivables-Credit impaired                                  | -                  | -                 | -             | -             | 78.79             | 78.79            |
| Provision/Allowance for Doubtful Receivables                                     | -                  | -                 | -             | -             | (78.79)           | (78.79)          |
| <b>Net Total</b>   | <b>37,839.52</b>   | <b>537.88</b>     | <b>403.02</b> | <b>567.98</b> | <b>885.06</b>     | <b>40233.46</b>  |
| <b>As at 31<sup>st</sup> March, 2021</b>   |                    |                   |               |               |                   |                  |
| (i) Undisputed Trade Receivables - considered good                               | 34,181.78          | 381.03            | 521.70        | 198.99        | 445.07            | 35,728.57        |
| (ii) Undisputed Trade Receivables-which have significant increase in Credit Risk | -                  | -                 | -             | -             | -                 | -                |
| (iii) Undisputed Trade Receivables-Credit impaired                               | -                  | -                 | -             | -             | -                 | -                |
| (iv) Disputed Trade Receivables-considered good                                  | 36.80              | 84.48             | 61.66         | 183.37        | 375.25            | 741.56           |
| (v) Disputed Trade Receivables-which have significant increase in Credit Risk    | -                  | -                 | -             | -             | -                 | -                |
| (vi) Disputed Trade Receivables-Credit impaired                                  | -                  | -                 | -             | -             | 78.79             | 78.79            |
| Provision/Allowance for Doubtful Receivables                                     | -                  | -                 | -             | -             | (78.79)           | (78.79)          |
| <b>Net Total</b>   | <b>34,218.58</b>   | <b>465.51</b>     | <b>583.36</b> | <b>382.36</b> | <b>820.32</b>     | <b>36,470.13</b> |

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'. The balance sheet presentation for financial instruments is described below:

Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

## Notes to Standalone Financial Statements

(iii) **Liquidity Risk:** Liquidity risk is the risk, where the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of company's financial liabilities based on contractual undiscounted payments:-

(₹ in Lakhs)

| Particulars                 | As at March 31, 2021 |                  |                    |                  |                  |                    |
|-----------------------------|----------------------|------------------|--------------------|------------------|------------------|--------------------|
|                             | Carrying Amount      | On Demand        | < 1 Year           | 1 to 2 Years     | >2 Years         | Total              |
| Interest bearing borrowings | 1,05,024.57          | 41,013.30        | 13,189.32          | 15,795.23        | 35,026.72        | 1,05,024.57        |
| Other Liabilities           | 30,449.01            | -                | 25,504.68          | 4,944.33         | -                | 30,449.01          |
| Trade Payable               | 58,180.71            | -                | 58,180.71          | -                | -                | 58,180.71          |
| <b>Total</b>                | <b>1,93,654.29</b>   | <b>41,013.30</b> | <b>1,10,495.90</b> | <b>20,739.56</b> | <b>35,026.72</b> | <b>1,93,654.29</b> |
| Particulars                 | As at March 31, 2022 |                  |                    |                  |                  |                    |
|                             | Carrying Amount      | On Demand        | < 1 Year           | 1 to 2 Years     | >2 Years         | Total              |
| Interest bearing borrowings | 96,240.40            | 27,955.66        | 14,777.05          | 16,325.96        | 37,181.73        | 96,240.40          |
| Other Liabilities           | 30,595.26            | -                | 26,790.84          | 3,804.42         | -                | 30,595.26          |
| Trade Payable               | 64,198.50            | -                | 64,198.50          | -                | -                | 64,198.50          |
| <b>Total</b>                | <b>1,91,034.16</b>   | <b>27,955.66</b> | <b>1,05,766.39</b> | <b>20,130.38</b> | <b>37,181.73</b> | <b>1,91,034.16</b> |

#### 48. Capital risk management

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. The primary objective of the Company's capital management is to maintain an optimal structure so as to maximize the shareholder's value. In order to strengthen the capital base, the company may use appropriate means to enhance or reduce capital, as the case may be.

The Company is not subject to any external imposed capital requirement. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net Debt is calculated as borrowings less cash and cash equivalents.

(₹ in Lakhs)

| Particulars                      | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|----------------------------------|-------------------------|-------------------------|
| Borrowings                       | 96,240.40               | 105,024.57              |
| Less : Cash and Cash equivalents | 664.06                  | 300.13                  |
| <b>Net debt</b>                  | <b>95,576.34</b>        | <b>104,724.44</b>       |
| Equity Share Capital             | 3,096.15                | 3,096.15                |
| Other Equity                     | 1,48,079.89             | 1,21,405.75             |
| <b>Total Capital</b>             | <b>1,51,176.04</b>      | <b>1,24,501.90</b>      |
| <b>Capital and net debt</b>      | <b>2,46,752.38</b>      | <b>2,29,226.34</b>      |
| <b>Gearing ratio</b>             | <b>38.73%</b>           | <b>45.69%</b>           |

## Notes to Standalone Financial Statements

### 49. Corporate Social Responsibility (CSR)

(₹ in Lakhs)

| Particulars  | 2021-22   | 2020-21  |
|--|---|--|
| Amount required to be spent by the company during the year | 176.40  | 135.39   |
| Amount spent during the year                               | 237.01  | 156.66   |
| Shortfall at the end of the year                           | NIL   | NIL  |
| Total of previous years shortfall                          | NIL   | NIL  |
| Reason for shortfall                                       | NA  | NA   |
| Nature of CSR Activities                                   | Sanitation and safe drinking water, Healthcare, Promoting education, Conservation of natural resources. | Sanitation and safe drinking water, Healthcare, Promoting education, Restoration of buildings and sites of historical importance, Conservation of natural resources. |
| Details of Related party transactions                      | NIL   | NIL  |

50. As required by section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 the following information is disclosed:

(₹ in Lakhs)

| S. No | Particular  | As at March 31, 2022 | As at March 31, 2021 |
|-------|---|----------------------|----------------------|
| (a)   | The principal amount remaining unpaid to any supplier at the end of the year  | 16.61                | 16.61                |
| (b)   | Interest due remaining unpaid to any supplier at the end of the year  | -                    | -                    |
| (c)   | The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year  | -                    | -                    |
| (d)   | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006  | -                    | -                    |
| (e)   | The amount of interest accrued and remaining unpaid at the end of the accounting year.  | -                    | -                    |
| (f)   | The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006 | -                    | -                    |

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/ interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

### 51. Other Particulars :

- (a) Details of Loan given during the year covered under Section 186(4) of the Companies Act, 2013: Nil

## Notes to Standalone Financial Statements

### (b) Disclosure pursuant to regulation 34(3) & 53(F) of SEBI (LODR) Regulations, 2015 (₹ in Lakhs)

| Particulars                                   | Outstanding as at 31 <sup>st</sup> March, 2022 | Maximum Amount Outstanding during 2021-22 | Outstanding as at 31 <sup>st</sup> March, 2021 | Maximum Amount Outstanding during 2020-21 |
|---|--|---|--|---|
| <b>Loans Given to Subsidiaries</b>            |  |   |  |   |
| Shakumbari Sugar & Allied Industries Limited* | 4,177.20                                       | 5,778.21                                  | 5,778.21                                       | 7,263.99                                  |
| IGL Finance Limited*                          | 2,041.93                                       | 13,761.64                                 | 13,761.64                                      | 14,043.64                                 |
| <b>Advances Given to Subsidiaries</b>         |  |   |  |   |
| Shakumbari Sugar & Allied Industries Limited* | -  | -   | -  | 8,453.81                                  |
| <b>Capital Advances Given to Subsidiaries</b> |  |   |  |   |
| Shakumbari Sugar & Allied Industries Limited  | -  | -   | -  | 497.55                                    |

\*Gross: without considering provision made against such loans/advances.

### (c) C.I.F. Value of Imports : (₹ in Lakhs)

| Sl. No. | Particulars            | 2021-22   | 2020-21   |
|---------|------------------------|-----------|-----------|
| i)      | Capital Goods/Catalyst | 9,000.86  | 6,443.57  |
| ii)     | Stores & Spares        | 377.92    | 286.61    |
| iii)    | Raw Materials          | 60,460.69 | 44,398.42 |
| iv)     | Traded Goods           | 35,036.39 | 30,090.01 |

### (d) Payment to Auditors (Exclusive of GST) (₹ in Lakhs)

| Sl. No. | Particulars                        | 2021-22 | 2020-21 |
|---------|------------------------------------|---------|---------|
| i)      | As Auditors                        | 24.00   | 20.00   |
| ii)     | In other capacity in respect of    |         |         |
|         | a) Out of Pocket Expenses          | 0.10    | 2.55    |
|         | b) Certification and other matters | 21.60   | 29.10   |

### (e) Cost Auditors (Exclusive of GST) (₹ in Lakhs)

| Sl. No. | Particulars            | 2021-22 | 2020-21 |
|---------|------------------------|---------|---------|
| i)      | Audit Fees             | 3.00    | 2.50    |
| ii)     | Out of Pocket Expenses | 0.17    | 0.10    |

### 52. Expenditure on Research & Development: (₹ in Lakhs)

| Particulars  | 2021-22       | 2020-21       |
|--------------|---------------|---------------|
| Capital      | 165.49        | --            |
| Revenue      | 465.58        | 536.45        |
| <b>Total</b> | <b>631.07</b> | <b>536.45</b> |

## Notes to Standalone Financial Statements

### 53. Derivative financial instruments

A. Commodity and Foreign Exchange Derivatives and exposures.

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

| Nature of Instruments                         | 2021-22<br>Amount<br>(FC in millions) | 2021-22<br>Amount<br>(₹ in Lakhs) | 2020-21<br>Amount<br>(FC in millions) | 2020-21<br>Amount<br>(₹ in Lakhs) |
|---|---------------------------------------|-----------------------------------|---------------------------------------|-----------------------------------|
| Forward Contracts - USD                       | -                                     | -                                 | -                                     | -                                 |
| Foreign currency options - USD                | 42.06                                 | 31,878.33                         | 58.97                                 | 43,110.02                         |
| <b>Open foreign exchange exposures:</b>       |                                       |                                   |                                       |                                   |
| Packing Credit Net of Export debtors<br>- USD | 1.43                                  | 1,085.14                          | 7.43                                  | 5,432.13                          |
| Loans - USD                                   | -                                     | -                                 | -                                     | -                                 |
| Payable - USD                                 | 61.64                                 | 46,721.90                         | -                                     | -                                 |

(B) The Company has derivative instruments for hedging possible losses and exchange fluctuation losses. During the year company has incurred net off loss of ₹ 96.28 Lakhs (previous year ₹ 1417.89 Lakhs - gain) out of which gain of ₹ 153.19 Lakhs (previous year gain of ₹ 318.37 Lakhs) relating to provision for mark to market gain/loss on account of outstanding financial transactions as on 31<sup>st</sup> March 2022.

### 54. Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(₹ in Lakhs)

| Particular                                   | As at March 31, 2022 |                    | As at March 31, 2021 |                    |
|--|----------------------|--------------------|----------------------|--------------------|
|  | Carrying amount      | Fair Value         | Carrying Amount      | Fair Value         |
| (i) Financial Assets                         |                      |                    |                      |                    |
| At Amortized Cost                            |                      |                    |                      |                    |
| - Investment in Subsidiaries & joint venture | 2,861.74             | 2,861.74           | 2,860.74             | 2,860.74           |
| Trade Receivable                             | 40,233.46            | 40,233.46          | 36,470.13            | 36,470.13          |
| Others                                       | 46,465.04            | 46,465.04          | 27,522.42            | 27,522.42          |
| <b>Total</b>                                 | <b>89,560.24</b>     | <b>89,560.24</b>   | <b>66,853.29</b>     | <b>66,853.29</b>   |
| (ii) Financial Liabilities                   |                      |                    |                      |                    |
| (a) At Fair value through Profit & Loss      |                      |                    |                      |                    |
| - Forward contract & Options                 | (153.19)             | (153.19)           | (318.37)             | (318.37)           |
| (b) At Amortized Cost                        |                      |                    |                      |                    |
| - Borrowing                                  | 96240.40             | 96240.40           | 105,024.57           | 105,024.57         |
| - Trade payable                              | 64,198.50            | 64,198.50          | 58,180.71            | 58,180.71          |
| - Others                                     | 30,595.26            | 30,595.26          | 30,449.01            | 30,449.01          |
| <b>Total (a) + (b)</b>                       | <b>1,90,880.97</b>   | <b>1,90,880.97</b> | <b>1,93,335.92</b>   | <b>1,93,335.92</b> |

The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



## Notes to Standalone Financial Statements

- 2) Fair value of borrowings from banks and other non-current financial liabilities, are estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.
- 3) Other non-current receivables are evaluated by the Company, based on parameters such as interest rates, individual creditworthiness of the counter party etc. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.
- 4) The fair values of derivatives are calculated using the RBI reference rate as on the reporting date as well as other variable parameters.

### Fair Value hierarchy

All financial assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows:-

Level 1 - Quoted prices in active markets.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3 - Inputs that are not based on observable market data.

The following table presents the fair value measurement hierarchy of financial assets and liabilities, which have been measured subsequent to initial recognition at fair value as at 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March 2021:

(₹ in Lakhs)

| Assets / Liabilities measured at fair value<br>(Accounted) | As at March 31, 2022 |         |         |
|--|----------------------|---------|---------|
|  | Level 1              | Level 2 | Level 3 |
| <b>Financial assets</b>                                    | -                    | -       | -       |
| Derivatives -Forward contracts & Options                   | -                    | 153.19  | -       |
| <b>Financial liabilities</b>                               | -                    | -       | -       |

(₹ in Lakhs)

| Assets / Liabilities measured at fair value<br>(Accounted) | As at March 31, 2021 |         |         |
|--|----------------------|---------|---------|
|  | Level 1              | Level 2 | Level 3 |
| <b>Financial assets</b>                                    | -                    | 318.37  | -       |
| Derivatives- Forward contracts & Options                   | -                    | -       | -       |
| <b>Financial liabilities</b>                               | -                    | -       | -       |

During the year ended March 31, 2022 and March 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements. There is no transaction / balance under level 3.

55. (a) Capital work-in-progress includes machinery under installation, buildings under construction, construction/erection material in hand and other assets and also includes the following pre-operative expenses:

(₹ in Lakhs)

| Particulars                               | 2021-22  | 2020-21  |
|---|----------|----------|
| Amount brought forward from previous year | 1,753.96 | 2,251.37 |
| Raw Material & Chemical Consumed          | 261.88   | 136.14   |
| Salaries, wages and allowances etc.       | 943.72   | 360.71   |
| Contribution to Provident and other funds | 26.40    | 18.06    |
| Staff Welfare Expenses                    | 55.11    | 29.16    |
| Legal and Professional charges            | 534.16   | -        |
| Travelling and Conveyance                 | 143.59   | 120.03   |
| Interest on Fixed Loans                   | 2,682.41 | 2,038.82 |
| Power and Fuel                            | 1,012.17 | 1,323.08 |

## Notes to Standalone Financial Statements

|  |                 |          |
|--|-----------------|----------|
| Miscellaneous Expenses                                 | 138.75          | -        |
|  | <b>7,413.40</b> | 6,277.37 |
|  |                 |          |
| <b>Less: Transferred / Capitalised during the year</b> | <b>5,325.63</b> | 4,523.41 |
| Balance carried forward                                | <b>2,087.77</b> | 1,753.96 |

- (b) The company has received loans at 2% & 5% from DBT for Bio- mass plant. The loans are recognised at fair value using prevailing market interest of equivalent loan. The difference between the gross proceed and fair value of the loan is the benefit derived from lower rate of interest and is recognised as deferred income. The fair value of loan as March 31, 2022 and March 31, 2021 are ₹ NIL and ₹ 146.96 Lakhs respectively.

### 56. Earnings per share (EPS)

#### I. Continuing Operation

| Particulars  | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2021 |
|--|------------------------------|------------------------------|
| Net profit/ (loss) for the year attributable to equity shareholders (₹ in Lakhs) | 27,512.44                    | 6,189.37                     |
| Weighted average number of equity shares outstanding                             | 3,09,61,500                  | 3,09,61,500                  |
| Basic and diluted earnings per share (face value of ₹10 each) (₹)                | 88.86                        | 19.99                        |

#### II. Discontinuing Operation

| Particulars  | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2021 |
|--|------------------------------|------------------------------|
| Net profit/ (loss) for the year attributable to equity shareholders (₹ in Lakhs) | 1,026.65                     | 2,240.54                     |
| Weighted average number of equity shares outstanding                             | 3,09,61,500                  | 3,09,61,500                  |
| Basic and diluted earnings per share (face value of ₹ 10 each) (₹)               | 3.32                         | 7.24                         |

#### III. Continuing & Discontinuing Operation

| Particulars  | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2021 |
|--|------------------------------|------------------------------|
| Net profit/ (loss) for the year attributable to equity shareholders (₹ in Lakhs) | 28,539.09                    | 8,429.91                     |
| Weighted average number of equity shares outstanding                             | 3,09,61,500                  | 3,09,61,500                  |
| Basic and diluted earnings per share (face value of ₹ 10 each) (₹)               | 92.18                        | 27.23                        |

## Notes to Standalone Financial Statements

### 57. Related Parties Disclosure (As identified by the management):

#### (i) Relationships:

##### A. Subsidiary Companies

- IGL Finance Limited (IGLFL)
- Shakumbari Sugar and Allied Industries Limited (SSAIL)
- IGLCHEM International PTE. Ltd. (IGLCHEM)
- IGLCHEM International USA LLC (IGLCHEM US)
- Clariant IGL Specialty Chemicals Private Limited (Formerly IGL GREEN CHEMICALS PRIVATE LIMITED)- Wholly Owned Subsidiary till 30<sup>th</sup> June, 2021 till the time of allotment of equity shares to JV partner.
- Ennature Bio Pharma Private Limited (EBPPL)
- IGL Chemicals and Services Private Limited (ICSPL)

##### B. Key Management Personnel

- U. S. Bhartia (Chairman and Managing Director)
- Pragya Bhartia Barwale (Executive Director)
- Sudhir Agarwal (Executive Director)
- Jayshree Bhartia (Non – Executive Director)
- Pradip Kumar Khaitan (Independent Director)
- Jitender Balakrishnan (Independent Director)
- Ravi jhunjhunwala (Independent Director)
- Jagmohan N. Kejriwal (Independent Director)
- Sajeve Bhushan Deora (Independent Director)
- Shukla Wassan (Independent Director)
- Rakesh Bhartia (Chief Executive Officer)-[Till 16.06.2020(Close of Business hours)]
- Rupak Sarawat (Chief Executive Officer)
- Anand Singhal (Chief Financial Officer)
- Ankur Jain (Company Secretary)

##### C. Relatives of Key Management Personnel

- Executors to the estate of Late Sajani devi Bhartia
- Shirish Barwale
- Pooja Bhartia
- Vedant Jhaver
- Anand Singhal (HUF)
- Smita Bhartia [Till 16.06.2020]

##### D. Enterprises over which Key Management Personnel have significant influence:

- Ajay Commercial Co. (P) Ltd.
- J. B. Commercial Co. (P) Ltd.
- Kashipur Holdings Limited
- Polylink Polymers (India) Ltd.
- Hindustan Wires Limited
- Supreet Vyapaar (P) Ltd.
- Facit Commosales (P) Ltd.
- J. Boseck & Co. (P) Ltd.
- IGL Infrastructure Private Limited. (IGL Infra)
- Khaitan & Company
- Khaitan & company LLP
- Lund & Blockley Pvt. Ltd
- Sukhvarsha Distributors Pvt. Ltd

##### E. Joint Venture Enterprise

- Kashipur Infrastructure and Freight Terminal Private Limited (KIFTPL)
- Clariant IGL Specialty Chemicals Private Limited (Formerly IGL GREEN CHEMICALS PRIVATE LIMITED)- w.e.f. 30<sup>th</sup> June 2021 from the time of allotment of equity shares to JV Partner.

##### F. Trust under company control

- India Glycols Limited Employees Group Gratuity Trust Scheme

## Notes to Standalone Financial Statements

(₹ in Lakhs)

| Related Party                             | Subsidiaries |           | Significant Influence |          | Joint Venture |        | Key Managerial Person |        | Relative of KMP |       |
|---|--------------|-----------|-----------------------|----------|---------------|--------|-----------------------|--------|-----------------|-------|
|   | 2022         | 2021      | 2022                  | 2021     | 2022          | 2021   | 2022                  | 2021   | 2022            | 2021  |
| <b>Transaction Summary</b>                |              |           |                       |          |               |        |                       |        |                 |       |
| Purchase of Material                      | -            | -         | -                     | -        | 490.95        | -      | -                     | -      | -               | -     |
| Purchase of Services                      | -            | -         | 3.60                  | -        | 322.66        | 358.54 | -                     | -      | -               | -     |
| Sale of Material                          | 2,214.52     | 662.96    | 2,301.34              | 1,724.64 | 33,179.94     | 0.64   | -                     | -      | -               | -     |
| Legal & Professional Fee                  | -            | -         | 279.19                | 112.34   | -             | -      | -                     | -      | -               | -     |
| Slump Sale                                | 64,954.82    | -         | -                     | -        | -             | -      | -                     | -      | -               | -     |
| Directors sitting Fees                    | -            | -         | -                     | -        | -             | -      | 30.40                 | 33.00  | -               | -     |
| Sale of Service                           | -            | -         | -                     | -        | 425.12        | -      | -                     | -      | -               | -     |
| ICD Received Back                         | -            | 282.00    | -                     | -        | -             | -      | -                     | -      | -               | -     |
| Dividend Paid                             | -            | -         | 960.91                | -        | -             | -      | 40.68                 | -      | 131.87          | -     |
| Interest Income                           | 522.15       | 523.58    | -                     | -        | 1,428.77      | -      | -                     | -      | -               | -     |
| Interest Written - Off                    | 2,070.95     | -         | -                     | -        | -             | -      | -                     | -      | -               | -     |
| Commission Paid                           | 235.58       | 276.87    | -                     | -        | -             | -      | 740.0                 | 340.60 | -               | -     |
| Investment in Equity Shares               | 1.00         | 2.00      | -                     | -        | -             | -      | -                     | -      | -               | -     |
| Reimbursement of Expenses made            | -            | -         | 3.11                  | 32.29    | -             | -      | -                     | -      | -               | -     |
| Reimbursement of Expenses Received        | -            | -         | 10.17                 | 9.28     | 36.19         | 69.08  | -                     | -      | -               | -     |
| Purchase of Capital Equipment             | -            | 950.00    | -                     | -        | -             | -      | -                     | -      | -               | -     |
| ICD Received                              | -            | -         | 3,700.00              | 2,010.00 | -             | -      | -                     | -      | -               | -     |
| ICD Paid Back                             | -            | -         | 2,875.00              | 1,335.00 | -             | -      | -                     | -      | -               | -     |
| Interest Expense                          | -            | -         | 351.81                | 348.86   | -             | -      | -                     | -      | -               | -     |
| Security Given                            | -            | -         | 320.00                | -        | -             | -      | -                     | -      | -               | -     |
| Rent & maintenance Paid                   | -            | -         | 1,028.18              | 1,019.01 | 3.85          | -      | 24.00                 | 24.00  | -               | 12.00 |
| Vehicle Lease Rent                        | -            | -         | -                     | -        | -             | -      | -                     | -      | 9.00            | -     |
| Salary Paid                               | -            | -         | -                     | -        | -             | -      | 405.85                | 353.52 | -               | 6.35  |
| Managerial Remuneration                   | -            | -         | -                     | -        | -             | -      | 725.74                | 689.36 | -               | -     |
| Rental Income                             | -            | -         | -                     | -        | 35.50         | -      | -                     | -      | -               | -     |
| Security Deposit taken                    | -            | -         | -                     | -        | 18.95         | -      | -                     | -      | -               | -     |
| Security Deposit recd. back               | -            | -         | -                     | -        | 16.50         | -      | -                     | -      | -               | -     |
| <b>Balance Outstanding</b>                |              |           |                       |          |               |        |                       |        |                 |       |
| <b>Payable</b>                            |              |           |                       |          |               |        |                       |        |                 |       |
| ICD Payable (including Accrued Interest)  | -            | -         | 4,172.63              | 3,276.44 | -             | -      | -                     | -      | -               | -     |
| Outstanding Payables                      | -            | -         | 2.53                  | 14.57    | 135.44        | 4.43   | 56.74                 | 1.70   | 0.74            | 0.74  |
| Security Deposit                          | -            | -         | -                     | -        | 2.45          | -      | -                     | -      | -               | -     |
| <b>Receivable(Unsecured)</b>              |              |           |                       |          |               |        |                       |        |                 |       |
| ICD (including accrued interest)*         | 6,219.13     | 19,539.85 | -                     | -        | -             | -      | -                     | -      | -               | -     |
| Capital Advance Given                     | -            | -         | -                     | -        | -             | -      | -                     | -      | -               | -     |
| Security Deposit Receivable               | -            | -         | 1,383.85              | 1,063.85 | -             | -      | 500.00                | 500.00 | -               | -     |
| Outstanding Receivables*                  | 1,103.82     | 761.26    | 125.09                | 160.89   | 3,207.36      | 13.39  | 50.26                 | 4.16   | -               | 0.32  |
| Sales consideration Receivable            | -            | -         | -                     | -        | 19,106.00     | -      | -                     | -      | -               | -     |
| Interest Receivable                       | -            | -         | -                     | -        | 859.77        | -      | -                     | -      | -               | -     |
| Provision/allowance for above Receivables | -            | -         | -                     | -        | -             | -      | -                     | -      | -               | -     |
| Provision/allowance for Doubtful ICD      | -            | 11,719.71 | -                     | -        | -             | -      | -                     | -      | -               | -     |
| Provision/allowance for Doubtful others   | -            | -         | -                     | -        | -             | -      | -                     | -      | -               | -     |

## Notes to Standalone Financial Statements

(ii) (a) Remuneration/Salary paid to KMP (₹ in Lakhs)

| Particulars                    | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2021 |
|--------------------------------|------------------------------|------------------------------|
| Short-term employee benefits # | 1033.23                      | 955.67                       |
| Post-employment benefits       |                              |                              |
| - Defined contribution plan \$ | 98.36                        | 87.21                        |
| - Other long-term benefits *   | -                            | -                            |
| <b>Total</b>                   | <b>1131.59</b>               | <b>1042.88</b>               |

# Including value of perquisites.

\* As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

\$ Employer Contribution of Provident Fund

(b) Detail of remuneration to KMP:-

- Chairman & Managing Director – ₹ 552.37 Lakhs (Previous Year ₹ 545.98 Lakhs)
- Chairman & Managing Director (Commission) - ₹ 500.00 Lakhs (Previous Year ₹ 246.00 Lakhs)
- Executive Director – ₹ 114.74 Lakhs (Previous Year ₹ 88.28 Lakhs)
- Executive Director – (Commission) - ₹ 240.00 Lakhs (Previous Year ₹ 94.60 Lakhs)
- Executive Director – ₹ 58.63 Lakhs (Previous Year ₹ 55.09 Lakhs)
- Chief Executive Officer – ₹ Nil Lakhs (Previous Year ₹ 87.04 Lakhs) upto 16<sup>th</sup> June 2020
- Chief Executive Officer – ₹ 280.35 Lakhs (Previous Year ₹ 161.72 Lakhs)
- Chief Financial Officer – ₹ 64.94 Lakhs (Previous Year ₹ 65.69 Lakhs)
- Company Secretary – ₹ 60.56 Lakhs (Previous Year ₹ 39.07 Lakhs)

(iii) Detail of transaction India Glycols Limited Employees Group Gratuity Trust Scheme (₹ in Lakhs)

| Particulars                 | Year ended<br>31 March 2022 | Year ended<br>31 March 2021 |
|-----------------------------|-----------------------------|-----------------------------|
| Contribution                | NIL                         | 468.43                      |
| Outstanding at the Year End | (434.27)                    | (131.12)                    |

(iv) Disclosure in respect of Material Related Party transactions during the year:

- Purchase of Services are from:
  - KIFTPL ₹ 322.66 Lakhs (Previous Year ₹ 358.54 Lakhs)
  - Polylink Polymers (India) Ltd ₹ 3.60 Lakhs (Previous Year ₹ 30.78 Lakhs)
- Sales of Material are to:
  - IGLCHEM, US ₹ 2,214.52 Lakhs (Previous Year ₹ 662.96 Lakhs).
  - Hindustan Wires Limited. ₹ 2,153.01 Lakhs (Previous Year ₹ 1558.15 Lakhs).
  - IGL Infrastructure ₹ 148.33 Lakhs (Previous Year ₹ 166.49 Lakhs)
  - KIFTPL ₹ 0.05 Lakhs (Previous Year ₹ 0.64 Lakhs)
  - Clariant IGL Specialty Chemicals Private Limited ₹ 33,179.88 Lakhs (Previous Year ₹ Nil Lakhs)
- Legal & Professional fees:
  - Khaitan & Co. LLP ₹ 243.19 Lakhs (Previous Year ₹ 71.28 Lakhs).
  - Khaitan & Co ₹ Nil Lakhs (Previous Year ₹ 5.06 Lakhs).
  - Hindustan Wires Ltd ₹ 36.00 Lakhs (Previous Year ₹ 36.00 Lakhs)
- Inter Corporate Deposit (ICD) Received back includes :
  - IGL Finance Ltd ₹ Nil Lakhs (Previous Year ₹ 282 Lakhs)
- Inter Corporate Deposit (ICD) Received includes :
  - Kashipur Holdings Ltd ₹ 3,000.00 Lakhs (Previous Year ₹ 700.00 Lakhs)
  - Hindustan Wires Ltd ₹ 700.00 Lakhs (Previous Year ₹ 825.00 Lakhs)
  - J Boseck & Co. (P) Ltd ₹ Nil Lakhs (Previous Year ₹ 485 Lakhs)
- Inter Corporate Deposit (ICD) Paid back includes :
  - Hindustan Wires Ltd ₹ 25.00 Lakhs (Previous Year ₹ 100.00 Lakhs)
  - Kashipur Holdings Ltd ₹ 2,000.00 Lakhs (Previous Year ₹ 900.00 Lakhs)
  - J Boseck & Co. (P) Ltd ₹ 850 Lakhs (Previous Year ₹ 335.00 Lakhs)

## Notes to Standalone Financial Statements

- g) Interest Expense includes from :
- J Boseck & Co. (P) Ltd ₹ 74.19 Lakhs (Previous Year ₹ 106.46 Lakhs)
  - Kashipur Holdings Ltd ₹ 100.14 Lakhs (Previous Year ₹ 91.74 Lakhs)
  - Hindustan Wires Ltd ₹ 177.47 Lakhs (Previous Year ₹ 150.66 Lakhs)
- h) Interest Income includes from:
- SSAIL ₹ 522.15 Lakhs (Previous Year ₹ 522.15 Lakhs)
  - Clariant IGL Specialty Chemicals Private Limited ₹ 1428.77 Lakhs (net of discount) (Previous Year ₹ Nil Lakh)
- i) Interest Written off includes:
- SSAIL ₹ 2070.95 Lakhs (Previous Year ₹ 135.03 Lakhs)
- j) Commission Paid:
- IGL CHEM US ₹ Nil Lakhs (Previous Year ₹ 276.91 Lakhs)
  - IGL CHEM International PTE. Ltd ₹ 235.58 Lakhs (Previous Year ₹ Nil Lakhs)
- k) Purchase of Capital Equipment:
- SSAIL ₹ Nil Lakhs (Previous Year ₹ 950.00 Lakhs)
- l) Reimbursement of expense made:
- Hindustan Wires Limited ₹ 3.11 Lakhs (Previous Year ₹ 1.51 Lakhs)
- m) Reimbursement of expense Received.
- IGL Infrastructure ₹ 10.17 Lakhs (Previous Year ₹ 9.28 Lakhs)
  - KIFTPL ₹ 31.56 Lakhs (Previous Year ₹ 69.08 Lakhs)
  - Clariant IGL Specialty Chemicals Private Limited ₹ 4.63 Lakhs (Previous Year ₹ Nil Lakhs)
- n) Rent & Maintenance Paid to:
- Polylink Polymers (India) Ltd. ₹ 3.00 Lakhs (Previous Year ₹ 12.00 Lakhs)
  - IGL Infra ₹ 1007.00 Lakhs (Previous Year ₹ 991.27 Lakhs)
  - Kashipur Holding Limited ₹ 5.69 Lakhs (Previous Year ₹ 11.06 Lakhs)
  - Ajay Commercial Co (P) Ltd ₹ 6.25 Lakhs (Previous Year ₹ 2.34 Lakhs)
  - J.B. Commercial Co (P) Ltd ₹ 6.25 Lakhs (Previous Year ₹ 2.34 Lakhs)
  - U.S Bhartia ₹ 24.00 Lakhs (Previous Year ₹ 24.00 Lakhs)
  - Clariant IGL Specialty Chemicals Private Limited ₹ 3.85 Lakhs (Previous Year ₹ Nil Lakhs)
- o) Vehicle Lease Paid to :
- Anand Singhal HUF ₹ 9.00 Lakhs (Previous Year ₹ 9.00 Lakhs )
  - Smita Bhartia ₹ Nil Lakhs (Previous Year ₹ 3.00 Lakhs)
- p) Investment in Equity Shares:
- Ennature Bio Pharma Private Limited (EBPPL) ₹ 1.00 Lakhs (Previous Year ₹ Nil Lakhs)
  - Clariant IGL Specialty Chemicals Private Limited (Formerly IGL Green Chemicals Pvt. Ltd) ₹ Nil Lakhs (Previous Year ₹ 1.00 Lakhs)
  - IGL Chemical & Service Pvt. Ltd ₹ Nil Lakhs (Previous Year ₹ 1.00 Lakhs)
- q) Purchase of Material:
- Clariant IGL Specialty Chemicals Private Limited ₹ 490.95 Lakhs (Previous Year ₹ Nil Lakhs)
- r) Sale of Services:
- Clariant IGL Specialty Chemicals Private Limited ₹ 425.12 Lakhs (Previous Year ₹ Nil Lakhs)
- s) Security Given:
- Ajay Commercial Co (P) Ltd ₹160 Lakhs (Previous Year ₹ Nil Lakhs)
  - J.B. Commercial Co (P) Ltd ₹160 Lakhs (Previous Year ₹ Nil Lakhs)
- t) Slump Sale:
- Clariant IGL Specialty Chemicals Private Limited (Formerly IGL Green Chemicals Pvt. Ltd) ₹ 64,954.82 Lakhs (Previous Year ₹ Nil Lakhs)
- u) Rental Income:
- Clariant IGL Specialty Chemicals Private Limited ₹ 35.50 Lakhs (Previous Year ₹ Nil Lakhs)
- v) Security Deposit taken:
- Clariant IGL Specialty Chemicals Private Limited ₹ 18.95 Lakhs (Previous Year ₹ Nil Lakhs)
- w) Security Deposit paid back:
- Clariant IGL Specialty Chemicals Private Limited ₹ 16.50 Lakhs (Previous Year ₹ Nil Lakhs)

### Balance Outstanding

- a) ICD Payable (including Accrued Interest):
- Kashipur Holdings Ltd. ₹ 1,813.32 Lakhs (Previous Year ₹ 801.26 Lakhs)
  - Hindustan Wires Ltd. ₹ 2,300.00 (Previous Year ₹ 1,625.18 Lakhs)
  - J Boseck & Co. (P) Ltd. ₹ 59.31 Lakhs (Previous Year ₹ 850.00 Lakhs)
- b) Outstanding Payable includes:
- J.B. Commercial Co. (P) Limited ₹ 0.01 Lakhs (Previous Year ₹ 0.01 Lakhs)
  - Hindustan Wires ₹ 0.27 Lakhs (Previous Year ₹ Nil)
  - Khaitan & Co. LLP ₹ 2.25 (Previous Year ₹ Nil)

## Notes to Standalone Financial Statements

- Polylink Polymers (India) Ltd ₹ Nil Lakhs (Previous Year ₹ 11.73 Lakhs)
  - Khaitan & Co. ₹ Nil Lakhs (Previous Year ₹ 2.83 Lakhs)
  - KIFTPL ₹ 46.34 Lakhs (Previous Year ₹ 4.43 Lakhs)
  - Rupark Sarswat ₹ 55.60 Lakhs (Previous Year ₹ Nil)
  - Sudhir Agarwal ₹ 0.05 Lakhs (Previous Year ₹ 0.26 Lakhs)
  - Anand Singhal ₹ Nil Lakhs (Previous Year ₹ 1.22 Lakhs)
  - Anand Singhal HUF ₹ 0.74 Lakhs (Previous Year ₹ 0.74 Lakhs)
  - Ankur Jain ₹ 1.09 Lakhs (Previous Year ₹ 0.45 Lakhs)
  - Clariant IGL Specialty Chemicals Private Limited ₹ 89.10 Lakhs (Previous Year ₹ Nil Lakhs)
- c) ICD Receivable including interest includes:
- SSAIL ₹ 4,177.20 Lakhs (Previous Year 5778.21 Lakhs). (Maximum balance outstanding during the year ₹ 5,778.21 Lakhs (Previous Year ₹ 7,263.99 Lakhs).
  - IGLFL ₹ 2,041.93 Lakhs (Previous Year ₹ 13,761.64 Lakhs) (Maximum balance outstanding during the year ₹ 13,761.64 Lakhs, Previous Year ₹ 14,043.64 Lakhs).
- d) Security Deposit receivable:
- Ajay Commercial Co. (P) Limited ₹ 400.00 Lakhs (Previous Year ₹ 240.00 Lakhs)
  - J.B. Commercial Co. (P) Limited ₹ 400.00 Lakhs (Previous Year ₹ 240.00 Lakhs)
  - IGL Infra ₹ 583.85 Lakhs (Previous Year ₹ 583.85 Lakhs)
  - US Bhartia ₹ 500.00 Lakhs (Previous Year ₹ 500.00 Lakhs)
- e) Security Deposit Payable:
- Clariant IGL Specialty Chemicals Private Limited ₹ 2.45 Lakhs (Previous Year ₹ Nil Lakhs)
- f) Others Receivable includes:
- IGL CHEM ₹ 162.92 Lakhs (Previous Year ₹ 356.71 Lakhs). (Maximum balance outstanding during the year ₹ 356.71 Lakhs, Previous Year ₹ 369.11 Lakhs).
  - IGL CHEM US ₹ 911.91 Lakhs (Previous Year ₹ 375.58 Lakhs). (Maximum balance outstanding during the year ₹ 911.91 Lakhs, Previous Year ₹ 375.58 Lakhs).
  - IGL Finance Limited ₹ 28.99 Lakhs (Previous Year ₹ 28.99 Lakhs). (Maximum balance outstanding during the year ₹ 28.99 Lakhs, Previous Year ₹ 28.99 Lakhs).
  - Ajay Commercial Co. (P) Limited ₹ 6.34 Lakhs (Previous Year ₹ 11.97 Lakhs)
  - Hindustan Wires ₹ 0.04 Lakhs (Previous Year ₹ 4.11 Lakhs)
  - IGL Infra ₹ 117.35 Lakhs (Previous Year ₹ 144.80 Lakhs)
  - KIFTPL ₹ 29.09 Lakhs (Previous Year ₹ 13.39 Lakhs)
  - Kashipur Holdings Ltd. ₹ 1.36 Lakhs (Previous Year ₹ Nil Lakhs)
  - Clariant IGL Specialty Chemicals Private Limited ₹ 3,178.27 Lakhs (Previous Year ₹ Nil Lakhs)
- g) Deferred Sale Consideration receivable:
- Clariant IGL Specialty Chemicals Private Limited ₹ 19,106.04 Lakhs (Previous Year ₹ Nil Lakhs)
- h) Interest Receivable:
- Clariant IGL Specialty Chemicals Private Limited ₹ 859.77 Lakhs (Previous Year ₹ Nil Lakhs)
- i) Provision/Allowance relating to above Receivables:
- (i) Provision for Doubtful ICD -
- IGLFL ₹ Nil Lakhs (Previous Year ₹ 11,719.71 Lakhs)

### 58. Dividend on Equity Share

#### Proposed Dividend on equity share not recognized as liability

(₹ in Lakhs)

| Particulars   | Year Ended<br>March 31,2022 | Year Ended<br>March 31,2021 |
|---|-----------------------------|-----------------------------|
| Dividend proposed for Equity shareholders of ₹ 7.5 per share<br>(Previous Year 2020-21 - ₹ 6 per share) | 2,322.11                    | 1,857.69                    |

Above is subject to approval of the shareholders in the Annual General Meeting.

### 59. Segment Information:

#### Disclosures as required by Indian Accounting Standard (Ind AS) 108 Operating Segments

##### Identifications of Segments:

Segments have been identified in line with Indian Accounting Standard on 'Operating Segments' (Ind AS -108), taking into account the organizational structure as well as the differential risk and returns of this segment and as per the quantitative criteria specified under IND AS. The Company has identified the following segments:

##### Operating Segments:

Bio-based Specialities and Performance Chemicals Segment comprises Glycols, Specialty Chemicals, Natural Gum & other related goods etc. Potable Spirits Segment comprises manufacture and sale of Ethyl Alcohol (Potable). Ennature Biopharma comprises manufacture and sale of Nutraceutical Products.

## Notes to Standalone Financial Statements

Information about Operating Segments for the year ended 31-3-2022 & 31-3-2021 is as follows: -

| Particulars                                  | Industrial Chemicals |                    | Ethyl Alcohol (Potable) |                    | Nutraceutical (perviously termed as Herbal) |                  | Unallocable     |                 | TOTAL              |                    |
|--|----------------------|--------------------|-------------------------|--------------------|---|------------------|-----------------|-----------------|--------------------|--------------------|
|  | 31.03.2022           | 31.03.2021         | 31.03.2022              | 31.03.2021         | 31.03.2022                                  | 31.03.2021       | 31.03.2022      | 31.03.2021      | 31.03.2022         | 31.03.2021         |
| <b>A REVENUE</b>                             |                      |                    |                         |                    |   |                  |                 |                 |                    |                    |
| 1 Gross Segment Revenue (External Customers) | 2,02,091.33          | 1,49,440.91        | 4,41,925.85             | 3,74,499.31        | 15,615.65                                   | 15,059.81        | -               | -               | 6,59,632.83        | 5,39,000.03        |
| Inter- Segment                               | -                    | -                  | -                       | -                  | -   | -                | -               | -               | -                  | -                  |
| <b>Total</b>                                 | <b>2,02,091.33</b>   | <b>1,49,440.91</b> | <b>4,41,925.85</b>      | <b>3,74,499.31</b> | <b>15,615.65</b>                            | <b>15,059.81</b> | <b>2,653.05</b> | <b>1,208.31</b> | <b>6,59,632.83</b> | <b>5,39,000.03</b> |
| 2 Other Income                               |                      |                    |                         |                    |   |                  |                 |                 |                    |                    |
| <b>B RESULTS</b>                             |                      |                    |                         |                    |   |                  |                 |                 |                    |                    |
| 1 Segment Result (PBIT)                      | 12,060.09            | 4,659.81           | 8,967.06                | 15,361.06          | 3,945.76                                    | 5,138.14         | (4,680.60)      | (5,781.82)      | 20,292.31          | 19,377.19          |
| 2 Interest Expense (Net)                     |                      |                    |                         |                    |   |                  |                 |                 | 6,217.32           | 7,345.11           |
| 3 Tax Expenses                               |                      |                    |                         |                    |   |                  |                 |                 | 6,625.46           | 5,842.71           |
| 4 Exceptional Items                          |                      |                    |                         |                    |   |                  |                 |                 | 20,062.91          | -                  |
| 5 Profit after Tax                           |                      |                    |                         |                    |   |                  |                 |                 | 27,512.44          | 6,189.37           |
| <b>C Other information:</b>                  |                      |                    |                         |                    |   |                  |                 |                 |                    |                    |
| 1 Segment Assets                             | 2,82,247.24          | 2,61,123.76        | 62,313.21               | 52,998.68          | 37,944.51                                   | 31,744.34        | 44,210.56       | 23,281.58       | 4,26,715.52        | 3,69,148.36        |
| 2 Segment Liabilities                        | 92,205.85            | 1,02,104.23        | 43,973.29               | 34,416.20          | 5,890.69                                    | 3,328.20         | 1,33,469.65     | 1,39,629.34     | 2,75,539.48        | 2,79,477.97        |
| 3 Depreciation and Amortization expenses     | 5,997.06             | 6,014.28           | 359.28                  | 328.27             | 459.09                                      | 399.87           | 782.27          | 838.77          | 7,597.70           | 7,581.19           |
| 4 Capital Expenditure                        | 30,767.00            | 10,657.06          | 2,658.00                | 1,666.49           | 6,234.85                                    | 2,843.12         | -               | -               | 39,659.85          | 15,166.67          |

Since 1989, there has been a huge shift in industry scenario, products, market dynamics, drivers, technologies as well as the demand of the company's products. The company has therefore evolved quite significantly, expanding into a wide range of synergistic portfolios building on the company's capabilities and responding to the market needs. Considering the same and to represent all its segment in the current context, the company is changing the names of all the segments from Industrial Chemicals, Ethyl Alcohol (Potable) & Nutraceutical to Bio-based Specialities and Performance Chemicals, Potable Spirits & Ennatura Biopharma respectively.

### Information about geographical areas:

| Particulars                                  | Domestic    |             | Overseas   |            | Total       |             |
|--|-------------|-------------|------------|------------|-------------|-------------|
|  | 31.03.2022  | 31.03.2021  | 31.03.2022 | 31.03.2021 | 31.03.2022  | 31.03.2021  |
| 1 Gross Segment Revenue (External Customers) | 5,95,358.82 | 4,82,537.24 | 64,274.01  | 56,462.79  | 6,59,632.83 | 5,39,000.03 |

### Overseas Country- wise sales:

| Particulars     | 2021-22          |                  | 2020-21 |         |
|-----------------|------------------|------------------|---------|---------|
|                 | 2021-22          | 2020-21          | 2021-22 | 2020-21 |
| USA             | 4,986.39         | 9,096.70         |         |         |
| Other Countries | 59,287.62        | 47,366.09        |         |         |
| <b>Total</b>    | <b>64,274.01</b> | <b>56,462.79</b> |         |         |

All non-current assets of the Company are located in India.

There is no transaction with single external customer which amounts to 10% or more of the Company's revenue.

For Discontinuing Operations - Refer Note -62



## Notes to Standalone Financial Statements

60. (a) In compliance with Ind AS 112 on Disclosure of Interests in Other Entities, following disclosures are made in respect of jointly controlled entity - Kashipur Infrastructure and Freight Terminal Private Limited (KIFTPL) and Clariant IGL Specialty Chemicals Private Limited (CISCPL), in which the Company is a joint venturer :

(₹ in Lakhs)

|                                      | KIFTPL         |                | CISCPL         |                |
|--------------------------------------|----------------|----------------|----------------|----------------|
|                                      | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Country of Incorporation             | India          |                | India          |                |
| Percentage of Share in Joint Venture | 42.31%         | 42.31%         | 49%            | -              |
| Current Assets                       | 256.11         | 269.94         | 21,741.17      | -              |
| Non- Current Assets                  | 3,832.85       | 4,039.79       | 38,690.63      | -              |
| Current Liabilities                  | 770.69         | 711.56         | 9,137.72       | -              |
| Non- Current Liabilities             | 451.56         | 891.12         | 20,555.62      | -              |
| Revenue                              | 1,165.63       | 856.78         | 43,707.87      | -              |
| Profit/(Loss) for the period         | 159.23         | 71.89          | 1,929.07       | -              |
| Total Comprehensive Income           | 159.66         | 72.46          | 1,938.43       | -              |

### 61. Income Tax:

During the previous year, the Company decided to exercise the option available under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 onwards and recognised the tax provision on the basis the rates prescribed in that section. The tax expense for the year ended 31st March, 2021 include one-time net - non cash adjustment on account of re-measurement of deferred tax assets/ liabilities and write off MAT credit entitlement.

#### (A) Amounts recognized in Statement of Profit and Loss

(₹ in Lakhs)

| Particulars  | 2021-22         | 2020-21         |
|--|-----------------|-----------------|
| Tax Expense:   |                 |                 |
| Continued Operations   | 6,625.46        | 5,842.71        |
| Discontinued Operations  | 345.29          | 2,277.85        |
| <b>Total</b>   | <b>6,970.75</b> | <b>8,120.56</b> |
| <b>Tax Expense:</b>  |                 |                 |
| - Current Tax  | 6220.99         | 1,427.90        |
| - Current Tax for earlier years                                    | -               | (1,714.66)      |
| - Deferred tax Charged / (Credit)                                  | 749.76          | 2,514.47        |
| - Deferred tax Charged / (Credit) relating to changes in tax rates | -               | (10,105.27)     |
| - Minimum Alternate Tax Credit entitlement                         | -               | -               |
| - Minimum Alternate Tax Credit Written off                         | -               | 15,998.12       |
| <b>Total</b>   | <b>6970.75</b>  | <b>8,120.56</b> |

#### (B) Income Tax recognised in other comprehensive Income

(₹ in Lakhs)

| Particulars  | 2021-22     | 2020-21        |
|--|-------------|----------------|
| Current Income Tax on Re-measurement losses on defined benefit plans | 2.44        | (99.09)        |
| <b>Total</b>   | <b>2.44</b> | <b>(99.09)</b> |

#### (C) Reconciliation of effective tax rate

(₹ in Lakhs)

| Particulars  | 2021-22          | 2020-21          |
|--|------------------|------------------|
| Enacted income tax rate in India applicable to the Company | 25.17%           | 25.17%           |
| Profit Before Tax  |                  |                  |
| Continued Operations                                       | 34,137.90        | 12,032.08        |
| Discontinued Operations                                    | 1,371.94         | 4,518.39         |
| <b>Total PBT</b>   | <b>35,509.84</b> | <b>16,550.47</b> |

## Notes to Standalone Financial Statements

|  |                |             |
|--|----------------|-------------|
| At Statutory Income Tax Rate                                     | 8,937.83       | 4,165.42    |
| Current Tax for earlier years                                    | -              | (1,714.66)  |
| Deferred tax Charged / (Credit) relating to changes in tax rates | -              | (10,105.27) |
| Minimum Alternate Tax Credit Written off                         | -              | 15,998.12   |
| Related to sale of non-current investment (LTCL)                 | (1417.06)      | -           |
| Relating to slump sale of BioEO business                         | (414.35)       | -           |
| Related to Property, Plant & Equipment                           | (109.98)       | (97.12)     |
| Deferred tax Related to house property                           | (3.28)         | (2.90)      |
| Others   | (22.41)        | (123.03)    |
| Income Tax expense/(income) reported in Statement of P&L Account | <b>6970.75</b> | 8,120.56    |

### (D) Reconciliation of deferred tax liabilities, (net)

(₹ In Lakhs)

| Particulars                           | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---------------------------------------|-------------------------|-------------------------|
| <b>Opening Balance</b>                | <b>32,738.30</b>        | 24,231.89               |
| Deferred Tax expense recognised in :- |                         |                         |
| Statement of profit & loss            | 749.76                  | (7590.80)               |
| Other comprehensive income            | (2.44)                  | 99.09                   |
| MAT Credit Entitlement                | -                       | 15998.12                |
| <b>Closing balance</b>                | <b>33,485.62</b>        | 32,738.30               |

### 62. Discontinued Operations

The Board of Directors of the Company at their meeting held on 24<sup>th</sup> June, 2020 had considered and approved transfer of Company's BioEO (Speciality Chemicals) Business to a wholly-owned subsidiary, which was further approved by the members of the Company at their Annual General Meeting held on 24<sup>th</sup> September, 2020. Further, in pursuance to the approval of the Board at their meeting held on 11<sup>th</sup> March, 2021, the Company had entered into a Business transfer agreement with IGL Green Chemical Private Limited (later on name changed to Clariant IGL Specialty Chemicals Private Limited), a wholly owned subsidiary for transfer of Company's BioEO (Speciality Chemicals) Business to IGCPL and in the same meeting, the Board of Directors of the Company had also approved entering into a joint venture with IGCPL and Clariant International Ltd., in connection with, inter alia, investment by Clariant International Ltd. in IGCPL and issuance of subscription shares by IGCPL to Clariant, which will result in IGCPL becoming a 51:49 joint venture, in which 51% stake will be held by Clariant and the remaining 49% stake will be held by the Company. The members of the Company had also approved the same by way of a Special Resolution through Postal Ballot effective 25<sup>th</sup> April, 2021.

Further, pursuant to the terms of the JVA and the approvals of the members granted on 25 April 2021, and upon fulfilment of conditions precedent as identified under the JVA, on 30 June 2021, Clariant has invested ₹ 58774 Lakhs in the IGCPL, and the IGCPL has allotted and issued 11,240 equity shares (having a face value of ₹ 10/- each) @ ₹ 5,22,905 per share (which includes a premium of ₹ 5,22,895 per share) to Clariant International Ltd., such that the IGCPL has become a 51 :49 Joint Venture company, in which 51% stake has been held by Clariant International Ltd. and the remaining 49% stake held by the company along with its wholly owned subsidiary.

The Company has transferred 'BioEo (Speciality Chemicals) Business' (specified assets and liabilities including dedicated employees, contracts, licenses, permits, consents, approvals and other legal documents relating to the said business) to IGL Green Chemicals Private Limited (later on name changed to Clariant IGL Specialty Chemicals Private Limited), a wholly owned subsidiary (in accordance with the term of the BTA) with effect from 30<sup>th</sup> June 2021 as a going concern for a lump sum consideration of ₹ 64,954.82 Lakhs by way of slump sale and recognized gain of ₹ 22,133.87 Lakhs (net of BTA expenses) on slump sale of said business, which has been disclosed as exceptional items in financial statements. Details of slump sale is as under.

(₹ In Lakhs)

| Particulars                                    | Amount           |
|--|------------------|
| <b>Sale consideration</b>                      | <b>64,954.82</b> |
| Less:  |                  |
| <b>Assets transferred (net of liabilities)</b> | 40,821.85        |
| BTA Expenses                                   | 1,999.10         |
| <b>Profit on slump sale of BioEO Business</b>  | <b>22,133.87</b> |

## Notes to Standalone Financial Statements

The aforesaid transaction meets the criteria prescribed in Ind AS 105 " Non-current Assets Held for Sale and Discontinued Operations" to be considered as discontinued operation, hence 'BioEO (Speciality Chemicals) Business' has been disclosed as discontinued operations in Standalone financial statements. Details of income/expenses, Assets/liabilities and net cash flow of discontinuing operations are as under:

(₹ In Lakhs)

| Revenue/Expenses                 | Upto 30.06.2021<br>(3 Months) | 31.03.2021 (12<br>Months) |
|----------------------------------|-------------------------------|---------------------------|
| <b>Revenue from operations</b>   | <b>21,407.13</b>              | <b>66,807.32</b>          |
| Total Expenses                   | 20,035.19                     | 62,288.93                 |
| <b>Profit/ (Loss) before tax</b> | <b>1,371.94</b>               | <b>4,518.39</b>           |
| Tax Expense                      | 345.29                        | 2,277.85                  |
| <b>Profit after tax</b>          | <b>1,026.65</b>               | <b>2,240.54</b>           |

### The major classes of assets and liabilities

(₹ In Lakhs)

| Particulars                   | 31.3.2022 | 31.03.2021       |
|-------------------------------|-----------|------------------|
| <b>Assets</b>                 |           |                  |
| Property, Plant and Equipment | -         | 15,537.42        |
| Capital work-in-progress      | -         | 705.57           |
| Inventories                   | -         | 6,141.37         |
| Trade receivables             | -         | 15,884.54        |
| <b>Total Assets</b>           | <b>-</b>  | <b>38,268.90</b> |
| <b>Liabilities</b>            |           |                  |
| Trade payables                | -         | 3,357.34         |
| Others                        | -         | 80.05            |
| <b>Total Liabilities</b>      | <b>-</b>  | <b>3,437.39</b>  |

### Net cash flows attributable to the operating, investing and financing activities of discontinued operations:

| Particulars          | 31.03.2022 | 31.03.2021 |
|----------------------|------------|------------|
| Operating Activities | 2,461.52   | 5,607.00   |
| Investing Activities | (1,667.76) | (1,780.26) |
| Financing Activities | (793.93)   | (3,826.74) |

### 63. Event Occurring After Balance Sheet Date

The Board of Directors has recommended Equity dividend of ₹ 7.5 per share (previous year ₹ 6 per share) for the financial year 2021-22.

### 64. Financial Ratios\*\*

| Ratio                        | Numerator            | Denominator  | 2021-22 | 2020-21 |
|------------------------------|----------------------|--|---------|---------|
| Current ratio (in times)     | Total current assets | Current liabilities = Total current liabilities - Current maturities of long term borrowings | 1.09    | 1.04    |
| Debt-Equity ratio (in times) | Total debts          | Total equity   | 0.64    | 0.84    |

## Notes to Standalone Financial Statements

|   |   |   |       |       |
|---|---|---|-------|-------|
| Debt service coverage ratio (in times)      | Earning for Debt Service = Net Profit after taxes + Depreciation + Other non-cash adjustments | Debt service = Interest on term loan + Term loan Principal repayments   | 2.55  | 2.14  |
| Return on equity ratio (in %)*              | Net Profit after tax for the year   | Average total equity  | 21%   | 7%    |
| Inventory Turnover ratio (in times)         | Net Turnover (exclude excise duty)  | Average Inventory   | 4.54  | 4.38  |
| Trade receivables turnover ratio (in times) | Net Turnover (exclude excise duty)  | Average trade receivables   | 6.65  | 5.37  |
| Trade payables turnover ratio (in times)    | Net credit purchases  | Average trade payables  | 3.48  | 2.91  |
| Net capital turnover ratio (in times)#      | Net Turnover (exclude excise duty)  | Average working capital (i.e. Total current assets less current liabilities) (Current liabilities = Total current liabilities - Current maturities of long term borrowings) | 22.28 | 53.66 |
| Net profit ratio (in %)*                    | Net Profit after tax for the year   | Net Turnover (exclude excise duty)  | 9%    | 3%    |
| Return on capital employed (in %)*          | Profit before tax and finance costs   | Capital employed = Net worth + Total Debts + Deferred tax liabilities   | 15%   | 11%   |
| Return on investment (in %)                 | Income generated from invested funds  | Average invested funds in treasury investments  | NA    | NA    |

\*The variation in Return on equity/capital employed/Net profit ratio as at March 31, 2022 as compared to March 31, 2021 is primarily due to Profit on slump sale of BioEO Business.

# The variation in Net capital turnover ratio as at March 31, 2022 as compared to March 31, 2021 is primarily due to increase of current assets and decrease of short term borrowing.

\*\*Financial numbers of discontinued operation have also been considered for the purpose of calculation of financial ratio.

### 65. Other Statutory Information:

- a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b. There are no transactions and / or balance outstanding with companies struck off under section 248 of the Companies Act, 2013.
- c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - ii) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- e. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - ii) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

## Notes to Standalone Financial Statements

- f. The Company does not have any transactions which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
  - g. The company does not have any investments through more than two layers of investment companies as per section 2(87) (d) and section 186 of Companies Act, 2013.
  - h. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
  - i. The Title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company
  - j. The Company has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Company with such banks are in agreement with the books of accounts of the Company.
  - k. The Company has adhered to debt repayment and interest service obligations on time. Wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
  - l. Term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
66. The figures of the previous period/year have been restated/regrouped wherever necessary, to make them comparable.

As per our report of even date  
**For K N Gutgutia & Co.**  
Chartered Accountants  
Firm Registration no. 304153E

**B.R.Goyal**  
Partner  
Membership Number 12172  
Place : Noida, UP  
Date : May 26, 2022

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

**Rupark Sarswat**  
*Chief Executive Officer*

**Sudhir Agarwal**  
*Executive Director*  
DIN 08602216

**Anand Singhal**  
*Chief Financial Officer*

**Ankur Jain**  
*Company Secretary*

**Form AOC-1**

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

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures  
PART "A" : Subsidiaries**

(All figure except exchange rate in Lakhs)

| S. No  | 1   | 2                                       | 3                          | 4                                      | 5  | 6   |
|--|---|---|----------------------------|--|--|---|
| <b>Name of the Subsidiary Company</b>            | <b>Shakumbari Sugar &amp; Allied Industries Limited</b> | <b>IGL Chem International PTE. LTD.</b> | <b>IGL Finance Limited</b> | <b>IGL Chem International USA LLC.</b> | <b>IGL Chemicals and Services Private Limited#</b> | <b>Ennature Bio Pharma Private Limited*</b> |
| Financial year ending on                         | March 31, 2022  | March 31, 2022                          | March 31, 2022             | March 31, 2022                         | March 31, 2022                                     | March 31, 2022                              |
| Reporting Currency                               | INR   | INR USD                                 | INR                        | INR USD                                | INR  |   |
| Exchange Rate on the last date of financial year |   | 75.793                                  |                            | 75.793                                 |  |   |
| Share Capital                                    | 6,067.71  | 27.41 0.79                              | 150.00                     | 127.00 2.00                            | 1.00   | 1.00  |
| Reserves & Surplus                               | (9,044.86)  | (247.51) (3.69)                         | 119.44                     | (279.57) (4.02)                        | (0.52)   | (0.37)                                      |
| Total Assets                                     | 10,630.84   | 17.35 0.23                              | 2,340.78                   | 772.26 10.18                           | 0.58   | 0.73  |
| Total Liabilities                                | 10,630.84   | 17.35 0.23                              | 2,340.78                   | 772.26 10.18                           | 0.58   | 0.73  |
| Investments                                      | -   | -                                       | -                          | -                                      | 0.08   | -   |
| Turnover   | -   | -                                       | -                          | 2,435.65 32.72                         | -  | -   |
| Profit / (loss) before tax                       | 544.70  | 221.61 2.98                             | (0.46)                     | (109.56) (1.47)                        | (0.52)   | (0.37)                                      |
| Provision for Taxation                           | -   | -                                       | -                          | -                                      | -  | -   |
| Profit / (loss) after Taxation                   | 544.70  | 221.61 2.98                             | (0.46)                     | (109.56) (1.47)                        | (0.52)   | (0.37)                                      |
| Proposed Dividend                                | -   | -                                       | -                          | -                                      | -  | -   |
| % of Shareholding                                | 51.03%  | 100%                                    | 100%                       | 100%                                   | 100%   | 100%  |

**Note :**

- Profit/ (loss) figure does not include Other Comprehensive Income.
  - During FY 2021-22, Clariant IGL Specialty Chemicals Private Limited (Erstwhile IGL Green Chemicals Private Limited), ceased to be a wholly-owned subsidiary of the Company and become a 49:51% Joint Venture of the Company and Clariant International Limited, accordingly, the details are provided under Part B.
- # The Company was incorporated on 3<sup>rd</sup> March, 2021.  
\* The Company was incorporated on 1<sup>st</sup> October, 2021

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

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

(₹ in Lakhs)

| S.No  | 1   | 2  |
|---|---|--|
| <b>Name of the Associates/Joint Venture</b>   | <b>Kashipur Infrastructure and Freight Terminal Private Limited</b> | <b>Clariant IGL Specialty Chemicals Private Limited (Erstwhile IGL Green Chemicals Private Limited)#</b> |
| <b>1. Latest audited Balance Sheet Date</b>   | March 31, 2022  | March 31, 2022   |
| Reporting Currency  | INR   | INR  |
| <b>2. Shares of Associate/Joint Ventures held by the company on the year end</b>    |   |  |
| No.   | 2674418   | 10000  |
| Amount of Investment in Associates/Joint Venture                                    | 2704.33   | 1.00   |
| Extend of Holding %   | 42.31%  | 49%  |
| <b>3. Description of how there is significant influence</b>                         | Joint Venture Agreement   | Joint Venture Agreement  |
| <b>4. Reasons why the associate/joint venture is not consolidated</b>               | N.A.  | N.A.   |
| <b>5. Networth attributable to Shareholding as per latest audited Balance Sheet</b> | 2865.85   | 30,729.07  |
| <b>6. Profit/Loss for the year</b>  |   |  |
| i. Considered in Consolidation  | 159.24  | 1929.07  |
| ii. Not Considered in Consolidation   | 217.10  | 2,007.81   |

**Note :** i) There are no Associates or Joint Venture which have been liquidated or sold during the year.

# w.e.f. 30<sup>th</sup> June, 2021 from the time of allotment of equity shares to JV Partner.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDIA GLYCOLS LIMITED

### I. Report on the Audit of Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022

#### 1. Opinion

A. We have audited the accompanying Consolidated Financial Statements of **INDIA GLYCOLS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its Joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Joint ventures as at March 31, 2022, of its consolidated Profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

#### 2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the group and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to the "Other Matters" section below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

#### Emphasis of Matter

We draw attention to Note 48 of the Consolidated financial statements in respect of its one of the subsidiary namely Shakumbari Sugar And Allied Industries Ltd (SSAIL) continue to evaluate and explore options in consultation with expert(s) and stakeholders

for restructuring/revival/disinvestments, hence the management of SSAIL consider it appropriate to prepare Financial Statements on going concern basis despite negative net worth on the balance sheet date and we have relied upon the management representation in this regard.

Our opinion is not modified in respect of this matter on the consolidated financial statements for the year ended 31<sup>st</sup>, March 2022.

#### 3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

#### 4. Information Other than the Consolidated Financial Statements and Auditor's Report thereon

A. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

B. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### 5. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

A. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, Consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group and its joint ventures in accordance with the other accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of

Directors of the companies included in the Group and its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

B. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and its joint ventures are responsible for assessing the Group's ability and its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group and of its Joint ventures are also responsible for overseeing the financial reporting process of the Group and its Joint ventures.

#### 6. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

A. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

v) Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

vi) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

C. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope



and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- D. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- E. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

The consolidated financial statements includes the Group's share of net profit after tax of ₹ 1929.07 lakhs and, total comprehensive income of ₹ 1938.43 lakhs for the year ended 31<sup>st</sup> March 2022 as considered in the consolidated financial statements, in respect of One joint venture, whose financial statements/financial information has been audited by other auditor. The independent auditor's report on financial statements/financial information of this entity has been furnished to us by the management. Our opinion on the consolidated financial statements, is so far as it relates to the amounts and disclosures included in respect of this entity and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid joint venture, is based solely on the reports of the other auditor/ independent firm of accountants.

Our opinion on the consolidated financial statements is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor/ independent firm of accountants.

#### II. Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report to the extent applicable that.

- A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- B. In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books.
- C. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of

Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- D. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- E. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor's of its subsidiaries and joint ventures incorporated in India, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- F. With respect to the adequacy of the internal financial controls over financial reporting of and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding and subsidiaries and its joint ventures incorporated in India;
- G. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture - Refer Note No.-39(A)(i),39(A) (ii), 39(A)(iv),40 and 42 to the consolidated financial statements.
  - Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer Note No.-50(b) to the consolidated financial statements.
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the group and its joint venture incorporated in India.
  - (a) The respective management of the company and its subsidiaries and its joint ventures which are companies incorporated in India whose financial statements have been audited under the Act has represented to us and other auditor of such joint venture that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries, joint ventures to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or any of such subsidiaries, joint ventures.

- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) The respective management of the company and its subsidiaries and its joint ventures which are companies incorporated in India whose financial statements have been audited under the Act has represented to us and other auditor of such joint venture that, to the best of its knowledge and belief, no funds have been received by the Company or any of such subsidiaries, joint ventures from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries, joint ventures shall:
  - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
  - Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (c) Based on such audit procedures as considered reasonable and appropriate in the in the circumstances, performed by us and those performed by the auditor of joint venture, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) contain any material mis-statement.
- v. The final dividend paid by the holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The Board of Directors of the holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- H. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, its holding company covered under the Act paid remuneration to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V to the Act.

For **K.N. Gutgutia & Co.**  
Chartered Accountants  
(Firm’s Registration No. 304153E)

**(B.R. GOYAL)**  
Partner  
(Membership No. 12172)  
(UDIN :22012172AJQFUZ8944)

Place: Noida  
Date: 26<sup>th</sup> May, 2022

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in point F of paragraph II under “Report on Other Legal and Regulatory Requirements” section of our report to the members of INDIA GLYCOLS LIMITED of even date)

### **Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

#### **Opinion**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of INDIA GLYCOLS LIMITED (hereinafter referred to as “Holding Company”) and its subsidiary companies, and joint ventures which are incorporated in India as of that date.

In our opinion to the best of our information and according to the explanations given to us, the Holding and its subsidiary companies and joint ventures which are companies incorporated in India, have, 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 March 31, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Emphasis of Matter**

We draw attention to Note 48 of the Consolidated financial statements in respect of its one of the subsidiary namely Shakumbari Sugar And Allied Industries Ltd (SSAIL) continue to evaluate and explore options in consultation with expert(s) and stakeholders for restructuring/revival/disinvestments, hence the management of SSAIL consider it appropriate to prepare Financial Statements on going concern basis despite negative net worth on the balance sheet date and we have relied upon the management representation in this regard.

Our opinion is not modified in respect of this matter on the consolidated financial statements for the year ended 31<sup>st</sup>, March 2022.

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

The respective Board of Directors of the Holding and its subsidiary companies and joint venture which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the “Guidance Note”). These

responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated financial statements of the Holding company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

#### **Meaning of Internal Financial Controls over with reference to consolidated financial statements**

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance

with generally accepted accounting principles. Company's internal financial control with reference to consolidated 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 consolidated 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 material effect on the consolidated financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to One Joint venture which are companies incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of this matter.

For **K.N. Gutgutia & Co.**

Chartered Accountants  
(Firm's Registration No. 304153E)

**(B.R. GOYAL)**

Partner

Place: Noida

Date: 26<sup>th</sup> May, 2022

(Membership No.12172)

## Consolidated Balance Sheet as at March 31, 2022

(₹ in Lakhs)

| Particulars  | Note No. | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|----------|-------------------------|-------------------------|
| <b>ASSETS</b>  |          |                         |                         |
| <b>(1) NON-CURRENT ASSETS:</b>   |          |                         |                         |
| (a) Property, Plant and Equipment  | 2        | 230,346.35              | 217,134.48              |
| (b) Capital work-in-progress   | 2A       | 24,318.07               | 12,576.72               |
| (c) Investment Property  | 3        | 775.00                  | 788.74                  |
| (d) Other Intangible assets  | 4        | 165.22                  | 187.09                  |
| (e) Right to use assets  | 5        | 510.97                  | 1,148.85                |
| (f) Investment in Joint Venture  | 6        | 33,594.92               | 2,706.61                |
| (g) Financial Assets   |          |                         |                         |
| (i) Loans  | 7        | 43.53                   | 74.16                   |
| (ii) Others  | 8        | 11,247.85               | 4,772.54                |
| (h) Other Non-Current assets   | 9        | 1,343.91                | 1,511.04                |
| <b>Total Non Current Assets</b>  |          | <b>302,345.82</b>       | <b>240,900.23</b>       |
| <b>(2) CURRENT ASSETS:</b>   |          |                         |                         |
| (a) Inventories  | 10       | 69,299.25               | 60,975.23               |
| (b) Financial Assets   |          |                         |                         |
| (i) Trade receivables  | 11       | 39,868.11               | 36,171.68               |
| (ii) Cash and cash equivalents   | 12       | 704.74                  | 339.11                  |
| (iii) Bank balances other than (ii) above  | 13       | 9,467.14                | 9,415.09                |
| (iv) Loans   | 14       | 2,516.18                | 2,548.17                |
| (v) Others   | 15       | 18,811.31               | 5,149.84                |
| (c) Current Tax Assets (Net)   | 16       | 8.57                    | 1,605.02                |
| (d) Other current assets   | 17       | 20,045.72               | 16,550.80               |
| <b>Total Current Assets</b>  |          | <b>160,721.02</b>       | <b>132,754.94</b>       |
| <b>(3) Assets held for sale and discontinued operations</b>                            | 59       |                         | 38,268.90               |
| <b>TOTAL ASSETS</b>  |          | <b>463,066.84</b>       | <b>411,924.07</b>       |
| <b>EQUITY AND LIABILITIES</b>  |          |                         |                         |
| <b>EQUITY:</b>   |          |                         |                         |
| (a) Equity Share capital   | 18       | 3,096.15                | 3,096.15                |
| (b) Other Equity   | 18A      | 176,093.80              | 113,756.16              |
| <b>Equity attributable to equity holders of the parent</b>                             |          | <b>179,189.95</b>       | <b>116,852.31</b>       |
| Non-controlling interests  |          | (1,947.72)              | -                       |
| <b>Total Equity</b>  |          | <b>177,242.23</b>       | <b>116,852.31</b>       |
| <b>LIABILITIES:</b>  |          |                         |                         |
| <b>NON-CURRENT LIABILITIES:</b>  |          |                         |                         |
| (a) Financial Liabilities  |          |                         |                         |
| (i) Borrowings   | 19       | 53,997.69               | 50,821.95               |
| (ii) Lease liabilities   |          | -                       | 727.14                  |
| (iii) Other financial liabilities  | 20       | 3,804.42                | 4,242.92                |
| (b) Provisions   | 21       | 457.92                  | 595.00                  |
| (c) Deferred tax liabilities (Net)   | 22       | 33,808.58               | 35,744.18               |
| (d) Other non-current liabilities  | 23       | 18,883.92               | 26,166.92               |
| <b>Total Non Current Liabilities</b>   |          | <b>110,952.53</b>       | <b>118,298.11</b>       |
| <b>CURRENT LIABILITIES:</b>  |          |                         |                         |
| (a) Financial Liabilities  |          |                         |                         |
| (i) Borrowings   | 24       | 50,008.21               | 61,478.12               |
| (ii) Lease Liabilities   |          | 649.46                  | 650.36                  |
| (iii) Trade payables   | 25       |                         |                         |
| Total Outstanding dues of micro enterprises and small enterprises                      |          | 16.61                   | 18.04                   |
| Total Outstanding dues of creditors other than micro enterprises and small enterprises |          | 64,139.45               | 58,060.11               |
| (iv) Other financial liabilities   | 26       | 28,254.78               | 26,516.04               |
| (b) Other current liabilities  | 27       | 28,904.97               | 26,289.06               |
| (c) Provisions   | 28       | 374.96                  | 324.53                  |
| (d) Current Tax Liabilities (Net)  | 29       | 2,523.64                | -                       |
| <b>Total Current Liabilities</b>   |          | <b>174,872.08</b>       | <b>173,336.26</b>       |
| <b>Liabilities held for sale and discontinued operations</b>                           | 59       | -                       | 3,437.39                |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |          | <b>463,066.84</b>       | <b>411,924.07</b>       |

Company Overview, Basis of preparation and significant accounting policies 1  
The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date  
**For K N Gutgutia & Co.**  
Chartered Accountants  
Firm Registration no. 304153E  
**B.R.Goyal**  
Partner  
Membership Number 12172

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

**Rupark Sarswat**  
Chief Executive Officer

**Sudhir Agarwal**  
Executive Director  
DIN - 08602216

**Anand Singhal**  
Chief Financial Officer

Place : Noida, UP  
Date : May 26, 2022

**Ankur Jain**  
Company Secretary

## Consolidated Statement of Profit & Loss for the year ended March 31, 2022

| (₹ in Lakhs), except as otherwise stated   |          |                              |                              |
|--|----------|------------------------------|------------------------------|
| Particulars  | Note No. | Year ended<br>March 31, 2022 | Year ended March<br>31, 2021 |
| <b>Continuing Operations</b>   |          |                              |                              |
| <b>Income:</b>   |          |                              |                              |
| Revenue from operations  | 30       | 660,140.80                   | 542,747.16                   |
| Other income   | 31       | 2,153.80                     | 1,526.12                     |
| <b>Total Revenue</b>   |          | <b>662,294.60</b>            | <b>544,273.28</b>            |
| <b>Expenses:</b>   |          |                              |                              |
| Cost of materials consumed   | 32       | 166,693.50                   | 118,559.66                   |
| Excise Duty on Sales   |          | 373,310.20                   | 311,047.71                   |
| Purchase of Stock-in-Trade   | 33       | 35,136.68                    | 32,826.86                    |
| Change in inventories of finished goods, work-in-progress<br>and Stock-in-trade      | 34       | (9,688.75)                   | (1,470.04)                   |
| Employee benefits expense  | 35       | 8,915.90                     | 8,332.79                     |
| Finance costs  | 36       | 6,965.90                     | 8,338.30                     |
| Depreciation and amortization expense  | 37       | 8,028.83                     | 8,011.84                     |
| Other expenses   | 38       | 60,253.42                    | 46,650.29                    |
| <b>Total Expenses</b>  |          | <b>649,615.68</b>            | <b>532,297.41</b>            |
| <b>Profit/ (Loss) before exceptional items and tax</b>                               |          | <b>12,678.92</b>             | <b>11,975.87</b>             |
| Exceptional Items (Net)  | 59       | 22,133.87                    | -                            |
| <b>Profit/ (Loss) before tax</b>   |          | <b>34,812.79</b>             | <b>11,975.87</b>             |
| <b>Share of net profit/ (loss) of Joint Venture</b>                                  |          | <b>2,088.30</b>              | <b>71.89</b>                 |
| <b>Profit/ (Loss) before tax</b>   |          | <b>36,901.09</b>             | <b>12,047.76</b>             |
| Tax Expense:   | 58       |                              |                              |
| - Current Tax  |          | 5,875.80                     | 1,016.02                     |
| - Deferred tax Charged / (Credit)  |          | (1,933.16)                   | (820.48)                     |
| - Tax for earlier years  |          | -                            | 932.05                       |
| <b>Profit after tax from continuing operations</b>                                   |          | <b>32,958.45</b>             | <b>10,920.17</b>             |
| <b>DISCONTINUING OPERATIONS</b>  |          |                              |                              |
| Profit from discontinued operations before tax                                       | 59       | 1,371.94                     | 4,518.39                     |
| Tax expense of discontinued operations   |          | 345.29                       | 2,277.85                     |
| <b>Profit after tax from discontinued operations</b>                                 |          | <b>1,026.65</b>              | <b>2,240.54</b>              |
| <b>Profit/ (Loss) for the year</b>   |          | <b>33,985.10</b>             | <b>13,160.71</b>             |
| <b>Other Comprehensive Income</b>  |          |                              |                              |
| (A) Items that will not be reclassified to Profit or Loss                            |          |                              |                              |
| (i) Re-measurement benefit of defined benefit plans                                  |          | (9.70)                       | 393.68                       |
| (ii) Income tax expense on re-measurement benefit of defined benefit plans           |          | 2.44                         | (99.09)                      |
| (B) Items that will be reclassified to Profit or Loss                                |          |                              |                              |
| Exchange differences on translating the financial statement of foreign<br>subsidiary |          | (40.23)                      | 10.41                        |
| <b>Other comprehensive Income/ (Loss) for the year</b>                               |          | <b>(47.49)</b>               | <b>305.00</b>                |
| <b>Total Comprehensive Income for the year</b>                                       |          | <b>33,937.61</b>             | <b>13,465.71</b>             |
| <b>Net Profit/ (Loss) attributable to</b>  |          |                              |                              |
| (a) Owners of the Company  |          | 33,985.10                    | 13,160.71                    |
| (b) Non Controlling interests  |          | -                            | -                            |
| <b>Other Comprehensive Income attributable to</b>                                    |          |                              |                              |
| (a) Owners of the Company  |          | (47.49)                      | 305.00                       |
| (b) Non Controlling interests  |          | -                            | -                            |
| <b>Total Comprehensive Income attributable to</b>                                    |          |                              |                              |
| (a) Owners of the Company  |          | 33,937.61                    | 13,465.71                    |
| (b) Non Controlling interests  |          | -                            | -                            |
| <b>Earnings per Equity share of ₹ 10 each basic/ diluted (in ₹)</b>                  | 53       | <b>109.77</b>                | <b>42.51</b>                 |
| - For continuing operations (in ₹)   |          | 106.45                       | 35.27                        |
| - For discontinuing operations (in ₹)  |          | 3.32                         | 7.24                         |

Company Overview, Basis of preparation and significant accounting policies 1

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date

**For K N Gutgutia & Co.**  
Chartered Accountants  
Firm Registration no. 304153E

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

**Sudhir Agarwal**  
Executive Director  
DIN - 08602216

**B.R.Goyal**  
Partner  
Membership Number 12172  
Place : Noida, UP  
Date : May 26, 2022

**Rupark Sarswat**  
Chief Executive Officer

**Anand Singhal**  
Chief Financial Officer

**Ankur Jain**  
Company Secretary

## Consolidated Statement of Changes in Equity for the year ended March 31, 2022

### A. Equity Share Capital

(₹ in Lakhs)

| Particulars  | Balance as at 31 <sup>st</sup> March 2020 | Changes due to prior period errors | Restated balance at the beginning of the year | Changes during the year | Balance as at 31 March 2021 | Changes due to prior period errors | Restated balance at the beginning of the year | Changes during the year | Balance as at 31 <sup>st</sup> March, 2022 |
|--|---|------------------------------------|---|-------------------------|-----------------------------|------------------------------------|---|-------------------------|--|
| <b>ISSUED, SUBSCRIBED AND PAID UP</b>                |   |                                    |   |                         |                             |                                    |   |                         |  |
| 30,961,500 Equity Shares of ₹10/- each fully paid up | 3,096.15                                  | -                                  | 3,096.15                                      | -                       | 3,096.15                    | -                                  | 3,096.15                                      | -                       | 3,096.15                                   |
| <b>Total</b>   | <b>3,096.15</b>                           | <b>-</b>                           | <b>3,096.15</b>                               | <b>-</b>                | <b>3,096.15</b>             | <b>-</b>                           | <b>3,096.15</b>                               | <b>-</b>                | <b>3,096.15</b>                            |

### B. Other Equity

(₹ in Lakhs)

| Particulars   | Reserve & Surplus  |                           |                       |                  |                   |                 |                            | Other Comprehensive Income   |  | Total             |
|---|--------------------|---------------------------|-----------------------|------------------|-------------------|-----------------|----------------------------|--|--|-------------------|
|   | Securities Premium | Reserve for Contingencies | Molasses Reserve Fund | General Reserve  | Retained Earnings | Capital Reserve | Capital Redemption Reserve | Items of Other Comprehensive Income that will not be classified to profit & loss | Items of Other Comprehensive Income that will be classified to profit & loss |                   |
| <b>Balance As at March 31, 2020</b>   | 3,958.36           | 200.00                    | 1.89                  | 10,600.44        | 85076.87          | 416.00          | 0.19                       | 86.86  | (50.16)  | 100,290.45        |
| Profit / (Loss) for the year  | -                  | -                         | -                     | -                | 13,160.71         | -               | -                          | -  | -  | 13,160.71         |
| Re-measurement of the net defined benefit Plans                                   | -                  | -                         | -                     | -                | -                 | -               | -                          | 294.59   | -  | 294.59            |
| Exchange differences on translating the financial statement of foreign subsidiary | -                  | -                         | -                     | -                | -                 | -               | -                          | -  | 10.41  | 10.41             |
| <b>Balance As at March 31, 2021</b>   | <b>3,958.36</b>    | <b>200.00</b>             | <b>1.89</b>           | <b>10,600.44</b> | <b>98,237.58</b>  | <b>416.00</b>   | <b>0.19</b>                | <b>381.45</b>  | <b>(39.75)</b>   | <b>113,756.16</b> |
| Profit / (Loss) for the year  | -                  | -                         | -                     | -                | 33,985.10         | -               | -                          | -  | -  | 33,985.10         |
| Re-measurement of the net defined benefit Plans                                   | -                  | -                         | -                     | -                | -                 | -               | -                          | (7.26)   | -  | (7.26)            |
| Dividends Paid  | -                  | -                         | -                     | -                | (1,857.69)        | -               | -                          | -  | -  | (1,857.69)        |
| Adjustment on account of sale of shares of Subsidiary                             | -                  | -                         | -                     | -                | 1,457.72          | -               | -                          | -  | -  | 1,457.72          |
| Addition on account of subsidiary to joint adventure                              | -                  | -                         | -                     | -                | 28,800.00         | -               | -                          | -  | -  | 28,800.00         |
| Exchange differences on translating the financial statement of foreign subsidiary | -                  | -                         | -                     | -                | -                 | -               | -                          | -  | (40.23)  | (40.23)           |
| <b>Balance As at March 31, 2022</b>   | <b>3,958.36</b>    | <b>200.00</b>             | <b>1.89</b>           | <b>10,600.44</b> | <b>160,622.71</b> | <b>416.00</b>   | <b>0.19</b>                | <b>374.19</b>  | <b>(79.98)</b>   | <b>176,093.80</b> |

As per our report of even date

**For K N Gutgutia & Co.**

Chartered Accountants

Firm Registration no. 304153E

**B.R.Goyal**

Partner

Membership Number 12172

Place : Noida, UP

Date : May 26, 2022

**U. S. Bhartia**

Chairman and Managing Director

DIN - 00063091

**Rupark Sarswat**

Chief Executive Officer

**Sudhir Agarwal**

Executive Director

DIN - 08602216

**Anand Singhal**

Chief Financial Officer

**Ankur Jain**

Company Secretary

## Consolidated Cash Flow Statement for the year ended March 31, 2022

(₹ in Lakhs)

|   | 2021-22     |                    | 2020-21     |                    |
|---|-------------|--------------------|-------------|--------------------|
| <b>A Cash Flow from Operating Activities</b>                          |             |                    |             |                    |
| Net Profit/(Loss) Before Tax  |             | 34,812.79          |             | 11,975.87          |
| Adjustments For:  |             |                    |             |                    |
| Depreciation and amortisation expense                                 | 8,028.83    |                    | 8,011.84    |                    |
| (Profit)/Loss on Sale of Property, plant & equipment                  | 8.96        |                    | 5.53        |                    |
| Net Unrealised Foreign Exchange Fluctuation (Gain) / Loss             | (656.73)    |                    | (1,066.09)  |                    |
| Govt Grant  | (20.21)     |                    | (30.21)     |                    |
| Capital Advance forfeited   | -           |                    | (800.00)    |                    |
| Profit on sale of Non-Current Investment                              | (14.58)     |                    | -           |                    |
| Profit on slump sale of BioEO Business                                | (22,133.86) |                    | -           |                    |
| Provision No Longer Required Written Back                             | (1,217.37)  |                    | (1,684.13)  |                    |
| Finance Costs   | 7,339.74    |                    | 8,652.75    |                    |
| Interest Income   | (2,425.05)  | (11,090.27)        | (928.87)    | 12,160.82          |
| <b>Operating Profit/ (Loss) before Working Capital Changes</b>        |             | <b>23,722.52</b>   |             | <b>24,136.69</b>   |
| Adjustments For:  |             |                    |             |                    |
| (Increase)/Decrease in Trade & Other Receivables                      | (14,312.87) |                    | 6,583.78    |                    |
| (Increase)/Decrease in Inventories                                    | (1,166.34)  |                    | (341.80)    |                    |
| Increase / (Decrease) in Trade & Other Payables                       | 2,998.26    | (12,480.95)        | 20,512.11   | (14,270.13)        |
| <b>Cash Generated from / (Used in) Operations</b>                     |             | <b>11,241.57</b>   |             | <b>9,866.56</b>    |
| Income Tax Paid (Net)   |             | (2,099.55)         |             | (1,740.69)         |
| <b>Net Cash flow from / (Used in) Operating Activities</b>            |             | <b>9,142.02</b>    |             | <b>8,125.87</b>    |
| Net cash from discontinued activities                                 |             | 2,461.52           |             | 5,607.00           |
| <b>Net Cash from continuing and discontinued activities</b>           |             | <b>11,603.54</b>   |             | <b>13,732.87</b>   |
| <b>B Cash Flow from Investing Activities</b>                          |             |                    |             |                    |
| Purchase of Property, plant & equipment                               | (37,992.39) |                    | (14,888.30) |                    |
| Sale of Property, plant & equipment                                   | 22.02       |                    | 21.09       |                    |
| Interest received   | 1,389.40    |                    | 1,814.29    |                    |
| Sale consideration received on slump sale of BioEO Business           | 45,848.82   |                    | -           |                    |
| Sale consideration received on Sale of Non-Current Investments        | 14.58       |                    | -           |                    |
| ICDs received back  | 30.00       |                    | -           |                    |
| <b>Net Cash flow from / (Used in) Investing Activities</b>            |             | <b>9,312.43</b>    |             | <b>(13,052.92)</b> |
| Net cash from discontinued activities                                 |             | (1,667.76)         |             | (1,780.26)         |
| <b>Net Cash from continuing and discontinued activities</b>           |             | <b>7,644.67</b>    |             | <b>(14,833.18)</b> |
| <b>C Cash Flow from Financing Activities</b>                          |             |                    |             |                    |
| Net Proceeds from Borrowings  | 32,158.44   |                    | 29,878.82   |                    |
| Repayment of Borrowings   | (40,963.80) |                    | (15,656.88) |                    |
| Payment of lease liabilities  | (728.04)    |                    | (486.86)    |                    |
| Finance Costs   | (6,716.45)  |                    | (8,795.33)  |                    |
| Dividends Paid  | (1,839.20)  |                    | (38.43)     |                    |
| <b>Net Cash flow from / (Used in) Financing Activities</b>            |             | <b>(18,089.05)</b> |             | <b>4,901.32</b>    |
| Net cash from discontinued activities                                 |             | (793.53)           |             | (3,826.77)         |
| <b>Net Cash from continuing and discontinued activities</b>           |             | <b>(18,882.58)</b> |             | <b>1,074.55</b>    |
| <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents [A+B+C]</b> |             | <b>365.63</b>      |             | <b>(25.76)</b>     |
| Opening Cash & Cash Equivalent (refer note 12)                        |             | 339.11             |             | 364.87             |
| Closing Cash & Cash Equivalent (refer note 12)                        |             | <b>704.74</b>      |             | <b>339.11</b>      |

The accompanying notes are an integral part of these consolidated financial statements.

**Notes:**

The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows. This is the Cash Flow Statement referred to in our report of even date.

As per our report of even date

**For K N Gutgutia & Co.**  
Chartered Accountants  
Firm Registration no. 304153E

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

**Sudhir Agarwal**  
Executive Director  
DIN - 08602216

**B.R.Goyal**  
Partner  
Membership Number 12172  
Place : Noida, UP  
Date : May 26, 2022

**Rupark Sarswat**  
Chief Executive Officer

**Anand Singhal**  
Chief Financial Officer

**Ankur Jain**  
Company Secretary

## Notes to Consolidated Financial Statements

### 1 Group Overview, Basis of Preparation and Significant Accounting Policies

#### 1.1. Group Overview

The Group, India Glycols Limited (Parent) and its subsidiaries, manufactures green technology based bulk, specialty and performance chemicals and sugar, spirits, industrial gases and nutraceuticals etc. The Joint venture Company develop, manage and operate Private Freight Terminal (PFT) and Inland Container Depot (ICD) at Kashipur, Uttarakhand.

These Consolidated financial statements were approved and adopted by board of directors of the Company in their meeting held on May 26, 2022.

#### 1.2. Statement of compliance:

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and amended and relevant provisions of the Companies Act, 2013.

#### 1.3. Basis of preparation of Consolidated financial statements:

- a) The consolidated financial statements relate to the Group, and joint ventures. Subsidiary are those entities in which the Parent directly or indirectly, has interest more than 50% of the voting power or otherwise control the composition of the board or governing body so as to obtain economic benefits from activities. The consolidated financial statements have been prepared on the following basis:-
- b) The financial statements of the subsidiaries are combined on a line-by-line basis by adding together the like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and unrealized profits or losses in accordance with IND AS 110 – ‘Consolidated Financial Statements’ notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended time to time. The deferred tax to be recognised for temporary differences arises from elimination of profits and losses resulting from intra group transactions.
- c) Interest in joint ventures are consolidated using equity method as per IND AS 28 – ‘Investment in Joint Ventures’. Under the equity method, post-acquisition attributable profit/losses are adjusted in the carrying value of investment upto the Group investment in the joint venture.
- d) The Consolidated Financial Statements (CFS) comprises the financial statements of India Glycols Limited (IGL) and its following Subsidiaries/ Joint Venture as on March 31, 2022.

| Name of the Company   | Nature        | Country of Incorporation | % of Shareholding & Voting Power |
|---|---------------|--------------------------|----------------------------------|
| Shakumbari Sugar & Allied Industries Limited (SSAIL)  | Subsidiary    | India                    | 51.03%                           |
| IGL Chem International PTE. LTD.  | Subsidiary    | Singapore                | 100%                             |
| IGL Chem International USA LLC (IGLCHEM US)   | Subsidiary    | USA                      | 100%                             |
| IGL Finance Limited (IGLFL)   | Subsidiary    | India                    | 100%                             |
| IGL Chemicals and Services Private Limited  | Subsidiary    | India                    | 100%                             |
| Ennature Bio Pharma Private Limited   | Subsidiary    | India                    | 100%                             |
| Kashipur Infrastructure and Freight Terminal Private Limited (KIFTPL)   | Joint Venture | India                    | 42.31%                           |
| Clariant IGL Specialty Chemicals Private Limited (Erstwhile IGL Green Chemicals Private Limited) (w.e.f. 30 <sup>th</sup> June, 2021 from the time of allotment of equity shares to JV Partner) | Joint Venture | India                    | 49.00%                           |



## Notes to Consolidated Financial Statements

- e) The difference between the cost of investment and the share of net assets at the time of acquisition of shares in the subsidiaries is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- f) In case of foreign subsidiaries, revenue items are consolidated at the average exchange rate during the year. All assets and liabilities are translated at year end exchange rate. The resulting exchange differences are recognised as Other Comprehensive Income/(loss) and disclosed accordingly.
- g) Significant Accounting Policies of the financial statements of the company and its subsidiaries are set out in their respective Financial Statements.

**1.4. Significant accounting policies:** The significant accounting policies to prepare consolidated financial statements are in uniformity with the standalone financial statements of the Company. Following are the additional policies specifically considered for preparation of consolidated financial statements:

**(i) Business Combination:**

Business Combinations are accounted for using the acquisition method. The cost of acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Company in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the recognition criteria are stated at their fair values at the acquisition date except certain assets and liabilities required to be measured as per the applicable standard.

**(ii) Goodwill**

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 – Business Combinations. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount.

**(iii) The policy adopted by SSAIL for valuation of Inventories is enumerated below:-**

- (a) Finished Goods and Stock in Process of Sugar - At cost or at net realisable value whichever is lower, the net realizable value of sugar in case of finished goods stock of levy sugar is considered based on the levy price notified by the Central Government.
- (b) Store and spares parts – At cost arrived at applying weighted average method.
- (c) Cane crop – At net realisable value determined on the basis of estimated yield per hectare and Inventory of Molasses, Bagasse, Press mud and Bio Compost are considered at net realizable value.

## Notes to Consolidated Financial Statements

### 2. Property, Plant & Equipment

(₹ in Lakhs)

| Particulars  | Freehold Land    | Leasehold Land   | Buildings        | Plant & Equipment | Office Equipment | Furniture & Fixtures | Vehicles #    | Total             |
|--|------------------|------------------|------------------|-------------------|------------------|----------------------|---------------|-------------------|
| <b>Gross block</b>                                   |                  |                  |                  |                   |                  |                      |               |                   |
| <b>As at March 31, 2020</b>                          | <b>17,304.48</b> | <b>11,895.00</b> | <b>10,861.31</b> | <b>211,965.97</b> | <b>908.64</b>    | <b>2,335.90</b>      | <b>672.81</b> | <b>255,944.11</b> |
| Additions  | -                | -                | 1,709.92         | 18,424.43         | 163.79           | 101.55               | 130.51        | 20,530.20         |
| Disposals  | -                | -                | -                | -                 | 35.06            | 0.72                 | 47.92         | 83.70             |
| Relating to discontinued operations                  | 1,729.00         |                  | 417.72           | 18,757.22         | 75.59            | 715.49               | 10.96         | 21,705.98         |
| <b>As at March 31, 2021</b>                          | <b>15,575.48</b> | <b>11,895.00</b> | <b>12,153.51</b> | <b>211,633.18</b> | <b>961.78</b>    | <b>1,721.24</b>      | <b>744.44</b> | <b>254,684.63</b> |
| Additions  | -                | -                | 933.90           | 27,984.27         | 141.91           | 9.53                 | 159.30        | 29,228.91         |
| Disposals  | -                | -                | -                | -                 | 25.96            | -                    | 67.76         | 93.72             |
| Relating to discontinued operations                  | -                | -                | -                | 14,399.99         | -                | -                    | -             | 14,399.99         |
| <b>As at March 31, 2022</b>                          | <b>15,575.48</b> | <b>11,895.00</b> | <b>13,087.41</b> | <b>225,217.46</b> | <b>1,077.73</b>  | <b>1,730.77</b>      | <b>835.98</b> | <b>269,419.83</b> |
| <b>Accumulated Depreciation As at March 31, 2020</b> | -                | <b>884.50</b>    | <b>1,821.37</b>  | <b>31,396.44</b>  | <b>486.37</b>    | <b>1,145.68</b>      | <b>91.41</b>  | <b>35,825.77</b>  |
| Charge for the year                                  | -                | 152.85           | 397.05           | 6,498.98          | 123.65           | 121.44               | 105.12        | 7,399.09          |
| Disposals  | -                | -                | -                | -                 | 30.03            | 0.47                 | 26.58         | 57.08             |
| Relating to discontinued operations                  | -                | -                | 126.97           | 5,167.26          | 41.58            | 277.39               | 4.43          | 5,617.63          |
| <b>As at March 31, 2021</b>                          | -                | <b>1,037.35</b>  | <b>2,091.45</b>  | <b>32,728.16</b>  | <b>538.41</b>    | <b>989.26</b>        | <b>165.52</b> | <b>37,550.15</b>  |
| Charge for the year                                  | -                | 176.90           | 438.90           | 6,518.43          | 123.28           | 117.20               | 107.54        | 7,482.25          |
| Disposals  | -                | -                | -                | -                 | 18.08            | -                    | 44.66         | 62.74             |
| Relating to discontinued operations                  | -                | -                | -                | 5,896.18          | -                | -                    | -             | 5,896.18          |
| <b>As at March 31, 2022</b>                          | -                | <b>1,214.25</b>  | <b>2,530.35</b>  | <b>33,350.41</b>  | <b>643.61</b>    | <b>1,106.46</b>      | <b>228.40</b> | <b>39,073.48</b>  |
| <b>Net Carrying Amount</b>                           |                  |                  |                  |                   |                  |                      |               |                   |
| As at March 31, 2021                                 | <b>15,575.48</b> | <b>10,857.65</b> | <b>10,062.06</b> | <b>178,905.02</b> | <b>423.37</b>    | <b>731.98</b>        | <b>578.92</b> | <b>217,134.48</b> |
| As at March 31, 2022                                 | <b>15,575.48</b> | <b>10,680.75</b> | <b>10,557.06</b> | <b>191,867.05</b> | <b>434.12</b>    | <b>624.31</b>        | <b>607.58</b> | <b>230,346.35</b> |

Notes:

# Gross block includes ₹ 490.95 Lakhs (Previous Year ₹ 368.65 Lakhs) secured by hypothecation against loan.

| 2A. Ageing schedule of Capital Work-in-progress |                                |                 |               |                   |                  |
|---|--------------------------------|-----------------|---------------|-------------------|------------------|
| (₹ in Lakhs)                                    |                                |                 |               |                   |                  |
| Particulars                                     | Amount in CWIP for a period of |                 |               |                   |                  |
|   | Less than 1 year               | 1-2 years       | 2-3 years     | More than 3 years | Total            |
| <b>As at March 31, 2022</b>                     |                                |                 |               |                   |                  |
| Project in Progress                             | 21,341.08                      | 1,813.12        | 436.91        | 89.03             | <b>23,680.14</b> |
| Projects Temporarily Suspended                  | -                              | -               | -             | 637.93            | <b>637.93</b>    |
|   | <b>21,341.08</b>               | <b>1,813.12</b> | <b>436.91</b> | <b>726.96</b>     | <b>24,318.07</b> |
| <b>As at March 31, 2021</b>                     |                                |                 |               |                   |                  |
| Project in Progress                             | 7,701.03                       | 3,834.81        | 303.82        | 99.13             | <b>11,938.79</b> |
| Projects Temporarily Suspended                  | -                              | -               | -             | 637.93            | <b>637.93</b>    |
|   | <b>7,701.03</b>                | <b>3,834.81</b> | <b>303.82</b> | <b>737.06</b>     | <b>12,576.72</b> |

## Notes to Consolidated Financial Statements

| <b>3. Investment Property</b>                        |                |                |
|--|----------------|----------------|
|  | (₹ in Lakhs)   |                |
| <b>Particulars</b>                                   | <b>Amount</b>  |                |
| <b>Gross block As at March 31, 2020</b>              | 833.54         |                |
| Additions  | -              |                |
| Disposals  | -              |                |
| <b>As at March 31, 2021</b>                          | 833.54         |                |
| Additions  | -              |                |
| Disposals  | -              |                |
| <b>As at March 31, 2022</b>                          | <b>833.54</b>  |                |
| <b>Accumulated Depreciation As at March 31, 2020</b> | 31.06          |                |
| Charge for the year                                  | 13.74          |                |
| Disposals  | -              |                |
| <b>As at March 31, 2021</b>                          | 44.80          |                |
| Charge for the year                                  | 13.74          |                |
| Disposals  | -              |                |
| <b>As at March 31, 2022</b>                          | <b>58.54</b>   |                |
| <b>Net Carrying Amount</b>                           |                |                |
| As at March 31, 2021                                 | 788.74         |                |
| As at March 31, 2022                                 | 775.00         |                |
| <b>Fair Value</b>                                    |                |                |
| As at March 31, 2021                                 | 976.22         |                |
| As at March 31, 2022                                 | 1,150.82       |                |
|  | <b>2021-22</b> | <b>2020-21</b> |
| Rental Income derived from investment properties     | 43.45          | 38.36          |
| Direct operating expenses                            | 8.61           | 3.63           |
| <b>Profit arising from investment properties</b>     | <b>34.84</b>   | <b>34.73</b>   |

| <b>4. Other Intangibles</b>                          |               |  |
|--|---------------|--|
|  | (₹ in Lakhs)  |  |
| <b>Particulars</b>                                   | <b>Amount</b> |  |
| <b>Computer Software</b>                             |               |  |
| <b>Gross block As at March 31, 2020</b>              | 296.08        |  |
| Additions  | 7.69          |  |
| Disposal   | -             |  |
| <b>As at March 31, 2021</b>                          | <b>303.77</b> |  |
| Additions  | -             |  |
| Disposals  | -             |  |
| <b>As at March 31, 2022</b>                          | <b>303.77</b> |  |
| <b>Accumulated Amortisation As at March 31, 2020</b> | 92.09         |  |
| Charge for the year                                  | 24.59         |  |
| Disposals  | -             |  |
| <b>As at March 31, 2021</b>                          | <b>116.68</b> |  |
| Charge for the year                                  | 21.87         |  |
| Disposals  | -             |  |
| <b>As at March 31, 2022</b>                          | <b>138.55</b> |  |
| <b>Net Carrying Amount</b>                           |               |  |
| As at March 31, 2021                                 | <b>187.09</b> |  |
| As at March 31, 2022                                 | <b>165.22</b> |  |

## Notes to Consolidated Financial Statements

| <b>5. Right to use assets</b>                        |                 | (₹ in Lakhs) |
|--|-----------------|--------------|
| Particulars  | Amount          |              |
| <b>Gross block As at March 31, 2020</b>              | <b>2,299.27</b> |              |
| Additions  | -               |              |
| Disposal   | -               |              |
| <b>As at March 31, 2021</b>                          | <b>2,299.27</b> |              |
| Additions  | -               |              |
| Disposals  | 126.91          |              |
| <b>As at March 31, 2022</b>                          | <b>2,172.36</b> |              |
| <b>Accumulated Amortisation As at March 31, 2020</b> | 576.00          |              |
| Charge for the year                                  | 574.42          |              |
| Disposals  | -               |              |
| <b>As at March 31, 2021</b>                          | <b>1,150.42</b> |              |
| Charge for the year                                  | 510.97          |              |
| Disposals  | -               |              |
| <b>As at March 31, 2022</b>                          | <b>1,661.39</b> |              |
| <b>Net Carrying Amount</b>                           |                 |              |
| As at March 31, 2021                                 | 1,148.85        |              |
| As at March 31, 2022                                 | 510.97          |              |

| <b>6. NON CURRENT ASSETS : INVESTMENTS IN JOINT VENTURES</b>  |                      |            |                  |                      |            |                 | (₹ in Lakhs), except as otherwise stated |
|---|----------------------|------------|------------------|----------------------|------------|-----------------|--|
| Particulars   | As at March 31, 2022 |            |                  | As at March 31, 2021 |            |                 |  |
|   | No. of shares        | Face Value | Amount           | No. of shares        | Face Value | Amount          |  |
| <b>- UNQUOTED</b>   |                      |            |                  |                      |            |                 |  |
| <b>Investment in Equity Instruments</b>   |                      |            |                  |                      |            |                 |  |
| <b>Joint Venture</b>  |                      |            |                  |                      |            |                 |  |
| Kashipur Infrastructure and Freight Terminal Pvt Ltd.   | 2,674,418            | ₹ 10.00    | 2,865.85         | 2,674,418            | ₹ 10.00    | 2,706.61        |  |
| *Clariant IGL Specialty Chemicals Private Limited (Previously known as IGL Green Chemicals Private Limited) | 10,000               | ₹ 10.00    | 30,729.07        | -                    | -          | -               |  |
|   |                      |            | <b>33,594.92</b> |                      |            | <b>2,706.61</b> |  |

\* w.e.f. 30<sup>th</sup> June, 2021 from the time of allotment of equity shares to JV Partner.

| <b>7. Non Current Loans</b>  |                      |                      | (₹ in Lakhs) |
|------------------------------|----------------------|----------------------|--------------|
| Particulars                  | As at March 31, 2022 | As at March 31, 2021 |              |
| <b>Other Loans</b>           |                      |                      |              |
| Loans to Employee            |                      |                      |              |
| - Unsecured, considered good | 43.53                | 74.16                |              |
|                              | <b>43.53</b>         | <b>74.16</b>         |              |

| <b>8. Other non-Current financial assets</b>                                       |                      |                      | (₹ in Lakhs) |
|--|----------------------|----------------------|--------------|
| Particulars  | As at March 31, 2022 | As at March 31, 2021 |              |
| <b>Bank deposits with remaining maturity of more than 12 months (Note no. 13)*</b> | 1,033.08             | 1,393.44             |              |
| Deferred Sale consideration receivable from related party                          | 6,350.00             | -                    |              |
| Security Deposits  |                      |                      |              |
| - Unsecured, considered good#  | 3,864.77             | 3,379.10             |              |
|  | <b>11,247.85</b>     | <b>4,772.54</b>      |              |

## Notes to Consolidated Financial Statements

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

# Includes ₹ 1,759.31 lakhs (Previous Year ₹ 1,387.39 lakhs) (net of deferred expenditure) security deposit to director, private companies in which director/directors of company is director and are also related parties.

### 9. Other non-current assets

| Particulars                                  | (₹ in Lakhs)            |                         |
|--|-------------------------|-------------------------|
|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>Capital Advances</b>                      |                         |                         |
| - Unsecured, considered good                 | 1,067.20                | 1,218.56                |
| <b>Advances other than capital advances:</b> |                         |                         |
| - Prepaid Expenses                           | 168.25                  | 140.62                  |
| - Deferred Expenditure                       | 108.46                  | 151.86                  |
|  | <b>276.71</b>           | <b>292.48</b>           |
|  | <b>1,343.91</b>         | <b>1,511.04</b>         |

### 10. Inventories (At lower of cost and net realisable value)

| Particulars           | (₹ in Lakhs)            |                         |
|-----------------------|-------------------------|-------------------------|
|                       | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Raw Materials         | 11,180.57               | 14,490.93               |
| Add: Goods in transit | 5,085.67                | 7,566.33                |
|                       | <b>16,266.24</b>        | <b>22,057.26</b>        |
| Work-in-Process       | 8,895.52                | 7,971.83                |
| Finished Goods        | 12,391.22               | 3,599.72                |
| Add: Goods in transit | -                       | 68.81                   |
|                       | <b>12,391.22</b>        | <b>3,668.53</b>         |
| Stores and Spares     | 31,647.33               | 27,151.80               |
| Residue Product       | 43.26                   | 69.70                   |
| Loose Tools & Others  | 55.68                   | 56.11                   |
|                       | <b>69,299.25</b>        | <b>60,975.23</b>        |

### 11. Trade Receivables

| Particulars   | (₹ in Lakhs)            |                         |
|---|-------------------------|-------------------------|
|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| - Undisputed Trade Receivables-considered good                                | 39,436.20               | 35,430.12               |
| - Undisputed Trade Receivables-which have significant increase in Credit Risk | -                       | -                       |
| - Undisputed Trade Receivables-Credit impaired                                | -                       | -                       |
| - Disputed Trade Receivables-considered good                                  | 431.91                  | 741.56                  |
| - Disputed Trade Receivables-which have significant increase in Credit Risk   | -                       | -                       |
| - Disputed Trade Receivables-Credit impaired                                  | 78.79                   | 78.79                   |
|   | <b>39,946.90</b>        | <b>36,250.47</b>        |
| Less: Loss Allowance  | (78.79)                 | (78.79)                 |
|   | <b>39,868.11</b>        | <b>36,171.68</b>        |

## Notes to Consolidated Financial Statements

### 12. Cash & Cash Equivalents

| (₹ in Lakhs)               |                         |                         |
|----------------------------|-------------------------|-------------------------|
| Particulars                | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>Balances with Banks</b> |                         |                         |
| - On Current Accounts      | 667.47                  | 303.80                  |
| - Cash on Hand             | 37.27                   | 35.31                   |
|                            | <b>704.74</b>           | <b>339.11</b>           |

### 13. Bank balance other than cash & cash equivalents

| (₹ in Lakhs)  |                         |                         |
|---|-------------------------|-------------------------|
| Particulars   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>Other bank balances</b>  |                         |                         |
| - In Fixed Deposit Accounts * - Current                           | 9,347.05                | 9,313.39                |
| - In Fixed Deposit Accounts * - Non current                       | 930.11                  | 1,293.50                |
| - On Unpaid Dividend Accounts                                     | 120.09                  | 101.70                  |
|   | <b>10,397.25</b>        | <b>10,708.59</b>        |
| Less: Amount disclosed under Other Non Current Assets (Note No 8) | 930.11                  | 1,293.50                |
|   | <b>9,467.14</b>         | <b>9,415.09</b>         |

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

### 14. Current loans

| (₹ in Lakhs)   |                         |                         |
|--|-------------------------|-------------------------|
| Particulars  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>a) Inter Corporate Deposits (ICD)</b>               |                         |                         |
| - Unsecured, considered good                           | 2,514.50                | 2,544.50                |
| <b>b) Advances To Employees</b>                        |                         |                         |
| - Unsecured, considered good                           | 1.68                    | 3.67                    |
| - Loans which have significant increase in Credit Risk | -                       | -                       |
| - Loans- Credit Impaired                               | -                       | 15.86                   |
| Less: Provision/ Allowance for Doubtful ICD            | -                       | (15.86)                 |
|  | <b>2,516.18</b>         | <b>2,548.17</b>         |

### 15. Other financial assets

| (₹ in Lakhs)  |                         |                         |
|---|-------------------------|-------------------------|
| Particulars   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Export Incentive receivable - Duty Drawback                     | 94.71                   | 204.73                  |
| Interest receivable   | 2,358.75                | 1,323.10                |
| Deferred Sale consideration receivable from related party       | 12,756.00               | -                       |
| Others (including security deposit, claims & other receivable)  | 3,893.63                | 17,102.84               |
| Less : Provision/ Allowance for doubtful other financial assets | (291.78)                | (13,480.83)             |
|   | 3,601.85                | 3,622.01                |
|   | <b>18,811.31</b>        | <b>5,149.84</b>         |

## Notes to Consolidated Financial Statements

### 16. Current tax assets (Net)

| (₹ in Lakhs)                               |                         |                         |
|--|-------------------------|-------------------------|
| Particulars                                | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Advance Income Tax/ Tax deducted at source | 8.57                    | 1,605.02                |
| (net of income tax provision )             | <b>8.57</b>             | <b>1,605.02</b>         |

### 17. Other current assets

| (₹ in Lakhs)  |                         |                         |
|---|-------------------------|-------------------------|
| Particulars   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Export Incentive receivable   | 151.01                  | 934.77                  |
| Balance with Excise and Other Authorities                           | 9,649.73                | 4,243.70                |
| Deposits with Government Departments & Others                       | 758.43                  | 800.95                  |
| Prepaid expenses  | 3,067.44                | 4,078.97                |
| Other Advances:   |                         |                         |
| Advances recoverable in cash or in kind or for value to be received | 6,419.11                | 6,492.41                |
| Doubtful advances   | 204.11                  | 204.11                  |
|   | <b>6,623.22</b>         | <b>6,696.52</b>         |
| Less : Provision/ Allowance for doubtful advances                   | (204.11)                | (204.11)                |
|   | <b>6,419.11</b>         | <b>6,492.41</b>         |
|   | <b>20,045.72</b>        | <b>16,550.80</b>        |

### 18. EQUITY SHARE CAPITAL

| (₹ in Lakhs), except as otherwise stated              |                         |                         |
|---|-------------------------|-------------------------|
| Particulars   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>Authorised :</b>                                   |                         |                         |
| 45,000,000 Equity Shares of ₹ 10/- each               | 4,500.00                | 4500.00                 |
|   | <b>4,500.00</b>         | <b>4,500.00</b>         |
| <b>Issued, Subscribed and paid up :</b>               |                         |                         |
| 30,961,500 Equity Shares of ₹ 10/- each fully paid up | 3,096.15                | 3,096.15                |
| <b>Total Equity share capital</b>                     | <b>3,096.15</b>         | <b>3,096.15</b>         |

#### a) Terms/rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Notes to Consolidated Financial Statements

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

| Name of Shareholders                                | As at March 31, 2022 |              | As at March 31, 2021 |              |
|---|----------------------|--------------|----------------------|--------------|
|   | No. of Shares        | % of holding | No. of Shares        | % of holding |
| Kashipur Holdings Limited                           | 11,808,472           | 38.14%       | 11,808,472           | 38.14%       |
| Executors to the Estate of Late Sajani Devi Bhartia | 2,100,249            | 6.78%        | 2,100,249            | 6.78%        |

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

| Particulars  | No. of Shares<br>As at March 31, 2022 | No. of Shares<br>As at March 31, 2021 |
|--|---------------------------------------|---------------------------------------|
| Shares outstanding as at the beginning of the year | 30,961,500                            | 30,961,500                            |
| Additions during the year                          | -                                     | -                                     |
| Deletions during the year                          | -                                     | -                                     |
| Shares outstanding as at the end of the year       | <b>30,961,500</b>                     | <b>30,961,500</b>                     |

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

### e) Detail of shares held by promoters in the Company

| Name of Promoter                                    | As at<br>March 31, 2022 |                      | % Change<br>during the<br>year | As at<br>March 31, 2021 |                      | % Change<br>during the<br>year |
|---|-------------------------|----------------------|--------------------------------|-------------------------|----------------------|--------------------------------|
|   | No. of<br>Shares        | % of total<br>Shares |                                | No. of<br>Shares        | % of total<br>Shares |                                |
| Kashipur holdings Limited                           | 11,808,472              | 38.14%               | -                              | 11,808,472              | 38.14%               | 4.70%                          |
| Executors to the Estate of Late Sajani Devi Bhartia | 2,100,249               | 6.78%                | -                              | 2,100,249               | 6.78%                | -                              |
| Mayur Barter Pvt. Ltd.                              | -                       | -                    | -                              | -                       | -                    | -4.70%                         |
| Uma Shankar Bhartia                                 | 448,722                 | 1.45%                | -                              | 448,722                 | 1.45%                | -                              |
| Jayshree Bhartia                                    | 229,003                 | 0.74%                | -                              | 229,003                 | 0.74%                | -                              |
| Pooja Jhaver  | 97,592                  | 0.32%                | -                              | 97,592                  | 0.32%                | -                              |
| Pragya Bhartia Barwale                              | 300                     | -                    | -                              | 300                     | -                    | -                              |
| Facit Commosales Pvt. Ltd.                          | 1,057,853               | 3.42%                | -                              | 1,057,853               | 3.42%                | -                              |
| JB Commercial Company Pvt. Ltd.                     | 977,915                 | 3.16%                | -                              | 977,915                 | 3.16%                | -                              |
| J Boseck & Co. Pvt. Ltd.                            | 864,401                 | 2.79%                | -                              | 864,401                 | 2.79%                | -                              |
| Ajay Commercial Co. Pvt. Ltd.                       | 611,255                 | 1.97%                | -                              | 611,255                 | 1.97%                | -                              |
| Sukhvarsha Distributors Pvt. Ltd.                   | 361,875                 | 1.17%                | -                              | 361,875                 | 1.17%                | -                              |
| Supreet Vyapaar Pvt. Ltd.                           | 267,895                 | 0.87%                | -                              | 267,895                 | 0.87%                | -                              |
| Hindustan Wires Ltd.                                | 65,000                  | 0.21%                | -                              | 65,000                  | 0.21%                | -                              |
| Lund & Blockley Pvt. Ltd.                           | 500                     | -                    | -                              | 500                     | -                    | -                              |



## Notes to Consolidated Financial Statements

### 18A. Other Equity

(₹ in Lakhs)

| Particulars   | Reserve & Surplus  |                           |                  |                 |                   |                 |                            | Other Comprehensive Income   |   | Total       |
|---|--------------------|---------------------------|------------------|-----------------|-------------------|-----------------|----------------------------|--|---|-------------|
|   | Securities Premium | Reserve for Contingencies | Molasses Reserve | General Reserve | Retained Earnings | Capital Reserve | Capital Redemption Reserve | Items of Other Comprehensive Income that will not be classified to profit & loss | Items of Other Comprehensive Income that will be classified to profit & loss* |             |
| <b>Balance As at March 31, 2020</b>   | 3,958.36           | 200.00                    | 1.89             | 10,600.44       | 85,076.87         | 416.00          | 0.19                       | 86.86  | (50.16)   | 100,290.45  |
| Profit / (Loss) for the year  | -                  | -                         | -                | -               | 13,160.71         | -               | -                          | -  | -   | 13,160.71   |
| Re-measurement of the net defined benefit Plans                                   | -                  | -                         | -                | -               | -                 | -               | -                          | 294.59   | -   | 294.59      |
| Exchange differences on translating the financial statement of foreign subsidiary | -                  | -                         | -                | -               | -                 | -               | -                          | -  | 10.41   | 10.41       |
| <b>Balance As at March 31, 2021</b>   | 3,958.36           | 200.00                    | 1.89             | 10,600.44       | 98,237.58         | 416.00          | 0.19                       | 381.45   | (39.75)   | 113,756.16  |
| Profit / (Loss) for the year  | -                  | -                         | -                | -               | 33,985.10         | -               | -                          | -  | -   | 33,985.10   |
| Re-measurement of the net defined benefit Plans                                   | -                  | -                         | -                | -               | -                 | -               | -                          | (7.26)   | -   | (7.26)      |
| Dividend Paid   | -                  | -                         | -                | -               | (1,857.69)        | -               | -                          | -  | -   | (1,857.69)  |
| Adjustment on account of sale of shares of Subsidiary                             | -                  | -                         | -                | -               | 1,457.72          | -               | -                          | -  | -   | 1,457.72    |
| Addition on account of Subsidiary to Joint venture                                | -                  | -                         | -                | -               | 28,800.00         | -               | -                          | -  | -   | 28,800.00   |
| Exchange differences on translating the financial statement of foreign subsidiary | -                  | -                         | -                | -               | -                 | -               | -                          | -  | (40.23)   | (40.23)     |
| <b>Balance As at March 31, 2022</b>   | 3,958.36           | 200.00                    | 1.89             | 10,600.44       | 1,60,622.71       | 416.00          | 0.19                       | 374.19   | (79.98)   | 1,76,093.80 |

#### Nature of reserves

Reserve from Contingencies are created in earlier years to meet any contingencies in future and in the nature of free reserve.

General reserve amount transferred/ apportioned represents is in accordance with Indian Corporate law (The Companies Act, 1956) wherein a portion of profit is apportioned to general reserve, before a company can declare dividend.

Other comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into i) Items that will not be reclassified to profit & loss ii) Items that will be reclassified to profit & loss.

Capital reserve was created on reversal of provision for diminution in value of investment.

## Notes to Consolidated Financial Statements

### 19. Non-current borrowings

(₹ in Lakhs)

|   | Non-Current Portion     |                         | Current Maturities      |                         |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>SECURED LOANS</b>  |                         |                         |                         |                         |
| Rupee Term Loans  |                         |                         |                         |                         |
| - from Banks & NBFCs  | 32,432.44               | 36,212.52               | 12,130.56               | 11,699.99               |
| - Vehicle Loan & others   | 189.45                  | 294.86                  | 73.69                   | 61.33                   |
| - Foreign Currency Term Loans from Banks  | 13,060.80               | 7,939.57                | 2,572.80                | 1,428.00                |
|   | <b>45,682.69</b>        | <b>44,446.95</b>        | <b>14,777.05</b>        | <b>13,189.32</b>        |
| <b>UNSECURED LOANS</b>  |                         |                         |                         |                         |
| 10% Cumulative Redeemable Preference Share<br>- of ₹10/- each                         | 490.00                  | -                       | -                       | -                       |
| Loan from Body Corporates   | 7,825.00                | 6,375.00                | -                       | -                       |
|   | <b>8,315.00</b>         | <b>6,375.00</b>         | -                       | -                       |
| Less: Amount disclosed under the head "other<br>financial liabilities "( Note No. 26) | -                       | -                       | 14,777.05               | 13,189.32               |
| <b>Total Non- Current Borrowings</b>  | <b>53,997.69</b>        | <b>50,821.95</b>        | -                       | -                       |

**Note** - in respect of security clause & repayment are disclosed in separate respective financial statements of the company and its subsidiaries.

### 20. Other non-current financial liabilities

(₹ in Lakhs)

| Particulars       | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|-------------------|-------------------------|-------------------------|
| Security Deposits | 3,804.42                | 4,242.92                |
|                   | <b>3,804.42</b>         | <b>4,242.92</b>         |

### 21. Provisions

(₹ in Lakhs)

| Particulars                            | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>Provision for employee benefits</b> |                         |                         |
| - Leave Encashment                     | 457.92                  | 595.00                  |
|  | <b>457.92</b>           | <b>595.00</b>           |

### 22. Deferred Tax Liabilities (Net)

(₹ in Lakhs)

| Particulars                                    | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>Deferred Tax Assets :-</b>                  |                         |                         |
| Amount covered U/s 43B of Income Tax Act, 1961 | 214.18                  | 262.13                  |
| Provision for doubtful debts / advances        | 144.64                  | 512.15                  |
| Others   | 101.12                  | 513.84                  |
| <b>Gross Deferred tax Assets</b>               | <b>459.94</b>           | <b>1,288.12</b>         |
| <b>Deferred Tax Liabilities :-</b>             |                         |                         |
| Property, Plant & Equipment                    | 34,229.97               | 36,952.17               |
| Others   | 38.55                   | 80.13                   |
| <b>Gross Deferred tax Liability</b>            | <b>34,268.52</b>        | <b>37,032.30</b>        |
| <b>Net Deferred Tax Liability</b>              | <b>33,808.58</b>        | <b>35,744.18</b>        |

## Notes to Consolidated Financial Statements

### 23. Other non-current liabilities

| (₹ in Lakhs)                                  |                         |                         |
|---|-------------------------|-------------------------|
| Particulars                                   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Advance from Customers*                       | 18,602.13               | 25,870.07               |
| Deferred Income-Govt Grant & Security Deposit | 281.79                  | 296.85                  |
|   | <b>18,883.92</b>        | <b>26,166.92</b>        |

\* Long term export advance received from customers with supply schedule over period of 8-10 years. Export advance are secured by Guarantees given by State Bank of India (SBI) to the customers, while other export performance bank guarantee (EPBG) member banks have given counter guarantee in favour of SBI. Such guarantee are secured by first charge on the fixed assets and second charge on the current assets of the Company on pari passu basis.

### 24. Current Borrowings

| (₹ in Lakhs)   |                         |                         |
|--|-------------------------|-------------------------|
| Particulars  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>a) Secured Loans</b>                                  |                         |                         |
| Loans repayable on demand from Banks:                    |                         |                         |
| - Working Capital Loans*                                 | 27,955.66               | 41,013.30               |
| Current maturities of long term borrowings (Note No. 19) | 14,777.05               | 13,189.32               |
| <b>Secured borrowings</b>                                | <b>42,732.71</b>        | <b>54,202.62</b>        |
| <b>b) Unsecured Loans</b>                                |                         |                         |
| Loan from Others   | 7,275.50                | 7,275.50                |
| <b>Unsecured borrowings</b>                              | <b>7,275.50</b>         | <b>7,275.50</b>         |
|  | <b>50,008.21</b>        | <b>61,478.12</b>        |

\* Working Capital Loans from Banks are secured / to be secured by way of hypothecation of book debts and stocks including in-transit and other specified movable properties and second charge on all immovable properties of the Company. Buyers Credit facility is secured against non-fund based facility sanctioned to the Company.

### 25. Trade Payable

| (₹ in Lakhs)                                       |                         |                         |
|--|-------------------------|-------------------------|
| Particulars  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Payable to Micro Enterprises and Small Enterprises | -                       | 1.43                    |
| Payable to Others                                  | 64,134.18               | 58,054.84               |
| Disputed dues (MSMEs)                              | 16.61                   | 16.61                   |
| Disputed dues (Others)                             | 5.27                    | 5.27                    |
|  | <b>64,156.06</b>        | <b>58,078.15</b>        |

## Notes to Consolidated Financial Statements

### Ageing of Trade payables

| Particulars                 | Outstanding for the following periods from the due date of payment |               |               |                   |                  |
|-----------------------------|--|---------------|---------------|-------------------|------------------|
|                             | Less than 1 year   | 1-2 years     | 2-3 years     | More than 3 years | Total            |
| <b>As at March 31, 2022</b> |  |               |               |                   |                  |
| (i) MSME                    | -  | -             | -             | -                 | -                |
| (ii) Others                 | 63,382.99  | 485.90        | 207.77        | 57.52             | 64,134.18        |
| (iii) Disputed dues-MSME    | -  | -             | -             | 16.61             | 16.61            |
| (iv) Disputed Dues-Others   | -  | -             | -             | 5.27              | 5.27             |
| <b>Total</b>                | <b>63,382.99</b>   | <b>485.90</b> | <b>207.77</b> | <b>79.40</b>      | <b>64,156.06</b> |
| <b>As at March 31, 2021</b> |  |               |               |                   |                  |
| (i) MSME                    | -  | -             | -             | -                 | -                |
| (ii) Others                 | 57,640.61  | 280.17        | 104.50        | 30.99             | 58,056.27        |
| (iii) Disputed dues-MSME    | -  | -             | -             | 16.61             | 16.61            |
| (iv) Disputed Dues-Others   | -  | -             | -             | 5.27              | 5.27             |
| <b>Total</b>                | <b>57,640.61</b>   | <b>280.17</b> | <b>104.50</b> | <b>52.87</b>      | <b>58,078.15</b> |

### 26. Other current financial liabilities

(₹ in Lakhs)

| Particulars   | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| Interest accrued but not due on borrowings  | 1,888.17             | 1,264.61             |
| Capital Payables  | 15,848.74            | 13,957.50            |
| Retention Money   | 3,837.56             | 4,577.86             |
| Expenses payable (Including derivative liabilities)                                       | 4,318.01             | 4,895.97             |
| Investor education & protection fund shall be credited by the following amounts when due: |                      |                      |
| (i) Unclaimed Dividends   | 120.09               | 101.70               |
| (ii) Unclaimed matured deposits   | -                    | -                    |
| (iii) Unclaimed interest on above (ii)  | -                    | -                    |
| Other Payables  | 2,242.21             | 1,718.40             |
|   | <b>28,254.78</b>     | <b>26,516.04</b>     |

### 27. Other current liabilities

(₹ in Lakhs)

| Particulars                                      | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| Duties, taxes and other statutory dues           | 1,298.09             | 1,572.58             |
| Advance from Customers                           | 27,263.82            | 24,389.74            |
| Deferred Income Govt Grant & others              | 45.63                | 47.93                |
| Provision for State excise duty on closing stock | 94.55                | 94.55                |
| Other Payables                                   | 202.88               | 184.26               |
|  | <b>28,904.97</b>     | <b>26,289.06</b>     |

## Notes to Consolidated Financial Statements

### 28. Current Provisions

| (₹ in Lakhs)                           |                         |                         |
|--|-------------------------|-------------------------|
| Particulars                            | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>Provision for employee benefits</b> |                         |                         |
| - Leave Encashment                     | 374.96                  | 324.53                  |
|  | <b>374.96</b>           | <b>324.53</b>           |

### 29. Current tax liabilities (Net)

| (₹ in Lakhs)             |                         |                         |
|--------------------------|-------------------------|-------------------------|
| Particulars              | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Provision for Income Tax | 2,523.64                | -                       |
|                          | <b>2,523.64</b>         | <b>-</b>                |

### 30. Revenue from Operations

| (₹ in Lakhs)   |                              |                              |
|--|------------------------------|------------------------------|
| Particulars  | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| <b>a) Sales of Products</b>                                |                              |                              |
| Glycols & Others   | 155,412.65                   | 104,142.89                   |
| Power Alcohol (DAE)  | 915.17                       | 7,363.09                     |
| Guar Gum Powder and derivatives                            | 4,693.62                     | 2,331.02                     |
| Ethyl Alcohol (Potable)                                    | 439,312.85                   | 371,785.05                   |
| Industrial Gases   | 4,569.10                     | 4,114.21                     |
| Sale of traded goods                                       |                              |                              |
| Chemical and oil Products                                  | 33,426.27                    | 30,148.76                    |
| Nutraceutical  | 15,277.83                    | 14,754.13                    |
|  | <b>653,607.49</b>            | <b>534,639.15</b>            |
| <b>b) Sales of Service</b>                                 | 1,030.43                     | 1,227.73                     |
|  | <b>1,030.43</b>              | <b>1,227.73</b>              |
| <b>c) Other Operating Revenue</b>                          |                              |                              |
| Provision no longer required/ Sundry balances written back | 1,217.37                     | 1,684.13                     |
| Export Incentive   | 211.56                       | 862.05                       |
| Miscellaneous Income                                       | 4,073.95                     | 4,334.10                     |
|  | <b>5,502.88</b>              | <b>6,880.28</b>              |
| <b>Total Revenue from operations</b>                       | <b>660,140.80</b>            | <b>542,747.16</b>            |

## Notes to Consolidated Financial Statements

### 31. Other Income

| (₹ in Lakhs)                                  |                              |                              |
|---|------------------------------|------------------------------|
| Particulars                                   | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| Interest                                      | 2,051.21                     | 614.42                       |
| Rent  | 43.45                        | 38.36                        |
| Capital Advance forfeited                     | -                            | 800.00                       |
| Profit on sale of Non-Current Investment      | 14.58                        | -                            |
| Profit on sale of Property, Plant & Equipment | 1.45                         | 3.17                         |
| Govt Grants                                   | 20.21                        | 30.21                        |
| Miscellaneous Income                          | 22.90                        | 39.96                        |
|   | <b>2,153.80</b>              | <b>1,526.12</b>              |

### 32. Cost of Materials Consumed

| (₹ in Lakhs)     |                              |                              |
|------------------|------------------------------|------------------------------|
| Particulars      | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| Raw Materials    | 146,013.27                   | 102,587.53                   |
| Packing Material | 20,680.23                    | 15,972.13                    |
|                  | <b>166,693.50</b>            | <b>118,559.66</b>            |

### 33. Purchase of Stock-In-Trade

| (₹ in Lakhs)              |                              |                              |
|---------------------------|------------------------------|------------------------------|
| Particulars               | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| Chemical and Oil Products | 35,136.68                    | 32,826.86                    |

### 34. Changes in Inventories of Finished Goods, Work- In-Progress and Stock-in-Trade

| (₹ in Lakhs)   |                              |                              |
|--|------------------------------|------------------------------|
| Particulars  | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| <b>CLOSING STOCK</b>   |                              |                              |
| Finished Goods   | 12,391.22                    | 3,599.72                     |
| Work-in-Process  | 8,895.52                     | 7,971.83                     |
| Residue Product  | 43.26                        | 69.70                        |
|  | <b>21,330.00</b>             | <b>11,641.25</b>             |
| <b>OPENING STOCK</b>   |                              |                              |
| Finished Goods   | 3,599.72                     | 3,336.92                     |
| Work-in-Process  | 7,971.83                     | 6,595.79                     |
| Residue Product  | 69.70                        | 238.50                       |
|  | 11,641.25                    | 10,171.21                    |
| Change in inventories of finished goods, work-in-progress and Stock-in-trade | <b>(9,688.75)</b>            | <b>(1,470.04)</b>            |

## Notes to Consolidated Financial Statements

### 35. Employee Benefit Expenses

| (₹ in Lakhs)                              |                              |                              |
|---|------------------------------|------------------------------|
| Particulars                               | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| Salaries, Wages, Allowances, etc.         | 7,605.69                     | 7,366.41                     |
| Contribution to Provident and other Funds | 775.18                       | 582.22                       |
| Employees' Welfare and other Benefits     | 535.03                       | 384.16                       |
|   | <b>8,915.90</b>              | <b>8,332.79</b>              |

### 36. Finance Costs

| (₹ in Lakhs)                                  |                              |                              |
|---|------------------------------|------------------------------|
| Particulars                                   | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| Interest on Fixed Loans                       | 2,515.81                     | 3,191.00                     |
| Other Interest                                | 3,283.42                     | 3,945.97                     |
| Other Borrowing Cost                          |                              |                              |
| Financial Charges                             | 1,540.51                     | 1,515.78                     |
|   | <b>7,339.74</b>              | <b>8,652.75</b>              |
| Less: Interest Received on temporary deposits | 373.84                       | 314.45                       |
|   | <b>6,965.90</b>              | <b>8,338.30</b>              |

a) Forex losses treated as finance cost ₹ 754.44 lakhs (previous year ₹ 286.63) as per IND AS23 -Borrowing Costs.

b) Net of ₹ 2,642.41 Lakhs (previous year ₹2,038.82) interest capitalised during the year as per IND AS 23- Borrowing Costs.

### 37. Depreciation and Amortisation Expense

| (₹ in Lakhs)                                |                              |                              |
|---|------------------------------|------------------------------|
| Particulars                                 | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
| Depreciation on Property, Plant & Equipment | 7,482.25                     | 7,399.09                     |
| Depreciation on Right to use assets         | 510.97                       | 574.42                       |
| Depreciation on Investment Property         | 13.74                        | 13.74                        |
| Amortisation on other intangible assets     | 21.87                        | 24.59                        |
|   | <b>8,028.83</b>              | <b>8,011.84</b>              |

## Notes to Consolidated Financial Statements

### 38. Other Expenses

|   |           |                              |        | (₹ in Lakhs)                 |
|---|-----------|------------------------------|--------|------------------------------|
| Particulars   |           | Year Ended<br>March 31, 2022 |        | Year Ended<br>March 31, 2021 |
| Stores and spares consumed  |           | 4,673.65                     |        | 4,329.09                     |
| Power and Fuel  |           | 33,208.43                    |        | 21,393.28                    |
| Repairs and Maintenance   |           |                              |        |                              |
| - Buildings   |           | 504.92                       |        | 559.65                       |
| - Plant and Equipment   |           | 2,849.35                     |        | 2,431.09                     |
| - Others  |           | 784.89                       |        | 637.70                       |
| Rent  |           | 252.51                       |        | 129.22                       |
| Rates and Taxes   |           | 1,769.70                     |        | 1,818.11                     |
| Travelling and Conveyance   |           | 689.44                       |        | 646.78                       |
| Insurance   |           | 1,537.47                     |        | 1,350.36                     |
| Directors' sitting Fee  |           | 30.40                        |        | 35.86                        |
| Commission to Selling agents  |           | 767.87                       |        | 901.78                       |
| Freight forwarding and others (Net of recovery from customers / provision written back) |           | 8,571.97                     |        | 6,175.03                     |
| Exchange Fluctuation loss/ (gain) (Net)*  |           | 1,153.21                     |        | 1,499.05                     |
| Bad debts written off   | 13,267.32 |                              | 697.04 |                              |
| Less : Provision for doubtful debts Advance written back                                | 13,179.96 | 87.36                        | 294.72 | 402.32                       |
| Loss on Sale / Discard of Property, Plant & Equipment                                   |           | 10.41                        |        | 8.70                         |
| Legal & Professional  |           | 1,374.72                     |        | 2,323.94                     |
| Printing & Stationery, Postage, Telephone, security and other Miscellaneous Expenses    |           | 1,987.12                     |        | 2,008.33                     |
|   |           | <b>60,253.42</b>             |        | <b>46,650.29</b>             |

\* Net of Forex losses treated as finance cost ₹ 754.44 Lakhs (Previous Year ₹ 286.63) as per IND AS 23- Borrowing Costs.

### Notes accompanying to the consolidated financial statements for the Year Ended 31.03.2022

#### 39. (A) Contingent Liabilities not Provided For:-

- (i) In respect of :-

|       |                                |                         |  | (₹ in Lakhs)            |
|-------|--------------------------------|-------------------------|--|-------------------------|
| S. No | Particulars                    | As at<br>March 31, 2022 |  | As at<br>March 31, 2021 |
| 1     | Central Excise/ State Excise @ | 2001.45                 |  | 2015.69                 |
| 2     | Customs                        | 971.74                  |  | 971.74                  |
| 3     | Service Tax                    | 13.80                   |  | 13.80                   |
| 4     | Sales Tax                      | 69.31                   |  | 45.61                   |
| 5     | Other matters                  | 494.31                  |  | 180.79                  |
|       | <b>Total</b>                   | <b>3,550.61</b>         |  | <b>3,227.63</b>         |

@ Excluding show cause notice (SCNs), where management is confident that on merits SCNs will be dropped and also as legally advised possibility of an outflow of fund is remote.

- (ii) In respect of subsidiary company (SSAIL), claims against the Company not acknowledged as debts ₹117.60 Lakhs (Previous Year: ₹ 127.33 Lakhs).
- (iii) Bills discounted with banks/others ₹ 1,147.44 Lakhs (Previous Year: ₹ 660.44 Lakhs).



## Notes to Consolidated Financial Statements

- (iv) In respect of subsidiary company (SSAIL), Recovery Charges claimed by S.D.M. Behat towards payment of cane dues ₹ 66.82 Lakhs (Previous Year ₹ 66.82 Lakhs) including the interest on cane dues ₹ 46.89 Lakhs (Previous Year ₹ 46.89 Lakhs).
- (B)** Custom duty saved on import of raw material under Advance License pending fulfillment of export obligation amounting to ₹ 1,444.99 Lakhs (Previous Year ₹ 596.97 Lakhs). The Management is of the view that considering the past export performance and future prospects there is certainty that pending export obligation under advance licenses will be fulfilled before expiry of the validity of respective advance licenses, accordingly and also on “Going Concern Concept” basis there is no need to make any provision for custom duty saved.
- (C)** Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 1067.20 Lakhs, Previous Year ₹ 1218.56 Lakhs) are ₹ 12576.04 Lakhs (Previous Year ₹ 8365.16 Lakhs).
- 40.** In the earlier years, the State Government of Uttar Pradesh (UP) had imposed a levy of license fee on transfer of alcohol from the distillery to the chemical plant. The levy was challenged by the Company in the Hon'ble Supreme Court and on October 18, 2006 the matter was finally decided by The Hon'ble Supreme Court in favour of the Company. Accordingly, Company had filed an application for refund of amount paid ₹ 507.05 Lakhs (Previous Year ₹ 507.05 Lakhs) (shown as recoverable under the head Other Current Assets) with State Government of Uttarakhand, which is still pending for refund of the amount.
- 41.** In the earlier years, the State Government of Uttarakhand had levied Export Pass Fee on ENA/R.S. export outside India. The matter is finally disposed of by Hon'ble High Court of Uttarakhand vide its Order dated 9th January, 2012 and has declared the levy of said fee as unsustainable and irrecoverable. Subsequently, on June 8, 2012, vide Uttarakhand Excise (Amendment) Act, 2012, Uttarakhand Government retrospectively revived old notification relating to imposition of export fee on ENA and R.S. The Company filed Writ Petition challenging the above said notification and vide order dated September 12, 2012 the Hon'ble High Court of Uttarakhand had granted stay and restrained State from imposing export fee. Vide Judgement of Hon'ble High Court has held levy of export fee @ ₹ 2.50 on export of ENA as unjustified and set aside the levy. Till date the State Government has neither challenged the High Order nor levied export pass fee on export of ENA out of India. A sum of ₹ 106.15 Lakhs (Previous Year ₹ 106.15 Lakhs) paid under protest is shown as recoverable from State Govt. of Uttarakhand, under the head “Other Current Assets”.
- 42.** In the previous year, Directorate of Revenue Intelligence (DRI) issued summons to the Company in connection with investigation in respect to import of Denatured Ethyl Alcohol by importer other than manufacturer of Excisable Goods and as per DRI, Company was not eligible for lower rate of BCD @ 2.5% under notification no. 50/2017 dated 30.06.2017. The Company has filed Writ Petition before Gujarat High Court that Company is eligible to avail benefit of concessional rate of 2.5% BCD on import of DEA and for quashing of investigations initiated by DRI. A sum of ₹ 750.00 Lakhs (Previous Year ₹ 750.00 Lakhs) paid under protest is shown as recoverable from department, under the head “Other Current Assets”.
- 43.** a) During the previous year, the Company paid ₹ 177.69 lakhs as uncharged bank guarantee commission and ₹ 90.88 lakhs as interest on the same against settlement of dispute with the Central Bank of India. Subsequently, the Central Bank of India has issued 'no dues certificate' to the Company vide its letter dated 15.12.2020.
- (b) The subsidiary company, IGL Finance Limited, had invested funds for short term in commodity financing contracts offered by National Spot Exchange Limited (NSEL). NSEL has defaulted in settling the contracts on due dates. IGL Finance has made a loss allowance of ₹ 11,719.71 Lakhs based on expected credit loss Policy and other estimation made by the management and for balance ₹ 2,333.86 Lakhs, the management and IGLFL is confident for recovery of dues from NSEL over a period of time and hence shown as good (considering the arrangement of merger of NSEL with Financial Technologies (India) Limited (FTIL) and other measure which have so far been taken for and pending before the Govt. and other authorities and current scenario/present state of affairs). However, during the year, the subsidiary company has written off amount of ₹ 11,719.71 Lakhs and same has been adjusted against the provision, which was created in earlier year.
- 44. Financial risk management objectives and Policies**

The Group's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest rate risk and commodity risk etc.), credit risk and liquidity risk. The Group's overall risk management policy seeks to minimize potential adverse effects on Group's financial performance.

- (i) Market Risk:** Market risk is the risk that the fair value of future cash flow of a financial instruments will fluctuate because of change in market prices. Market risk comprises mainly three types of risk: interest rate, currency risk and other price risk such as commodity price risk.

## Notes to Consolidated Financial Statements

- (a) **Foreign Currency Risk:** Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company has obtained foreign currency borrowing and has foreign currency trade payable and receivable and is therefore, exposed to foreign exchange risk.

After taking cognizance of the natural hedge, the company takes appropriate hedge to mitigate its risk resulting from fluctuation in foreign currency exchange rate(s).

**Foreign Currency sensitivity:** : The following tables demonstrate the sensitivity to a reasonable possible change in Foreign Currency with all other variable held constant. The impact on company's profit/(loss) before tax is due to change in the foreign exchange rate for:

(₹ in Lakhs)

| Particulars                        | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|------------------------------------|-------------------------|-------------------------|
| Change in USD                      | + 1%                    | + 1%                    |
| Effect on profit/(loss) before tax | (456.37)                | (155.31)                |
| Change in USD                      | -1%                     | -1%                     |
| Effect on profit/(loss) before tax | 456.37                  | 155.31                  |

- (b) **Interest rate risk:-** Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any change in the interest rates environment may impact future rates of borrowing. The company mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments, interest rate negotiation with the lenders for ensuring the cost-effective method of financing.

**Interest Rate Sensitivity:** The following table demonstrates the sensitivity to a reasonable possible change in interest rate on financial assets affected. With all other variable held constant, the company's profit before tax is affected through the impact on finance cost with respect to our borrowing, as follows:

A change in 25 basis points in interest rates would have following impact on profit/(Loss) before tax:

(₹ in Lakhs)

| Particulars                 | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|-----------------------------|-------------------------|-------------------------|
| Change in basis point       | +25                     | +25                     |
| Effect on profit before tax | (285.70)                | (335.20)                |
| Change in basis point       | -25                     | -25                     |
| Effect on profit before tax | 285.70                  | 335.20                  |

- (c) **Commodity Price risk:** The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of raw material therefore, requires a continuous supply of certain raw materials. To mitigate the commodity price risk, the Company has an approved supplier base to get competitive prices for the commodities and to assess the market to manage the cost without any compromise on quality.

(ii) **Credit Risk:**

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, Inter Corporate deposit, derivative financial instruments, other balances with banks, loans and other receivables. The Company's exposure to credit risk is disclosed in Note 7, 8, 11, 14 & 15.

Credit risk arising from investment derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counter parties are banks and recognised financial institutions with high credit ratings.

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Financial assets measured at amortized cost (other than trade receivables)

## Notes to Consolidated Financial Statements

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

The ageing of the trade receivables are given below:

| Particulars  | Due Ageing         |                   |               |               |                   | Total            |
|--|--------------------|-------------------|---------------|---------------|-------------------|------------------|
|  | Less than 6 Months | 6 Months - 1 Year | 1-2 years     | 2-3 years     | More than 3 years |                  |
| <b>As at 31<sup>st</sup> March, 2022</b>   |                    |                   |               |               |                   |                  |
| (i) Undisputed Trade Receivables - considered good                               | 37,473.16          | 526.05            | 343.24        | 493.99        | 599.75            | 39,436.19        |
| (ii) Undisputed Trade Receivables-which have significant increase in Credit Risk | -                  | -                 | -             | -             | -                 | -                |
| (iii) Undisputed Trade Receivables-Credit impaired                               | -                  | -                 | -             | -             | -                 | -                |
| (iv) Disputed Trade Receivables-considered good                                  | 1.01               | 11.83             | 59.78         | 73.99         | 285.31            | 431.92           |
| (v) Disputed Trade Receivables-which have significant increase in Credit Risk    | -                  | -                 | -             | -             | -                 | -                |
| (vi) Disputed Trade Receivables-Credit impaired                                  | -                  | -                 | -             | -             | 78.79             | 78.79            |
| Provision/Allowance for Doubtful Receivables                                     | -                  | -                 | -             | -             | (78.79)           | (78.79)          |
| <b>Net Total</b>   | <b>37,474.17</b>   | <b>537.88</b>     | <b>403.02</b> | <b>567.98</b> | <b>885.06</b>     | <b>39,868.11</b> |
| <b>As at 31<sup>st</sup> March, 2021</b>   |                    |                   |               |               |                   |                  |
| (i) Undisputed Trade Receivables - considered good                               | 33,883.34          | 381.03            | 521.70        | 198.98        | 445.07            | 35,430.12        |
| (ii) Undisputed Trade Receivables-which have significant increase in Credit Risk | -                  | -                 | -             | -             | -                 | -                |
| (iii) Undisputed Trade Receivables-Credit impaired                               | -                  | -                 | -             | -             | -                 | -                |
| (iv) Disputed Trade Receivables-considered good                                  | 36.80              | 84.48             | 61.66         | 183.37        | 375.25            | 741.56           |
| (v) Disputed Trade Receivables-which have significant increase in Credit Risk    | -                  | -                 | -             | -             | -                 | -                |
| (vi) Disputed Trade Receivables-Credit impaired                                  | -                  | -                 | -             | -             | 78.79             | 78.79            |
| Provision/Allowance for Doubtful Receivables                                     | -                  | -                 | -             | -             | (78.79)           | (78.79)          |
| <b>Net Total</b>   | <b>33,920.14</b>   | <b>465.51</b>     | <b>583.36</b> | <b>382.35</b> | <b>820.32</b>     | <b>36,171.68</b> |

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses. The balance sheet presentation for financial instruments is described below:

Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until

## Notes to Consolidated Financial Statements

the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

- (iii) **Liquidity Risk:** Liquidity risk is the risk, where the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of company's financial liabilities based on contractual undiscounted payments:-

(₹ in Lakhs)

| Particulars                 | As at March 31, 2022 |                  |                    |                  |                  |                    |
|-----------------------------|----------------------|------------------|--------------------|------------------|------------------|--------------------|
|                             | Carrying Amount      | On Demand        | < 1 Year           | 1 to 2 Years     | >2 Years         | Total              |
| Interest bearing borrowings | 1,04,005.90          | 35,231.16        | 14,777.05          | 16,325.96        | 37,671.73        | 1,04,005.90        |
| Other Liabilities           | 32,708.66            | -                | 28,904.24          | 3,804.42         | -                | 32,708.66          |
| Trade Payable               | 64,156.06            | -                | 64,156.06          | -                | -                | 64,156.06          |
| <b>Total</b>                | <b>2,00,870.62</b>   | <b>35,231.16</b> | <b>1,07,837.35</b> | <b>20,130.38</b> | <b>37,671.73</b> | <b>2,00,870.62</b> |
| Particulars                 | As at March 31, 2021 |                  |                    |                  |                  |                    |
|                             | Carrying Amount      | On Demand        | < 1 Year           | 1 to 2 Years     | >2 Years         | Total              |
| Interest bearing borrowings | 1,12,300.07          | 48,288.80        | 13,189.32          | 15,795.23        | 35,026.72        | 1,12,300.07        |
| Other Liabilities           | 32,136.46            | -                | 27,166.40          | 4,970.06         | -                | 32,136.46          |
| Trade Payable               | 58,078.15            | -                | 58,078.15          | -                | -                | 58,078.15          |
| <b>Total</b>                | <b>2,02,514.68</b>   | <b>48,288.80</b> | <b>98,433.87</b>   | <b>20,765.29</b> | <b>35,026.72</b> | <b>2,02,514.68</b> |

#### 45. In respect of subsidiary company (SSAIL): -

- (i) The Subsidiary Company has not carried out physical verification of fixed assets during the year.
- (ii) The Management of the said subsidiary is in process of assessment of item wise details of depreciation on fixed assets and in the opinion of the management there will not be material impact on final assessment.

#### 46. Corporate social responsibility (CSR)

(₹ in Lakhs)

| Particulars  | 2021-22   | 2020-21  |
|--|---|--|
| Amount required to be spent by the company during the year | 176.40  | 135.39   |
| Amount spent during the year                               | 237.01  | 156.66   |
| Shortfall at the end of the year                           | NIL   | NIL  |
| Total of previous years shortfall                          | NIL   | NIL  |
| Reason for shortfall                                       | NA  | NA   |
| Nature of CSR Activities                                   | Sanitation and safe drinking water, healthcare, Promoting education, Conservation of natural resources. | Sanitation and safe drinking water, healthcare, Promoting education, Restoration of buildings and sites of historical importance, conservation of natural resources. |
| Details of Related party transactions                      | NIL   | NIL  |

## Notes to Consolidated Financial Statements

### 47. Details of Loan given during the year covered under Section 186(4) of the Companies Act, 2013: Nil

48. In respect of subsidiary SSAIL, the Company has been incurring cash losses due to which its net worth has been completely eroded and its current liabilities are far in excess of its current assets. However, the company continues to evaluate and explore options in consultation with expert(s) and stakeholders for restructuring/revival/disinvestment, hence the management of the Company considers it appropriate to prepare the Financial Statements on going concern basis despite the negative net worth on the balance sheet date.

### 49. Capital risk management

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. The primary objective of the Company's capital management is to maintain an optimal structure so as to maximize the shareholder's value. In order to strengthen the capital base, the company may use appropriate means to enhance or reduce capital, as the case may be.

The Company is not subject to any external imposed capital requirement. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net Debt is calculated as borrowings less cash and cash equivalents.

| Particulars                     | (₹ in Lakhs)            |                         |
|---------------------------------|-------------------------|-------------------------|
|                                 | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Borrowings                      | 1,04,005.90             | 1,12,300.07             |
| Less: Cash and Cash equivalents | 704.74                  | 339.11                  |
| <b>Net debt</b>                 | <b>1,03,301.16</b>      | <b>1,11,960.96</b>      |
| Equity Share Capital            | 3,096.15                | 3,096.15                |
| Other Equity                    | 1,76,093.80             | 1,13,756.16             |
| <b>Total Capital</b>            | <b>1,79,189.95</b>      | <b>1,16,852.31</b>      |
| <b>Capital and net debt</b>     | <b>2,82,491.11</b>      | <b>2,28,813.27</b>      |
| <b>Gearing ratio</b>            | <b>36.57%</b>           | <b>48.93%</b>           |

### 50. Derivative financial instruments

Commodity and Foreign Exchange Derivatives and exposures.

(a) Outstanding at the year- end as follows

| Nature of Instruments                      | 2021-22<br>Amount<br>(FC in millions) | 2021-22<br>Amount<br>(₹ in Lakhs) | 2020-21<br>Amount<br>(FC in millions) | 2020-21<br>Amount<br>(₹ in Lakhs) |
|--|---------------------------------------|-----------------------------------|---------------------------------------|-----------------------------------|
| Forward Contracts - USD                    | --                                    | --                                | --                                    | --                                |
| Foreign currency options -USD              | 42.06                                 | 31,878.33                         | 58.97                                 | 43,110.02                         |
| <b>Open foreign exchange exposures:</b>    |                                       |                                   |                                       |                                   |
| Packing Credit Net of Export debtors - USD | 1.43                                  | 1,085.14                          | 7.43                                  | 5,432.13                          |
| Loans - USD                                | --                                    | --                                | --                                    | --                                |
| Payable - USD                              | 61.64                                 | 46,721.90                         | --                                    | --                                |

(b) The Company has derivative instruments for hedging possible losses and exchange fluctuation losses. During the year company has incurred net off loss of ₹ 96.28 Lakhs (previous year ₹ 1417.89 Lakhs - Gain) out of which gain of ₹ 153.19 Lakhs (previous year gain of ₹ 318.37 Lakhs) relating to provision for mark to market gain/loss on account of outstanding financial transactions as on 31<sup>st</sup> March 2022.

## Notes to Consolidated Financial Statements

### 51. Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(₹ in Lakhs)

| Particular                              | As at March 31, 2022 |                   | As at March 31, 2021 |                    |
|---|----------------------|-------------------|----------------------|--------------------|
|   | Carrying amount      | Fair Value        | Carrying Amount      | Fair Value         |
| (i) Financial Assets                    |                      |                   |                      |                    |
| (a) At Amortized Cost                   |                      |                   |                      |                    |
| Trade Receivable                        | 39,868.11            | 39,868.11         | 36,171.68            | 36,171.68          |
| Others                                  | 42,790.75            | 42,790.75         | 22,298.91            | 22,298.91          |
| <b>Total (a) + (b)</b>                  | <b>82,658.86</b>     | <b>82,658.86</b>  | <b>58,470.59</b>     | <b>58,470.59</b>   |
| (ii) Financial Liabilities              |                      |                   |                      |                    |
| (a) At Fair value through Profit & Loss |                      |                   |                      |                    |
| - Forward contract & Options            | (153.19)             | (153.19)          | (318.37)             | (318.37)           |
| (b) At Amortized Cost                   |                      |                   |                      |                    |
| - Borrowing                             | 1,04,005.90          | 1,04,005.90       | 1,12,300.07          | 1,12,300.07        |
| - Trade payable                         | 64,156.06            | 64,156.06         | 58,078.15            | 58,078.15          |
| - Others                                | 32,708.66            | 32,708.66         | 32,136.46            | 32,136.46          |
| <b>Total (a) + (b)</b>                  | <b>200,717.43</b>    | <b>200,717.43</b> | <b>2,02,196.31</b>   | <b>2,02,196.31</b> |

The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2) Fair value of borrowings from banks and other non-current financial liabilities, are estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.
- 3) Other non-current receivables are evaluated by the Company, based on parameters such as interest rates, individual creditworthiness of the counterparty etc. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.
- 4) The fair values of derivatives are calculated using the RBI reference rate as on the reporting date as well as other variable parameters.

#### Fair Value hierarchy

All financial assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows: -

Level 1 - Quoted prices in active markets.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3 - Inputs that are not based on observable market data.

The following table presents the fair value measurement hierarchy of financial assets and liabilities, which have been measured subsequent to initial recognition at fair value as at 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March 2021:

## Notes to Consolidated Financial Statements

(₹ in Lakhs)

| Assets / Liabilities measured at fair value<br>(Accounted) | As at March 31, 2022 |         |         |
|--|----------------------|---------|---------|
|  | Level 1              | Level 2 | Level 3 |
| <b>Financial assets</b>                                    | -                    | -       | -       |
| Derivatives -Forward contracts & Options                   | -                    | 153.19  | -       |
| <b>Financial liabilities</b>                               | -                    | -       | -       |

(₹ in Lakhs)

| Assets / Liabilities measured at fair value<br>(Accounted) | As at March 31, 2021 |         |         |
|--|----------------------|---------|---------|
|  | Level 1              | Level 2 | Level 3 |
| <b>Financial assets</b>                                    | -                    | -       | -       |
| Derivatives- Forward contracts & Options                   | -                    | 318.37  | -       |
| <b>Financial liabilities</b>                               | -                    | -       | -       |

During the year ended March 31, 2022 and March 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements. There is no transaction / balance under level 3.

52. In accordance with the Indian Accounting Standard (IND AS-36) on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, in view of the management with respect to subsidiary SSAIL, no impairment loss on its fixed assets (Property, Plant and Equipment other than land).

53. Earnings per share (EPS)

**I. Continuing Operation**

(₹ in Lakhs)

| Particulars  | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2021 |
|--|------------------------------|------------------------------|
| Net profit/ (loss) for the year attributable to equity shareholders (₹ in Lakhs) | 32,958.45                    | 10,920.17                    |
| Weighted average number of equity shares outstanding                             | 3,09,61,500                  | 3,09,61,500                  |
| Basic and diluted earnings per share (face value of ₹ 10 each) (₹)               | 106.45                       | 35.27                        |

**II. Discontinuing Operation**

(₹ in Lakhs)

| Particulars  | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2021 |
|--|------------------------------|------------------------------|
| Net profit/ (loss) for the year attributable to equity shareholders (₹ in Lakhs) | 1,026.65                     | 2,240.54                     |
| Weighted average number of equity shares outstanding                             | 3,09,61,500                  | 3,09,61,500                  |
| Basic and diluted earnings per share (face value of ₹ 10 each) (₹)               | 3.32                         | 7.24                         |

**III. Continuing & Discontinuing Operation**

(₹ in Lakhs)

| Particulars  | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2021 |
|--|------------------------------|------------------------------|
| Net profit/ (loss) for the year attributable to equity shareholders (₹ in Lakhs) | 33,985.10                    | 13,160.71                    |
| Weighted average number of equity shares outstanding                             | 3,09,61,500                  | 3,09,61,500                  |
| Basic and diluted earnings per share (face value of ₹ 10 each) (₹)               | 109.77                       | 42.51                        |

54. Related Parties Disclosure (As identified by the management):

**A. Key Management Personnel**

- U. S. Bhartia (Chairman and Managing Director)
- Pragya Bhartia Barwale (Executive Director)
- Sudhir Agarwal (Executive Director)

## Notes to Consolidated Financial Statements

- Jayshree Bhartia (Non – Executive Director)
- Pradip Kumar Khaitan (Independent Director)
- Jitender Balakrishnan (Independent Director)
- Ravi jhunjhunwala (Independent Director)
- Jagmohan N. Kejriwal (Independent Director)
- Sajeve Bhushan Deora (Independent Director)
- Shukla Wassan (Independent Director)
- Rakesh Bhartia (Chief Executive Officer)-[Till 16.06.2020(Close of Business hours)]
- Rupak Sarswat (Chief Executive Officer)
- Anand Singhal (Chief Financial Officer)
- Ankur Jain (Company Secretary)

### **B. Relatives of Key Management Personnel**

- Executors to the estate of Late Sajani devi Bhartia
- Shirish Barwale
- Pooja Bhartia
- Vedant Jhaver
- Anand Singhal (HUF)
- Smita Bhartia [Till 16.06.2020]

### **C. Enterprises over which Key Management Personnel have significant influence:**

- Ajay Commercial Co. (P) Ltd.
- J. B. Commercial Co. (P) Ltd.
- Kashipur Holdings Limited
- Polylink Polymers (India) Ltd.
- Hindustan Wires Limited
- Supreet Vyapaar (P) Ltd.
- Facit Commosales (P) Ltd.
- J. Boseck & Co. (P) Ltd.
- IGL Infrastructure Private Limited. (IGL Infra)
- Khaitan & Company
- Khaitan & company LLP
- Lund & Blockley Pvt. Ltd
- Sukhvarsha Distributors Pvt. Ltd

### **D. Joint venture enterprises**

- Kashipur Infrastructure and Freight Terminal Private Limited (KIFTPL)
- Clariant IGL Specialty Chemicals Private Limited (Formerly IGL Green Chemicals Private Limited)- w.e.f. 30<sup>th</sup> June, 2021 from the time of allotment of equity shares to JV Partner.

### **E. Trust under company control**

- India Glycols Limited Employees Group Gratuity Trust Scheme



## Notes to Consolidated Financial Statements

(₹ in Lakhs)

| Related Party                            | Significant Influence |             | Joint venture |             | Key Managerial Person |             | Relative of KMP |             |
|--|-----------------------|-------------|---------------|-------------|-----------------------|-------------|-----------------|-------------|
|  | 2022                  | 2021        | 2022          | 2021        | 2022                  | 2021        | 2022            | 2021        |
| <b>Transaction Summary</b>               | <b>2022</b>           | <b>2021</b> | <b>2022</b>   | <b>2021</b> | <b>2022</b>           | <b>2021</b> | <b>2022</b>     | <b>2021</b> |
| Purchase of Material                     | -                     | -           | 490.95        | -           | -                     | -           | -               | -           |
| Purchase of Services                     | 3.60                  | -           | 322.66        | 358.54      | -                     | -           | -               | -           |
| Sale of Material                         | 2,301.34              | 1,724.64    | 33,179.94     | 0.64        | -                     | -           | -               | -           |
| Legal & Professional Fee                 | 279.19                | 112.34      | -             | -           | -                     | -           | -               | -           |
| Directors sitting Fees                   | -                     | -           | -             | -           | 30.40                 | 33.00       | -               | -           |
| Sale of Service                          | -                     | -           | 425.12        | -           | -                     | -           | -               | -           |
| Dividend Paid                            | 960.91                | -           | -             | -           | 40.68                 | -           | 131.87          | -           |
| Interest Income                          | -                     | -           | 1,428.77      | -           | -                     | -           | -               | -           |
| Commission Paid                          | -                     | -           | -             | -           | 740.00                | 340.60      | -               | -           |
| Reimbursement of Expenses made           | 3.11                  | 32.29       | -             | -           | -                     | -           | -               | -           |
| Reimbursement of Expenses Received       | 10.17                 | 9.28        | 36.19         | 69.08       | -                     | -           | -               | -           |
| ICD Received                             | 3,700.00              | 2,010.00    | -             | -           | -                     | -           | -               | -           |
| ICD Paid Back                            | 2,875.00              | 1,335.00    | -             | -           | -                     | -           | -               | -           |
| Interest Expense                         | 351.81                | 348.86      | -             | -           | -                     | -           | -               | -           |
| Security Given                           | 320.00                | -           | -             | -           | -                     | -           | -               | -           |
| Rent & maintenance Paid                  | 1,028.18              | 1,019.01    | 3.85          | -           | 24.00                 | 24.00       | -               | -           |
| Vehicle Lease Rent                       | -                     | -           | -             | -           | -                     | -           | 9.00            | 12.00       |
| Salary Paid                              | -                     | -           | -             | -           | 405.85                | 353.52      | -               | 6.35        |
| Managerial Remuneration                  | -                     | -           | -             | -           | 725.74                | 689.36      | -               | -           |
| Rental Income                            | -                     | -           | 35.50         | -           | -                     | -           | -               | -           |
| Security Deposit taken                   | -                     | -           | 18.95         | -           | -                     | -           | -               | -           |
| Security Deposit recd. Back              | -                     | -           | 16.50         | -           | -                     | -           | -               | -           |
| <b>Balance Outstanding</b>               |                       |             |               |             |                       |             |                 |             |
| <b>Payable</b>                           |                       |             |               |             |                       |             |                 |             |
| ICD Payable (including Accrued Interest) | 4,172.63              | 3,276.44    | -             | -           | -                     | -           | -               | -           |
| Outstanding Payables                     | 2.53                  | 14.57       | 135.44        | 4.43        | 56.74                 | 1.70        | 0.74            | 0.74        |
| Security Deposit                         | -                     | -           | 2.45          | -           | -                     | -           | -               | -           |
| <b>Receivable(Unsecured)</b>             |                       |             |               |             |                       |             |                 |             |
| ICD (including accrued interest)         | -                     | -           | -             | -           | -                     | -           | -               | -           |
| Security Deposit Receivables             | 1,383.85              | 1,063.85    | -             | -           | 500.00                | 500.00      | -               | -           |
| Outstanding Receivable                   | 125.09                | 160.89      | 3207.36       | 13.39       | 50.26                 | 4.16        | -               | 0.32        |
| Sale Consideration Receivable            | -                     | -           | 19,106.00     | -           | -                     | -           | -               | -           |
| Interest Receivable                      | -                     | -           | 859.77        | -           | -                     | -           | -               | -           |

## Notes to Consolidated Financial Statements

(ii) (a) Remuneration/Salary paid to KMP

(₹ in Lakhs)

| Particulars                    | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2021 |
|--------------------------------|------------------------------|------------------------------|
| Short-term employee benefits # | 1,033.23                     | 955.67                       |
| Post-employment benefits       |                              |                              |
| - Defined contribution plan \$ | 98.36                        | 87.21                        |
| - Other long-term benefits *   | -                            | -                            |
| <b>Total</b>                   | <b>1,131.59</b>              | <b>1,042.88</b>              |

# Including value of perquisites.

\* As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

\$ Employer Contribution of Provident Fund

(b) Detail of remuneration to KMP: -

- Chairman & Managing Director – ₹ 552.37 Lakhs (Previous Year ₹ 545.98 Lakhs)
- Chairman & Managing Director (Commission) - ₹ 500.00 Lakhs (Previous Year ₹ 246.00 Lakhs)
- Executive Director – ₹ 114.74 Lakhs (Previous Year ₹ 88.28 Lakhs)
- Executive Director – (Commission) - ₹ 240.00 Lakhs (Previous Year ₹ 94.60 Lakhs)
- Executive Director – ₹ 58.63 Lakhs (Previous Year ₹ 55.09 Lakhs)
- Chief Executive Officer – ₹ Nil Lakhs (Previous Year ₹ 87.04 Lakhs) upto 16<sup>th</sup> June 2020
- Chief Executive Officer – ₹ 280.35 Lakhs (Previous Year ₹ 161.72 Lakhs)
- Chief Financial Officer – ₹ 64.94 Lakhs (Previous Year ₹ 65.69 Lakhs)
- Company Secretary – ₹ 60.56 Lakhs (Previous Year ₹ 39.07 Lakhs)

(iii) Detail of transaction India Glycols Limited Employees Group Gratuity Trust Scheme

(₹ in Lakhs)

| Particulars                 | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2021 |
|-----------------------------|------------------------------|------------------------------|
| Contribution                | NIL                          | 468.43                       |
| Outstanding at the Year End | (434.27)                     | (131.12)                     |

(iv) Disclosure in respect of Material Related Party transactions during the year:

- Purchases of Services are from:
  - KIFTPL ₹ 322.66 Lakhs (Previous Year ₹ 358.54 Lakhs)
  - Polylink Polymers (India) Ltd ₹ 3.60 Lakhs (Previous Year ₹ 30.78 Lakhs)
- Sales of Material are to:
  - Hindustan Wires Limited. ₹ 2,153.01 Lakhs (Previous Year ₹ 1,558.15 Lakhs).
  - KIFTPL ₹ 0.05 Lakhs (Previous Year ₹ 0.64 Lakhs)
  - IGL Infrastructure ₹ 148.33 Lakhs (Previous Year ₹ 166.49 Lakhs)
  - Clariant IGL Specialty Chemicals Private Limited ₹ 33,179.88 Lakhs (Previous Year ₹ Nil Lakhs)
- Legal & Professional fees:
  - Khaitan & Co. LLP ₹ 243.19 Lakhs (Previous Year ₹ 71.28 Lakhs).
  - Khaitan & Co ₹ Nil Lakhs (Previous Year ₹ 5.06 Lakhs).
  - Hindustan Wires Ltd ₹ 36.00 Lakhs (Previous Year ₹ 36.00 Lakhs)
- Inter Corporate Deposit (ICD) Received includes :
  - Kashipur Holdings Ltd ₹ 3,000.00 Lakhs (Previous Year ₹ 700.00 Lakhs)
  - Hindustan Wires Ltd ₹ 700.00 Lakhs (Previous Year ₹ 825.00 Lakhs)
  - J Boseck & Co. (P) Ltd ₹ Nil Lakhs (Previous Year ₹ 485.00 Lakhs)
- Inter Corporate Deposit (ICD) Paid back includes :
  - Hindustan Wires Ltd ₹ 25.00 Lakhs (Previous Year ₹ 100.00 Lakhs)
  - Kashipur Holdings Ltd ₹ 2,000.00 Lakhs (Previous Year ₹ 900.00 Lakhs)
  - J Boseck & Co. (P) Ltd ₹ 850 Lakhs (Previous Year ₹ 335.00 Lakhs)

## Notes to Consolidated Financial Statements

- f) Interest Expense includes from :
- J Boseck & Co. (P) Ltd ₹ 74.19 Lakhs (Previous Year ₹ 106.46 Lakhs)
  - Kashipur Holdings Ltd ₹ 100.14 Lakhs (Previous Year ₹ 91.74 Lakhs)
  - Hindustan Wires Ltd ₹ 177.47 Lakhs (Previous Year ₹ 150.66 Lakhs)
- g) Interest Income includes from:
- Clariant IGL Specialty Chemicals Private Limited ₹ 1428.77 Lakhs (net of discount) (Previous Year ₹ Nil Lakh)
- h) Reimbursement of expense made:
- Hindustan Wires Limited ₹ 3.11 Lakhs (Previous Year ₹ 1.51 Lakhs)
- i) Reimbursement of expense Received:
- IGL Infrastructure ₹ 10.17 Lakhs (Previous Year ₹ 9.28 Lakhs)
  - KIFTPL ₹ 31.56 Lakhs (Previous Year ₹ 69.08 Lakhs)
  - Clariant IGL Specialty Chemicals Private Limited ₹ 4.63 Lakhs (Previous Year ₹ Nil Lakhs)
- j) Rent & Maintenance Paid to:
- Polylink Polymers (India) Ltd. ₹ 3.00 Lakhs (Previous Year ₹ 12.00 Lakhs)
  - IGL Infra ₹ 1007.00 Lakhs (Previous Year ₹ 991.27 Lakhs)
  - Kashipur Holding Limited ₹ 5.69 Lakhs (Previous Year ₹ 11.06 Lakhs)
  - Ajay Commercial Co (P) Ltd ₹ 6.25 Lakhs (Previous Year ₹ 2.34 Lakhs)
  - J.B. Commercial Co (P) Ltd ₹ 6.25 Lakhs (Previous Year ₹ 2.34 Lakhs)
  - U.S Bhartia ₹ 24.00 Lakhs (Previous Year ₹ 24.00 Lakhs)
  - Clariant IGL Specialty Chemicals Private Limited ₹ 3.85 Lakhs (Previous Year ₹ Nil Lakhs)
- k) Vehicle Lease Paid to:
- Anand Singhal HUF ₹ 9.00 Lakhs (Previous Year ₹ 9.00 Lakhs )
  - Smita Bhartia ₹ Nil Lakhs (Previous Year ₹ 3.00 Lakhs)
- l) Purchase of Material:
- Clariant IGL Specialty Chemicals Private Limited ₹ 490.95 Lakhs (Previous Year ₹ Nil Lakhs)
- m) Sale of Services:
- Clariant IGL Specialty Chemicals Private Limited ₹ 425.12 Lakhs (Previous Year ₹ Nil Lakh)
- n) Security Given:
- Ajay Commercial Co (P) Ltd ₹ 160 Lakhs (Previous Year ₹ Nil Lakhs)
  - J.B. Commercial Co (P) Ltd ₹ 160 Lakhs (Previous Year ₹ Nil Lakhs)
- o) Rental Income:
- Clariant IGL Specialty Chemicals Private Limited ₹ 35.50 Lakhs (Previous Year ₹ Nil Lakhs)
- p) Security Deposit taken:
- Clariant IGL Specialty Chemicals Private Limited ₹ 18.95 Lakhs (Previous Year ₹ Nil Lakhs)
- q) Security Deposit paid back:
- Clariant IGL Specialty Chemicals Private Limited ₹ 16.50 Lakhs (Previous Year ₹ Nil Lakhs)

### Balance Outstanding

- a) ICD Payable (including Accrued Interest):
- Kashipur Holdings Ltd. ₹ 1,813.32 Lakhs (Previous Year ₹ 801.26 Lakhs)
  - Hindustan Wires Ltd. ₹ 2,300 (Previous Year ₹ 1,625.18 Lakhs)
  - J Boseck & Co. (P) Ltd. ₹ 59.31 Lakhs (Previous Year ₹ 850.00 Lakhs)
- b) Others Payable includes:
- J.B. Commercial Co. (P) Limited ₹ 0.01 Lakhs (Previous Year ₹ 0.01 Lakhs)
  - Hindustan Wires ₹ 0.27 Lakhs (Previous Year ₹ Nil)
  - Khaitan & Co. LLP ₹ 2.25 (Previous Year ₹ Nil)
  - Polylink Polymers (India) Ltd ₹ Nil Lakhs (Previous Year ₹ 11.73 Lakhs)
  - Khaitan & Co. ₹ Nil Lakhs (Previous Year ₹ 2.83 Lakhs)
  - KIFTPL ₹ 46.34 Lakhs (Previous Year ₹ 4.43 Lakhs)
  - Rupark Sarswat ₹ 55.60 Lakhs (Previous Year ₹ Nil)
  - Sudhir Agarwal ₹ 0.05 Lakhs (Previous Year ₹ 0.26 Lakhs)
  - Anand Singhal ₹ Nil Lakhs (Previous Year ₹ 1.22 Lakhs)
  - Anand Singhal HUF ₹ 0.74 Lakhs (Previous Year ₹ 0.74 Lakhs)
  - Ankur Jain ₹ 1.09 Lakhs (Previous Year ₹ 0.45 Lakhs)
  - Clariant IGL Specialty Chemicals Private Limited ₹ 89.10 Lakhs (Previous Year ₹ Nil Lakhs)
- c) Security Deposit recoverable:
- Ajay Commercial Co. (P) Limited ₹ 400.00 Lakhs (Previous Year ₹ 240.00 Lakhs)

## Notes to Consolidated Financial Statements

- J.B. Commercial Co. (P) Limited ₹ 400.00 Lakhs (Previous Year ₹ 240.00 Lakhs)
- IGL Infrastructure (P) Limited ₹ 583.85 Lakhs (Previous Year ₹ 583.5 Lakhs)
- US Bhartia ₹ 500.00 Lakhs (Previous Year ₹ 500.00 Lakhs)
- d) Security Deposit Payable
  - Clariant IGL Specialty Chemicals Private Limited ₹ 2.45 Lakhs (Previous Year ₹ Nil Lakhs)
- e) Outstanding Receivable includes:
  - Ajay Commercial Co. (P) Limited ₹ 6.34 Lakhs (Previous Year ₹ 11.97 Lakhs)
  - Hindustan Wires ₹ 0.04 Lakhs (Previous Year ₹ 4.11 Lakhs)
  - IGL Infra ₹ 117.35 Lakhs (Previous Year ₹ 144.80 Lakhs)
  - KIFTPL ₹ 29.09 Lakhs (Previous Year ₹ 13.39 Lakhs)
  - Kashipur Holdings Ltd. ₹ 1.36 Lakhs (Previous Year ₹ Nil Lakhs)
  - Clariant IGL Specialty Chemicals Private Limited ₹ 3,178.27 Lakhs (Previous Year ₹ Nil Lakhs)
- f) Deferred Sale Consideration receivable
  - Clariant IGL Specialty Chemicals Private Limited ₹ 19,106.04 Lakhs (Previous Year ₹ Nil Lakhs)
- g) Interest Receivable
  - Clariant IGL Specialty Chemicals Private Limited ₹ 859.77 Lakhs (Previous Year ₹ Nil Lakhs)

### 55. Dividend on Equity Share

#### Proposed Dividend on equity share not recognized as liability

(₹ in Lakhs)

| Particulars  | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
|--|------------------------------|------------------------------|
| Dividend proposed for Equity shareholders of ₹ 7.5 per share (Previous Year 2020-21 - ₹ 6 per share) | 2,322.11                     | 1,857.69                     |

Above is subject to approval of the shareholders in the Annual General Meeting.

56. (a) In compliance with Ind AS 112 on Disclosure of Interests in Other Entities, following disclosures are made in respect of jointly controlled entity - Kashipur Infrastructure and Freight Terminal Private Limited and Clariant IGL Specialty Chemicals Private Limited (CISCPL), in which the Company is a joint venturer:

(₹ in Lakhs)

|                                      | KIFTPL         |                | CISCPL         |                |
|--------------------------------------|----------------|----------------|----------------|----------------|
|                                      | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Country of Incorporation             | India          |                | India          |                |
| Percentage of Share in Joint Venture | 42.31%         | 42.31%         | 49%            | -              |
| Current Assets                       | 256.11         | 269.94         | 21,741.17      | -              |
| Non- Current Assets                  | 3,832.85       | 4,039.79       | 38,690.63      | -              |
| Current Liabilities                  | 770.69         | 711.56         | 9,137.72       | -              |
| Non- Current Liabilities             | 451.56         | 891.12         | 20,555.62      | -              |
| Revenue                              | 1,165.63       | 856.78         | 43,707.87      | -              |
| Profit/(Loss) for the period         | 159.23         | 71.89          | 1,929.07       | -              |
| Total Comprehensive Income           | 159.66         | 72.46          | 1,938.43       | -              |

### 57. Segment Information

#### Disclosures as required by Indian Accounting Standard (Ind AS) 108 Operating Segments

##### Identifications of Segments:

Segments have been identified in line with Indian Accounting Standard on 'Operating Segments' (Ind AS -108), taking into account the organizational structure as well as the differential risk and returns of this segment and as per the quantitative criteria specified under IND AS. The Company has identified the following segments.

##### Operating Segments:

Bio-based Specialities and Performance Chemicals Segment comprises Glycols, Specialty Chemicals, Natural Gum & other related goods etc.

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

Ennature Biopharma comprises manufacture and sale of Nutraceutical Products.

**Information about Operating Segments (Continuing operations) for the year ended 31-3-2022 & 31-3-2021 is as follows:-** (₹ in Lakhs)

| Particulars                                  | Bio-based Specialties and Performance Chemicals |                   | Potable Spirits   |                   | Ennature Biopharma |                  | Unallocable     |                 | Total             |                   |
|--|---|-------------------|-------------------|-------------------|--------------------|------------------|-----------------|-----------------|-------------------|-------------------|
|  | 31.03.2022                                      | 31.03.2021        | 31.03.2022        | 31.03.2021        | 31.03.2022         | 31.03.2021       | 31.03.2022      | 31.03.2021      | 31.03.2022        | 31.03.2021        |
| <b>A REVENUE</b>                             |   |                   |                   |                   |                    |                  |                 |                 |                   |                   |
| 1 Gross Segment Revenue (External Customers) | 202,599.30                                      | 153,188.04        | 441,925.85        | 374,499.31        | 15,615.65          | 15,059.81        | -               | -               | 660,140.80        | 542,747.16        |
| Inter- Segment                               | -   | -                 | -                 | -                 | -                  | -                | -               | -               | -                 | -                 |
| <b>Total</b>                                 | <b>202,599.30</b>                               | <b>153,188.04</b> | <b>441,925.85</b> | <b>374,499.31</b> | <b>15,615.65</b>   | <b>15,059.81</b> | <b>2,153.80</b> | <b>1,526.12</b> | <b>660,140.80</b> | <b>542,747.16</b> |
| <b>B RESULTS</b>                             |   |                   |                   |                   |                    |                  |                 |                 |                   |                   |
| 1 Segment Result (PBIT)                      | 12,070.27                                       | 6,622.55          | 8,967.06          | 15,361.06         | 3,945.76           | 5,138.14         | (5,338.27)      | (6,807.58)      | 19,644.82         | 20,314.17         |
| 2 Share of Profit/(Loss) of Joint Venture    | -   | -                 | -                 | -                 | -                  | -                | -               | -               | 2,088.31          | 71.89             |
| 3 Interest Expense (Net)                     | -   | -                 | -                 | -                 | -                  | -                | -               | -               | 6,965.90          | 8,338.30          |
| 4 Exceptional Items                          | -   | -                 | -                 | -                 | -                  | -                | -               | -               | 22,133.86         | -                 |
| 5 Tax Expenses                               | -   | -                 | -                 | -                 | -                  | -                | -               | -               | 3,942.64          | 1,127.59          |
| 6 Profit after Tax                           | -   | -                 | -                 | -                 | -                  | -                | -               | -               | 32,958.45         | 10,920.17         |
| <b>C Other information:</b>                  |   |                   |                   |                   |                    |                  |                 |                 |                   |                   |
| 1 Segment Assets                             | 291,670.85                                      | 271,558.31        | 62,313.21         | 52,998.68         | 37,944.51          | 31,744.34        | 71,138.27       | 17,353.84       | 463,066.84        | 373,655.17        |
| 2 Segment Liabilities                        | 94,374.01                                       | 102,734.75        | 43,973.29         | 34,416.20         | 5,890.79           | 3,328.20         | 141,586.52      | 151,155.22      | 285,824.61        | 291,634.37        |
| 3 Depreciation and Amortization expenses     | 6,428.19  | 6,444.93          | 359.28            | 328.27            | 459.09             | 399.87           | 782.27          | 838.77          | 8,028.83          | 8,011.84          |
| 4 Capital Expenditure                        | 30,767.00                                       | 10,657.06         | 2,658.00          | 1,666.49          | 6,234.85           | 2,843.12         | -               | -               | 39,659.85         | 15,166.67         |

Since 1989, there has been a huge shift in industry scenario, products, market dynamics, drivers, technologies as well as the demand of the company's products. The company has therefore evolved quite significantly, expanding into a wide range of synergistic portfolios building on the company's capabilities and responding to the market needs. Considering the same and to represent all its segment in the current context, the company is changing the names of all the segments from Industrial Chemicals, Ethyl Alcohol (Potable) & Nutraceutical to Bio-based Specialties and Performance Chemicals, Potable Spirits & Ennature Biopharma respectively.

**Information about geographical areas:** (₹ in Lakhs)

| Particulars                                | Domestic   |            | Overseas   |            | Total      |            |
|--|------------|------------|------------|------------|------------|------------|
|  | 31.03.2022 | 31.03.2021 | 31.03.2022 | 31.03.2021 | 31.03.2022 | 31.03.2021 |
| Gross Segment Revenue (External Customers) | 595,645.66 | 484,541.96 | 64,495.14  | 58,205.20  | 660,140.80 | 542,747.16 |
| <b>Overseas Country- wise sales:</b>       |            |            |            |            |            |            |
| <b>Particulars</b>                         |            |            |            |            |            |            |
| USA  |            |            |            |            | 2021-22    | 2020-21    |
| Other Countries                            |            |            |            |            | 5,207.52   | 9,102.30   |
| <b>Total</b>                               |            |            |            |            | 59,287.62  | 49,102.90  |
|  |            |            |            |            | 64,495.14  | 58,205.20  |

All non-current assets of the Company are located in India. There is no transaction with single external customer which amounts to 10% or more of the Company's revenue. For Discontinuing Operations - Refer Note -59.

## Notes to Consolidated Financial Statements

### 58. Income Tax

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

#### (A) Amounts recognized in Statement of Profit and Loss

(₹ in Lakhs)

| Particulars  | 2021-22         | 2020-21         |
|--|-----------------|-----------------|
| <b>Tax Expense:</b>  |                 |                 |
| Continued Operations   | 3,942.64        | 1,127.59        |
| Discontinued Operations  | 345.29          | 2,277.85        |
| <b>Total</b>   | <b>4,287.93</b> | <b>3,405.44</b> |
| <b>Tax Expense:</b>  |                 |                 |
| - Current Tax  | 6,221.09        | 1,427.90        |
| - Current Tax for earlier years                                    | -               | (1,713.99)      |
| - Deferred tax Charged / (Credit)                                  | (1,933.16)      | (95.18)         |
| - Deferred tax Charged / (Credit) relating to changes in tax rates | -               | (12,211.41)     |
| - Minimum Alternate Tax Credit entitlement                         | -               | -               |
| - Minimum Alternate Tax Credit Written off                         | -               | 15,998.12       |
| <b>Total</b>   | <b>4,287.93</b> | <b>3,405.44</b> |

#### (B) Income Tax recognised in other comprehensive Income

(₹ in Lakhs)

| Particulars  | 2021-22     | 2020-21        |
|--|-------------|----------------|
| Current Income Tax on Re-measurement losses on defined benefit plans | 2.44        | (99.09)        |
| <b>Total</b>   | <b>2.44</b> | <b>(99.09)</b> |

#### (C) Reconciliation of deferred tax liabilities, net

(₹ in Lakhs)

| Particulars   | 2021-22          | 2020-21          |
|---|------------------|------------------|
| Enacted income tax rate in India applicable to the Company          | 25.17%           | 25.17%           |
| Profit Before Tax   |                  |                  |
| Continuing Operations   | 34,812.78        | 11,975.87        |
| Discontinued Operations   | 1,371.94         | 4,518.39         |
| <b>Total PBT</b>  | <b>36,184.72</b> | <b>16,494.26</b> |
| At Statutory Income Tax Rate  | 9,106.98         | 4,151.28         |
| Current Tax for earlier years                                       | -                | (1,713.99)       |
| Deferred tax Charged / (Credit) relating to changes in tax rates    | -                | (12,211.41)      |
| Minimum Alternate Tax Credit Written off                            | -                | (15,998.12)      |
| Related to sale of non-current investment (LTCL)                    | (1,417.06)       | -                |
| Relating to slump sale of BioEO business                            | (414.35)         | -                |
| Related to Property, Plant & Equipment                              | (109.98)         | (97.12)          |
| Deferred tax Related to house property                              | (3.28)           | (2.90)           |
| Others  | (22.41)          | (142.54)         |
| Deferred Tax Charge/(Credit) not recognized in subsidiary companies | (2,851.97)       | (2,576.00)       |
| Income Tax expense/(income) reported in Statement of P&L Account    | 4,287.93         | 3,405.44         |

## Notes to Consolidated Financial Statements

### (D) Reconciliation of deferred tax liabilities (net)

(₹ in Lakhs)

| Particulars                           | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---------------------------------------|-------------------------|-------------------------|
| <b>Opening Balance</b>                | <b>35,744.18</b>        | 31,953.57               |
| Deferred Tax expense recognised in :- |                         |                         |
| Statement of profit & loss            | <b>(1,933.16)</b>       | (12,306.60)             |
| Other comprehensive income            | <b>(2.44)</b>           | 99.09                   |
| MAT Credit Entitlement                | -                       | 15,998.12               |
| <b>Closing balance</b>                | <b>33,808.58</b>        | 35,744.18               |

The subsidiary Companies have been incurring taxable losses and deferred tax assets (net) amounting to ₹ 2,139.21 Lakhs (Previous Year ₹1,746.01 Lakhs) has not been recognized based on prudence by the subsidiary companies.

### 59. Discontinued Operations

The Board of Directors of the Company at their meeting held on 24<sup>th</sup> June, 2020 had considered and approved transfer of Company's BioEO (Speciality Chemicals) Business to a wholly-owned subsidiary, which was further approved by the members of the Company at their Annual General Meeting held on 24<sup>th</sup> September, 2020. Further, in pursuance to the approval of the Board at their meeting held on 11<sup>th</sup> March, 2021, the Company had entered into a Business transfer agreement with IGL Green Chemical Private Limited (later on name changed to Clariant IGL Green Chemical Private Limited), a wholly owned subsidiary for transfer of Company's BioEO (Speciality Chemicals) Business to IGCPPL and in the same meeting, the Board of Directors of the Company had also approved entering into a joint venture with IGCPPL and Clariant International Ltd., in connection with, inter alia, investment by Clariant in IGCPPL and issuance of subscription shares by IGCPPL to Clariant, which will result in IGCPPL becoming a 51:49 joint venture, in which 51% stake will be held by Clariant and the remaining 49% stake will be held by the Company. The members of the Company had also approved the same by way of a Special Resolution through Postal Ballot effective 25<sup>th</sup> April, 2021.

Further, pursuant to the terms of the JVA and the approvals of the members granted on 25 April 2021, and upon fulfilment of conditions precedent as identified under the JVA, on 30 June 2021, Clariant has invested ₹ 58774 Lakhs in the IGCPPL, and the IGCPPL has allotted and issued 11,240 equity shares (having a face value of ₹ 10/- each) @ ₹ 5,22,905 per share (which includes a premium of ₹ 5,22,895 per share) to Clariant International Ltd., such that the IGCPPL has become a 51 :49 Joint Venture company, in which 51% stake has been held by Clariant International Ltd. and the remaining 49% stake held by the company along with its wholly owned subsidiary.

The Company has transferred 'BioEo (Speciality Chemicals) Business' (specified assets and liabilities including dedicated employees, contracts, licenses, permits, consents, approvals and other legal documents relating to the said business) to IGL Green Chemicals Private Limited (later on name changed to Clariant IGL Specialty Chemicals Private Limited), a wholly owned subsidiary (in accordance with the term of the BTA) with effect from 30<sup>th</sup> June 2021 as a going concern for a lump sum consideration of ₹ 64,954.82 Lakhs by way of slump sale and recognized gain of ₹ 22,133.87 Lakhs (net of BTA expenses) on slump sale of said business, which has been disclosed as exceptional items in financial statements. Details of slump sale is as under.

(₹ In Lakhs)

| Particular                                    | Amount           |
|---|------------------|
| <b>Sale consideration</b>                     | <b>64,954.82</b> |
| Less:   |                  |
| Assets transferred (net of liabilities)       | 40,821.85        |
| BTA Expenses                                  | 1,999.10         |
| <b>Profit on slump sale of BioEO Business</b> | <b>22,133.87</b> |

The aforesaid transaction meets the criteria prescribed in Ind AS 105 " Non-current Assets Held for Sale and Discontinued Operations" to be considered as discontinued operation, hence 'BioEO (Speciality Chemicals) Business' has been disclosed as discontinued operations in Standalone financial statements. Details of income/ expenses, Assets/liabilities and net cash flow of discontinuing operations are as under:

## Notes to Consolidated Financial Statements

(₹ In Lakhs)

| Revenue/Expenses                 | Upto 30.06.2021<br>(3 Months) | 31.03.2021 (12<br>Months) |
|----------------------------------|-------------------------------|---------------------------|
| <b>Revenue from operations</b>   | <b>21,407.13</b>              | <b>66,807.32</b>          |
| Total Expenses                   | 20,035.19                     | 62,288.93                 |
| <b>Profit/ (Loss) before tax</b> | <b>1,371.94</b>               | <b>4,518.39</b>           |
| Tax Expense                      | 345.29                        | 2,277.85                  |
| Profit after tax                 | <b>1,026.65</b>               | <b>2,240.54</b>           |

### The major classes of assets and liabilities

(₹ In Lakhs)

| Particulars                   | 31.3.2022 | 31.03.2021       |
|-------------------------------|-----------|------------------|
| <b>Assets</b>                 |           |                  |
| Property, Plant and Equipment | -         | 15,537.42        |
| Capital work-in-progress      | -         | 705.57           |
| Inventories                   | -         | 6,141.37         |
| Trade receivables             | -         | 15,884.54        |
| <b>Total Assets</b>           | <b>-</b>  | <b>38,268.90</b> |
| <b>Liabilities</b>            |           |                  |
| Trade payables                | -         | 3,357.34         |
| Others                        | -         | 80.05            |
| <b>Total Liabilities</b>      | <b>-</b>  | <b>3,437.39</b>  |

### Net cash flows attributable to the operating, investing and financing activities of discontinued operations:

| Particulars          | 31.03.2022        | 31.03.2021        |
|----------------------|-------------------|-------------------|
| Operating Activities | <b>2,461.52</b>   | <b>5,607.00</b>   |
| Investing Activities | <b>(1,667.76)</b> | (1,780.26)        |
| Financing Activities | <b>(793.93)</b>   | <b>(3,826.74)</b> |

60. Additional Information as required under schedule III of the Companies Act,2013, of the enterprises consolidated as subsidiary & Joint Ventures for the Year 2021-22

(₹ in Lakhs)

| Sl. No     | Name of the entity                                   | Net Assets (i.e., total assets minus total liabilities) |             | Share in profit or (loss)           |           | Other Comprehensive Income          |        | Total Comprehensive Income          |           |
|------------|--|---|-------------|-------------------------------------|-----------|-------------------------------------|--------|-------------------------------------|-----------|
|            |  | As % of consolidated net assets                         | Amount      | As % of consolidated profit or loss | Amount    | As % of consolidated profit or loss | Amount | As % of consolidated profit or loss | Amount    |
| <b>A</b>   | <b>Parent</b>  |   |             |                                     |           |                                     |        |                                     |           |
|            | India Glycols Limited                                | 85.29%  | 1,51,176.04 | 83.98%                              | 28,539.09 | 15.35%                              | (7.26) | 84.07%                              | 28,531.83 |
| <b>B</b>   | <b>Subsidiaries</b>                                  |   |             |                                     |           |                                     |        |                                     |           |
| <b>(a)</b> | <b>Indian</b>  |   |             |                                     |           |                                     |        |                                     |           |
| 1          | Shakumbari Sugar & Allied Industries Limited (SSAIL) | (2.24%)   | (3,977.15)  | 1.60%                               | 544.70    | -                                   | -      | 1.61%                               | 544.70    |
| 2          | IGL Finance Limited                                  | 0.15%   | 269.44      | 0.00%                               | (0.46)    | -                                   | -      | 0.00%                               | (0.46)    |
| 3          | Ennature Bio Pharma Private Limited                  | 0.00%   | 0.63        | 0.00%                               | (0.37)    | -                                   | -      | 0.00%                               | (0.37)    |
| 4          | IGL Chemicals and Services Private Limited           | 0.00%   | 0.48        | 0.00%                               | (0.52)    | -                                   | -      | 0.00%                               | (0.52)    |



## Notes to Consolidated Financial Statements

|     |   |             |                    |             |                  |             |                |             |                  |
|-----|---|-------------|--------------------|-------------|------------------|-------------|----------------|-------------|------------------|
| (b) | Foreign   |             |                    |             |                  |             |                |             |                  |
| 1   | IGL Chem International PTE LTD  | (0.12%)     | (220.10)           | 0.65%       | 221.61           | 34.49%      | (16.38)        | 0.60%       | 205.23           |
| 2   | IGL Chem International USA LLC  | (0.09%)     | (152.57)           | (0.32%)     | (109.56)         | 10.34%      | (4.91)         | (0.34%)     | (114.47)         |
| (C) | Minority Interest   | (1.10%)     | (1,947.72)         | -           | -                | -           | -              | -           | -                |
| (D) | Joint Venture (as per Equity Consolidation Method)                    |             |                    |             |                  |             |                |             |                  |
| (a) | Indian  |             |                    |             |                  |             |                |             |                  |
|     | Kashipur Infrastructure and Freight Terminal Private Limited (KIFTPL) | 1.62%       | 2,866.71           | 0.47%       | 159.23           | (0.91%)     | 0.43           | 0.47%       | 159.66           |
|     | Clariant IGL Specialty Chemicals Private Limited (CISCPL)             | 17.34%      | 30,738.46          | 5.68%       | 1,929.07         | (19.69%)    | 9.35           | 5.71%       | 1,938.43         |
|     | Eliminations  | (0.85%)     | (1,511.99)         | 7.95%       | 2,702.31         | 60.41%      | (28.69)        | 7.88%       | 2,673.61         |
|     | <b>TOTAL</b>  | <b>100%</b> | <b>1,77,242.23</b> | <b>100%</b> | <b>33,985.10</b> | <b>100%</b> | <b>(47.49)</b> | <b>100%</b> | <b>33,937.61</b> |

### 61. Event Occurring After Balance Sheet Date

The Board of Directors has recommended Equity dividend of ₹ 7.5 per share (previous year ₹ 6 per share) for the financial year 2021-22.

### 62. Financial Ratio Analysis\*\*

| Ratio                                       | Numerator   | Denominator   | 2021-22       | 2020-21 |
|---|---|---|---------------|---------|
| Current ratio (in times)                    | Total current assets  | Current liabilities = Total current liabilities - Current maturities of long term borrowings  | <b>1.00</b>   | 0.95    |
| Debt-Equity ratio (in times)*               | Total debts   | Total equity  | <b>0.58</b>   | 0.96    |
| Debt service coverage ratio (in times)*     | Earning for Debt Service = Net Profit after taxes + Depreciation + Other non-cash adjustments | Debt service = Interest on term loan + Term loan Principal repayments   | <b>2.76</b>   | 2.17    |
| Return on equity ratio (in %)*              | Net Profit after tax for the year   | Average total equity  | <b>23%</b>    | 12%     |
| Inventory Turnover ratio (in times)         | Net Turnover (exclude excise duty)  | Average Inventory   | <b>4.52</b>   | 4.41    |
| Trade receivables turnover ratio (in times) | Net Turnover (exclude excise duty)  | Average trade receivables   | <b>6.71</b>   | 5.48    |
| Trade payables turnover ratio (in times)    | Net credit purchases  | Average trade payables  | <b>3.48</b>   | 2.89    |
| Net capital turnover ratio (in times)^      | Net Turnover (exclude excise duty)  | Average working capital (i.e. Total current assets less current liabilities) (Current liabilities = Total current liabilities - Current maturities of long term borrowings) | <b>492.40</b> | (33.91) |
| Net profit ratio (in %)*                    | Net Profit after tax for the year   | Net Turnover (exclude excise duty)  | <b>11%</b>    | 4%      |
| Return on capital employed (in %)*          | Profit before tax and finance costs   | Capital employed = Net worth + Total Debts + Deferred tax liabilities   | <b>15%</b>    | 11%     |
| Return on investment (in %)                 | Income generated from invested funds  | Average invested funds in treasury investments  | <b>NA</b>     | NA      |

## Notes to Consolidated Financial Statements

\*The variation in Return on equity/capital employed/Net profit ratio/DSCR/Debt Equity ratio as at March 31, 2022 as compared to March 31, 2021 is primarily due to Profit on slump sale of BioEO Business.

^ The variation in Net capital turnover ratio as at March 31, 2022 as compared to March 31, 2021 is primarily due to increase of current assets and decrease of short term borrowing.

\*\*Financial numbers of discontinued operation have also been considered for the purpose of calculation of financial ratio.

### 63. Other Statutory Information:

- a. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- b. There are no transactions and / or balance outstanding with companies struck off under section 248 of the Companies Act, 2013.
- c. The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - ii) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f. The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - ii) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- g. The Group does not have any transactions which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- h. The Group does not have any investments through more than two layers of investment companies as per section 2(87) (d) and section 186 of Companies Act, 2013.
- i. The Title deeds of the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Group.
- j. The Group has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Group with such banks are in agreement with the books of accounts of the Group.
- k. The Group has adhered to debt repayment and interest service obligations on time. Wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
- l. Term loans availed by the Group were, applied by the Group during the year for the purposes for which the loans were obtained.

64. The figures of the previous period/year have been restated/regrouped wherever necessary, to make them comparable.

As per our report of even date  
**For K N Gutgutia & Co.**  
Chartered Accountants  
Firm Registration no. 304153E

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

**Sudhir Agarwal**  
*Executive Director*  
DIN - 08602216

**B.R.Goyal**  
Partner  
Membership Number 12172

**Rupark Sarswat**  
Chief Executive Officer

**Anand Singhal**  
Chief Financial Officer

Place : Noida, UP  
Date : May 26, 2022

**Ankur Jain**  
Company Secretary



## INDIA GLYCOLS LIMITED

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