IGPL

I G PETROCHEMICALS LIMITED

30th ANNUAL REPORT

2018-19

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Please find our online version at
igpetro.com/annual-report#main-content
Or simply scan to download

30th Annual General Meeting

Date and Time:
5th August, 2019 at 3:00 p.m.

Venue:
Hotel Mandovi, D B Bandodkar Road, Panaji, Goa - 403001

Expand Evolve Excel

In today's business era, every industry has been experiencing massive business changes. Thanks to the accelerating advancement in technologies that are continuously shaping the customer demand. Driven by the need for agility, businesses have realigned their strategies to capture opportunities to grow bigger, stay competitive and most importantly, to constantly evolve.

At I G Petrochemicals (IGPL), we have always embraced changes in the operating environment and made the most of unfolding opportunities. We have stepped up by expanding our manufacturing strength and introducing diversified and innovative products. With the right strategic actions, technological expertise and a robust core, we are well-positioned to widen our reach across markets.

Over the years, we have strengthened global technology collaborations and focused on excellent quality and operational efficiencies. As we look towards the future, we are confident that our strategies will sustain our market leadership and create greater value for the stakeholders.

I G Petrochemicals at a glance

Established in the year 1988, I G Petrochemicals Limited (IGPL), has evolved as India's largest manufacturer of Phthalic Anhydride (PA). Being part of the renowned Dhanuka Group, the Company enjoys a strong foundation and rich legacy of over three decades.

A downstream product of orthoxylene (OX), PA is widely used in various consumer durable and non-durables. The Company's manufacturing strength includes strategically located plant at Taloja, Maharashtra, with best-in-class equipment and cutting-edge technology.

IGPL has steadily grown as the lowest cost and amongst the top five manufacturer of PA globally backed by extensive R&D capabilities, superior quality and efficient processes. With rising innovative usage of PA in end-user industries, enhanced production capacities and marquee clients, IGPL is well-established to grow higher in the global PA market.

TOTAL REVENUE FOR THE YEAR 2018-19

₹ 1,311 crores

PROFIT AFTER TAX FOR THE YEAR 2018-19

₹ 116 crores

Vision

To be well diversified chemicals company with leadership position in Phthalic Anhydride Industry

Mission

To consistently focus on delivering superior quality products by technological upgradation and utilising the expanded production capacities to provide the customers maximum value at the most competitive price.

Business Segments

Phthalic Anhydride (PA)

PA is a white crystalline solid which transforms to colourless liquid upon heating. It is a versatile intermediate in organic chemistry for the production of Plasticizers, Unsaturated Polyester Resins, Alkyd Resins, Paints & CPC Pigments. Over the years, PA has witnessed innovative applications backed by increasing research activities.

Maleic Anhydride (MA)

MA is an organic chemical intermediate used in various fields of industrial chemistry. IGPL is India's only manufacturer of MA made with wash water, which is derived through production of PA.

End-user industry

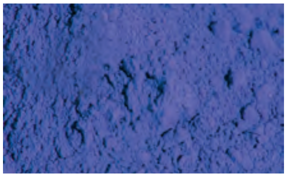
- Spandex (Elastics)
- Unsaturated Polyester Resins (UPR)
- Lubricating Oil Additives
- Personal Care Products
- As a precursor to compounds used for water treatment detergents, insecticides and fungicides

1

Plasticizers

Used in manufacturing poly vinyl chloride (PVC) products which is used for producing a range of consumer care, personal care and home care products like shoes, wires & cables, pipes & hoses, boxes, containers, packaging films, medical and surgical equipment

2



CPC Pigments

Used for making inks & photovoltaic cells

3

Alkyd Resins

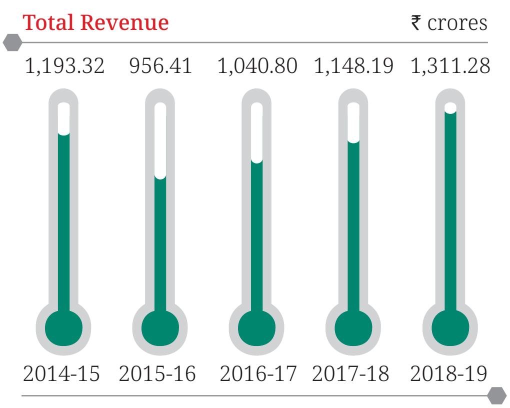
Used in manufacturing of paints and coatings

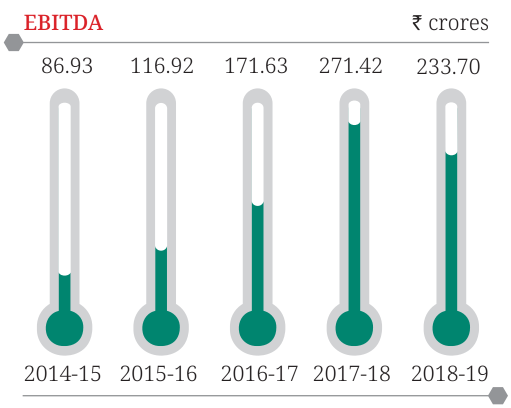
4

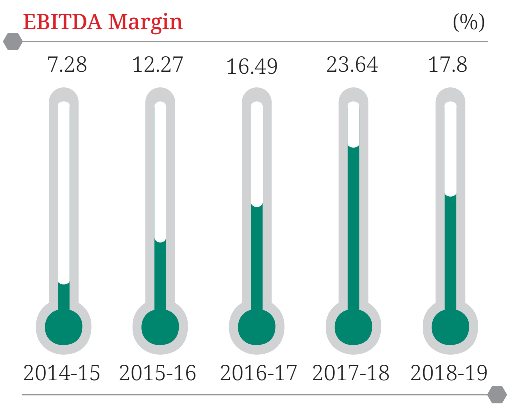
Unsaturated Polyester Resins

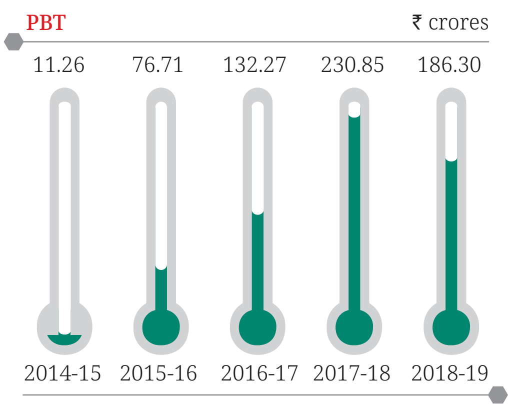
Used as thermostat for manufacturing fiberglass reinforced plastics for automobile, construction, marine and transportation industries

Key Performance Indicators

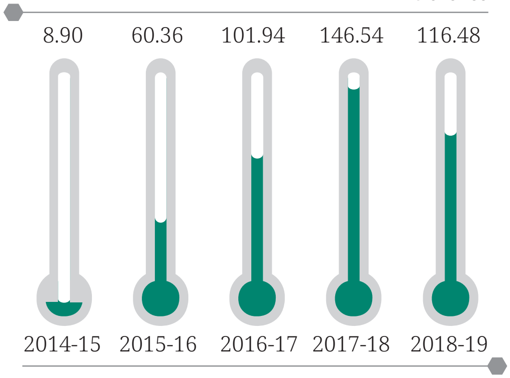




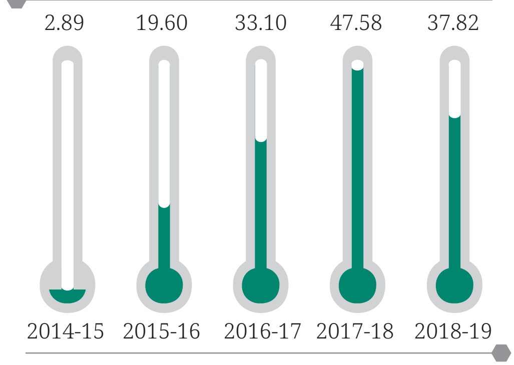




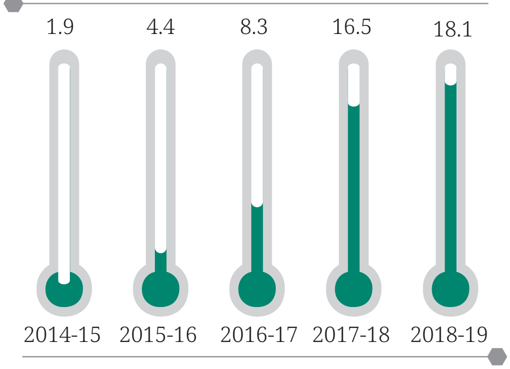
PAT ₹ crores



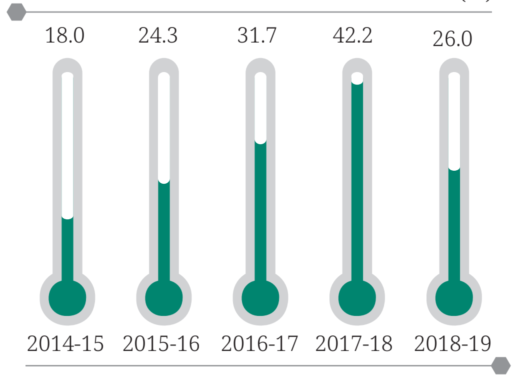
EPS (₹ per share)



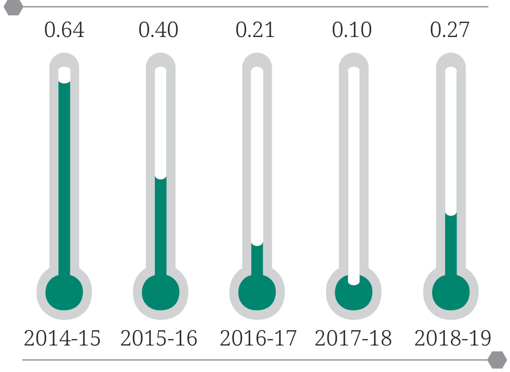
Interest Coverage Ratio (Times)



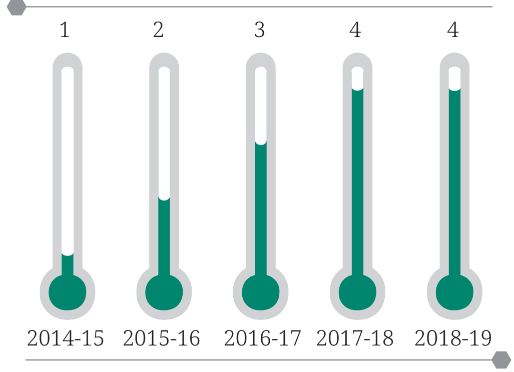
ROCE (%)



Debt-Equity



Dividend declared (₹ per equity share)



Note

EBITDA: Earnings before Interest, Tax, Depreciation and Amortisation, PBT: Profit before Tax, PAT: Profit after Tax, EPS: Earning per Share, ROCE: Return on Capital Employed

At IGPL, our growing operational efficiency is a measure of the Company's impeccable strategic decisions, aptly supported by core competencies. The result is a balanced performance.

Over the years, we have evolved by consistently catering to the demand of our clients by strengthening the manufacturing capacity continuously. During the past two years, we committed significant capital expenditure by initiating brownfield expansion of PA4 plant. With an increased capacity, IGPL will be placed among the top three manufacturers of PA globally. The expansion will result in the Company becoming the largest merchant PA plant in the world at a single location. The Company is well-poised to reap the benefits post the commencement of production by December 2019.

Expanding capabilities

Thriving on core competencies

ISO certified from Bureau Veritas

QUALITY MANAGEMENT SYSTEM
ISO 9001:2008

ENVIRONMENT MANAGEMENT SYSTEM
ISO 14001:2004

Key growth enablers

- Domestic Leader with 50% Market share
- Strategically Located Manufacturing Facility
- High Capacity Utilisation of PA
- Lowest Cost Producer of PA with Efficient Processes
- Diversified Product Use with Strong Clientele

Our well-planned strategies have played a pivotal role in driving the Company's performance in last few years. Superior quality products have kept us ahead of the curve with enhanced market share across geographies. Strong R&D capabilities have helped diversify our offerings to meet rising customer demand.

We initiated the next phase of growth by diversifying our product portfolio and foraying into new downstream advanced plasticizers. With the supply of these products expected to commence by FY 2020, the Company will move up the value chain, enhance offerings and reinforce margins.

Evolving constantly

Winning through diversification

Balanced Scorecard over the Years

(₹ in crores, except EPS)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Total Revenue (Net)	1,193.32	956.41	1,040.80	1,148.19	1,311.28
Gross Profit / EBIDTA	86.93	116.92	171.63	271.42	233.70
Finance Cost	38.17	22.67	18.24	14.88	11.43
Depreciation & Amortisation	16.39	17.54	21.12	25.70	26.54
Profit before Extraordinary Item & Tax	32.37	76.71	132.27	230.85	195.80
Profit Before Tax @	11.26	76.71	132.27	230.85	186.30
Tax Expense	2.36	16.35	30.33	84.30	69.82
Profit After Tax	8.90	60.36	101.94	146.54	116.48
Equity Share Capital	30.79	30.79	30.79	30.79	30.79
Net Worth	238.81	291.76	392.51	528.10	628.73
Earnings Per Share (EPS) of ₹ 10 each					
Before Extraordinary Item	9.74	19.60	33.10	47.58	37.82
After Extraordinary Item	2.89	19.60	33.10	47.58	37.82

@ Profit before tax for 2014-15 is after provision of arrears of depreciation of ₹ 21.11 crores

Managing Director's Message

In terms of financial performance, the Company delivered a healthy performance in FY 2018-19 on the back of sustained efforts to improve operational efficiencies.

Dear Fellow Shareholders,

I am delighted to share my thoughts on the performance of your company during FY 2018-19. Amid external challenges, we reported satisfactory outcome, built on strong fundamentals and optimised business operations.

The first half of the year witnessed a notable recovery of investment and private consumption in the country. On the structural reforms front, the implementation of Goods and Services Tax (GST) and Insolvency & Bankruptcy Code (IBC) continued to evolve during the year. However, the economic growth moderated in the second half owing to fluctuating crude oil prices, depreciating currency and liquidity concerns amid a global slowdown. With sluggish growth in the agriculture and manufacturing sectors, the country grew at 6.8% in the FY 2018-19.

Despite the headwinds, India remained one of the fastest growing economies in the world. The country's long-term growth potential stands undisputed backed by a host of reforms undertaken recently, which have laid down a strong foundation for the economy. I am optimistic that the new Government will provide further impetus to the growth story of the country.

Industry scenario

The global PA market spans across five regions namely Asia Pacific, North America, Europe, Latin America and the Middle East & Africa. Asia Pacific region is the major producer of PA, followed by Europe and North America. The PA market is expected to reach US$ 9.61 billion globally, by the end of 2020. Asia Pacific is likely to emerge as the fastest growing as well as the largest PA market by the end of 2023.

The year 2018 was marked by volatile crude oil prices which inflated the raw material prices for PA as well. However, with crude prices stabilising in 2019, the PA industry is expected to recover margins. The market size of domestic PA industry stands strongly at 3,75,000 MTPA in 2018 and is expected to grow faster by 7-8% annually. We expect demand to get a thrust from the growing end-user industries like construction, automobile, electronics, paints & coatings among others. The new Government's rising focus on structural reforms, infrastructure and housing development will further fuel the demand for PA.

Performance review

In terms of financial performance, the Company delivered a healthy performance in FY 2018-19 on the back of sustained efforts to improve operational efficiencies. The Company's revenue increased by 14% during the year to ₹ 1,311 crores. EBITDA and PAT stood at ₹ 234 crores and ₹ 116 crores, respectively. Volatile crude oil prices and geopolitical issues in global market led to a significant rise in the prices of raw material. As a result, the overall EBITDA Margins and profitability of the Company were impacted to some extent. However, with recent stability in crude oil prices and a sharp decline in PX prices (a co-product of OX), we expect the margins to improve going ahead. Our Directors have recommended a dividend of 40% i.e. ₹ 4 per equity share of ₹ 10 each.

Expanding and Evolving

Our sustainable growth in FY 2018-19 was supported by some key strategic decisions taken two years back, with continuous focus on innovation. We initiated capacity expansion, anticipating rising PA demand in the industry. The brownfield expansion of PA4 is in final stage and is expected to come on stream by the end of 2019. Further, we plan to introduce advance plasticizers by FY 2020 in order to diversify our existing product mix.

The PA4 expansion will result in additional wash water, which will be used to generate MA capacity for the Company. Higher MA capacity will further support our strong position in the industry. Overall, our holistic strategies will lead to greater visibility across geographies and better value for the customers.

Looking ahead

We made considerable progress in building a firm base to support our focus on achieving a sustainable growth. The year ahead will certainly be more exciting, as we reach towards the completion of our expansion initiatives and derive the desired benefits.

Before I conclude, I appreciate all our employees, who have played a great role in the Company's growth. I thank our Directors for their invaluable inputs and motivation, which has been instrumental to our growth journey. I also extend my gratitude to our customers, bankers, suppliers, Government authorities and the growing fraternity of shareholders for their continuous trust and support in our vision.

Yours sincerely,

Nikunj Dhanuka,

Managing Director & CEO

Corporate Social Responsibility

At IGPL, we believe in a business model where we grow together with the surrounding community. Thus, we have adopted the latest environment-friendly technologies in our manufacturing process. We concentrate on uplifting the weaker section of our society through diverse initiatives in the areas of education, healthcare, livelihood and community services. The CSR Committee is responsible for discharging the Company's obligation of giving back to the society.

Community Service & Healthcare

- Helped communities thrive through our association with Param Shantidham Vridhasharam, Blind Organisation of India and District Disaster Response Fund
- Supported various charitable trusts such as the Akshaya Patra Foundation, ISCKON among others to uplift the lives of underprivileged sections in the society

Education

- Aspired to facilitate child education through our endeavours in Vrindavan to construct a school
- Committed to enhance education opportunities by supporting Audogik Prashikshan Sansthan in Mumbai and Ama Utkarsha charitable trust in Odisha

Environment

- Adopted environment-friendly technologies in our manufacturing processes to reduce wastage and provide the workforce with a safe and healthy working environment

Notice

NOTICE is hereby given that the 30th Annual General Meeting of the members of I G Petrochemicals Limited (CIN:L51496GA1988PLC000915) will be held on Monday, 5th August, 2019 at 3.00 p.m. at Hotel Mandovi, D B Bandodkar Road, Panaji, Goa – 403 001, to transact the following business:

AS ORDINARY BUSINESS

1. To consider and adopt the standalone and consolidated audited financial statements of the Company for the financial year ended 31st March, 2019 and the Report of the Board of Directors and the Auditors' Report thereon.
2. To declare Dividend.
3. To appoint a Director in place of Shri M M Dhanuka (DIN 00193456) who retires by rotation and being eligible offers himself for re-appointment.

AS SPECIAL BUSINESS

4. **Re-appointment of Shri Nikunj Dhanuka as Managing Director & CEO**

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

   "**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules made thereunder (including any statutory modification from time to time or any re-enactment thereof for the time being in force) read with Schedule V to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Company be and is hereby accorded to the re-appointment of Shri Nikunj Dhanuka (DIN 00193499) as Managing Director and Chief Executive Officer for a period of three years with effect from 27th April, 2019 on the remuneration, terms and conditions as recommended by the Nomination and Remuneration Committee and as set out in the explanatory statement annexed to the notice and contained in the agreement entered into and approved by the Board of Directors of the Company.

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary such terms of appointment and remuneration subject to the recommendation of the Nomination and Remuneration Committee and within the limits specified in Schedule V to the Act and as may be agreed by Shri Nikunj Dhanuka.

   RESOLVED FURTHER THAT any one Director or Company Secretary of the Company be and are hereby severally authorized to do all necessary acts, deeds and things, as may be necessary to give effect to the resolution."

5. **Re-appointment of Shri Rajesh Muni as an Independent Director**

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

   "RESOLVED THAT pursuant to the provisions of Sections 149(10), 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the SEBI Listing Regulations"), Shri Rajesh Muni (DIN 00193527), whose term of office as Independent Director expires on 25th July, 2019, who has given his consent for his re-appointment and has submitted a declaration that he meets the criteria of independence under Section 149 of the Act and the SEBI Listing Regulations and is eligible for re-appointment, in respect of whom the Company has received Notice in writing from a member under Section 160 of the Act, proposing his re-appointment as Director, be and is hereby re-appointed as an Independent Director of the Company for a second term of five consecutive years with effect from 26th July, 2019."

6. **Re-appointment of Shri P H Ravikumar as an Independent Director**

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

   "RESOLVED THAT pursuant to the provisions of Sections 149(10), 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the SEBI Listing Regulations"), Shri P H Ravikumar (DIN 00280010), whose term of office as Independent Director expires on 25th July, 2019, who has given his consent for his re-appointment and has submitted a declaration that he meets the criteria of independence under Section 149 of the Act and the SEBI Listing Regulations and is eligible for re-appointment, in respect of whom the Company has received Notice in writing from a member under Section 160 of the Act, proposing his re-appointment as Director, be and is hereby re-appointed as an Independent Director of the Company for a second term of five consecutive years with effect from 26th July, 2019."

7. **Re-appointment of Dr. A K A Rathi as an Independent Director**

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

"RESOLVED THAT pursuant to the provisions of Sections 149(10), 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the SEBI Listing Regulations"), Dr. A K A Rathi (DIN 00209505), whose term of office as Independent Director expires on 25th July, 2019, who has given his consent for his re-appointment and has submitted a declaration that he meets the criteria of independence under Section 149 of the Act and the SEBI Listing Regulations and is eligible for re-appointment, in respect of whom the Company has received Notice in writing from a member under Section 160 of the Act, proposing his re-appointment as Director, be and is hereby re-appointed as an Independent Director of the Company for a second term of five consecutive years with effect from 26th July, 2019."

8. **Payment of remuneration to the Non-Executive Director**

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

"**RESOLVED THAT** pursuant to the approval of the members at the Annual General Meeting held on 20th September, 2017 for the payment of remuneration by way of commission to the Non-Executive Directors of the Company and in accordance with the Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, consent of the Company be and is hereby accorded for the payment of remuneration by way of commission to Shri M M Dhanuka, Non-Executive Director of the Company exceeding fifty per cent of the total remuneration payable to all Non-Executive Directors of the Company for the financial year 2018-19 as set out in the explanatory statement annexed to the notice."

9. **Ratification of Remuneration of Cost Auditor**

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

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 45,000/- plus taxes as applicable and reimbursement of actual travel and out-of-pocket expenses for the financial year ending 31st March, 2020 as approved by the Board of Directors of the Company, payable to M/s. Krishna S & Associates, Cost Accountants, (Firm Registration No. 100939) to conduct the audit of the cost records of the Company, be and is hereby ratified and confirmed."

By Order of the Board
For I G Petrochemicals Limited

Mumbai — **Sudhir R Singh**
22nd May, 2019 — Company Secretary
Registered Office
T-10, 3rd Floor, Jairam Complex
Mala, Neugi Nagar, Panaji, Goa – 403 001.

Notes

1. The Explanatory Statements pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting is annexed hereto and forms part of the Notice.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY MAY APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

3. Proxies in order to be effective must be received by the Company at its Registered Office not later than 48 hours before the commencement of the meeting. A person can act as a Proxy for not more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a Proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a Proxy for any other person.

4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorising their representative to attend and vote on their behalf at the meeting.

5. A statement giving the relevant details of the Directors seeking re-appointments under item Nos. 3 to 7 of the accompanying Notice as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto. The Directors have furnished the requisite declaration for their re-appointments.

6. The Register of Members and Share Transfer Books of the Company will remain closed on Tuesday, 30th July, 2019 and Wednesday, 31st July, 2019 (both days inclusive) for the purpose of Annual General Meeting (AGM) and payment of dividend, if declared.

7. If dividend as recommended by the Board of Directors is approved at the meeting, payment will be made on or after 13th August, 2019 as under:

    a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on 29th July, 2019;

    b) To all Members holding shares in physical form, whose names stand on the Register of Members of the Company on 29th July, 2019.

8. Members are requested to immediately intimate change of address, if any, to the Company/Registrar & Share Transfer Agents (RTA).

9. During the year, there was no amount which was liable to be transferred to the Investor Education and Protection Fund (IEPF) in terms of Sections 124 of the Companies Act, 2013. A statement of unclaimed dividend declared at the last AGM held on 27th August, 2018 is available on the Company's website www.igpetro.com.

    Further, pursuant to the provisions of Section 124(5) and Section 124(6) of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") and amendments thereto, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the demat account of the IEPF authority.

10. The Members whose shares have been transferred to the IEPF Authority may claim the shares by making an application to IEPF Authority in Form IEPF 5 at www.iepf.gov.in. Member should note that only one consolidated claim can be filed in a financial year as per the IEPF Rules. Members are advised to claim any un-encashed dividends before it becomes due for transfer to IEPF.

11. Electronic copy of the Annual Report is being sent to the members whose email ID's are registered with the Company/ Depository Participants for communication purposes. For members who have not registered their email address, physical copies are being sent in the permitted mode and they are requested to register their e-mail address with the Company to facilitate the faster receipt of communication and avoid any possible loss in postal transit apart from benefits resulting out of reduction in paper consumption and contributing towards a greener environment. The Members can download the e-mail registration form from the Company's website www.igpetro.com. Members may note that even after registering their e-mail address, they shall always have a right to ask for a physical copy of the annual report. In case of any change in email ID, members are requested to notify such change to the Company/RTA (for shares held in physical form) or to their respective Depository Participants (for shares held in demat form)

12. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company/ RTA for assistance in this regard.

13. In case of joint holders attending the meeting, 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.

14. Shareholders whose bank details are not registered with the Company are requested to immediately notify the name of the bank and the branch, MICR No., IFSC, the nature of account and their Core Banking Solutions account number (CBS A/c No.) to the Company/RTA, in respect of shares held in physical form and to their Depository Participant in case of shares held in electronic form. Shareholders may note that payment of dividend without bank details is prohibited.

15. Shareholders may note that in terms of the notification no. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018 issued by SEBI, the transfer of securities shall not be processed unless the securities are held in the dematerialized form with effect from 1st April, 2019 except in case of transmission or transposition of securities. However Members can continue to hold shares in physical form. Members may also note that those who have lodged the share transfer deed on or before 31st March, 2019 and which have been returned by our RTA due to deficiency in the document may be lodged again even after 1st April, 2019 after necessary corrections, as may be applicable.

16. Members may also note that the Notice of the 30th AGM and the Annual Report for the year 2018-19 will also be available on the Company's website www.igpetro.com for download.

17. A route map showing directions to reach the venue of the meeting is produced in the Annual Report.

18. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal working days, up to and including the date of the Annual General Meeting of the Company.

19. The Company is providing the facility to the Members to cast their vote by electronic means i.e. through the e-voting services provided by NSDL on all resolutions set forth in this Notice and the Members may transact such vote on resolutions through such e-voting.

20. The facility for voting by ballot or polling paper shall also be made available to the Members at the meeting and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to vote either through ballot or polling at the meeting. However, Members who have cast their vote by remote e-voting prior to the meeting may attend the meeting but they shall not be able to cast their vote again at the meeting.

PROCESS FOR MEMBERS OPTING FOR E-VOTING

The instructions for shareholders voting electronically are as under:

In compliance with provisions of the Act and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-voting services provided by NSDL.

The remote e-voting period commences on Friday, 2nd August, 2019 (9:00 am) and ends on Sunday, 4th August, 2019 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of i.e. 29th July, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

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

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

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

Details on Step 1 is mentioned below:

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

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

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

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

5. Your User ID details are given below :
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN,your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

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

Details on Step 2 is given below:

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter, etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mferraocs@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
4. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 29th July, 2019.
5. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 29th July, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to Issuer/RTA.

   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 or contact NSDL at the following toll free no.: 1800-222- 990.
6. 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 shall only be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
7. Shri Martinho Ferrao (Membership No. 6221) or failing him Shri Shiv Kumar Vaishy (Membership No. 45528) Practicing Company Secretaries has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
8. 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 "remote e-voting" or "Ballot Paper" or "Poll Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

9. The Results alongwith the report of the Scrutinizer shall be placed on the website of the Company www.igpetro.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

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

ITEM NO. 4

Shri Nikunj Dhanuka was re-appointed as Managing Director and CEO of the Company for a period of three years with effect from 27th April, 2016 by the members of the Company at an Annual General Meeting held on 31st August, 2016 which term expired on 26th April, 2019.

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors re-appointed Shri Nikunj Dhanuka as Managing Director and CEO for a period of three years with effect from 27th April, 2019, subject to the approval of the members, on the remuneration, terms and conditions as set out herein.

Shri Nikunj Dhanuka is associated with the Company since 1998 and has played an instrumental role in the growth of the Company over the last several years. He possesses diverse experience and extensive knowledge on the functioning of Chemical Industries, Finance and Banking and in charge of the overall affairs of the Company. Under his leadership, the overall performance of the Company has been growing at a brisk pace with significant year-on-year improvement in margins during the last few years.

Taking into account the duties and responsibilities shouldered by Shri Nikunj Dhanuka and the prevailing managerial remuneration with the competitor industries and the recommendation of the Nomination and Remuneration Committee, the Board of Directors proposes the remuneration, terms and conditions of the re-appointment of Shri Nikunj Dhanuka as Managing Director and Chief Executive Officer for the approval of the members of the Company as set out below:

a. **Remuneration :** ₹ 7,50,000/- per month with such increases as may be determined by the Board of Directors of the Company (which term includes any Committee thereof) from time to time.

b. **Personal Pay :** Equivalent to two months remuneration with such increases as may be determined by the Board of Directors of the Company from time to time.

c. **Commission :** Upto 1.50% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013.

d. **Tenure :** For a period of three years w.e.f. 27th April, 2019 and he shall be liable to retire by rotation.

e. **Perquisites & Allowances :** In addition, he shall also be entitled to the following perquisites which are classified as:

   i) **Housing :** He will be entitled to the House Rent Allowance of ₹ 90,000/- per month.

   ii) **Leave :** Earned leave with full pay and allowances as per the rules of the Company but not exceeding one month's leave for every 11 months of service. Encashment of leave at the end of the tenure as per the rules of the Company will be allowed.

   iii) **Club fees :** Subject to a maximum of two clubs.

   iv) **Insurance :** Cost of insurance in respect of mediclaim policy for self and family and personal accident insurance shall be borne by the Company.

   v) **Retireal benefits :** Contribution to provident fund, superannuation fund or annuity fund as per rules of the Company. Gratuity payable shall not exceed half month's salary for each completed year of service.

vi) Car: Provision for use of car and telephone as per the rules of the Company.

vii) Other perquisites: Subject to the overall ceiling on remuneration, Shri Nikunj Dhanuka may be given any other allowances, benefits, perquisites and facilities as the Board of Directors of the Company may decide from time to time.

MINIMUM REMUNERATION

Where, in any financial year during his tenure, the Company has no profits or its profits are inadequate, the above remuneration, bonus, perquisites, other allowances and commission, if applicable, shall be paid as the minimum remuneration pursuant to the provisions under Section II of Part II of Schedule V to the Companies Act, 2013 and Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The Directors recommends the Special Resolution for approval of the members.

Except for Shri Nikunj Dhanuka none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested in the said resolution.

STATEMENT OF INFORMATION UNDER PART II, SECTION II(B)(IV) OF THE SCHEDULE V TO THE COMPANIES ACT, 2013

I. General Information

Nature of Industry	Manufacture of chemicals
Date or expected date of Commercial Production	The Company has already commenced its business activities.
In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
Financial performance	The financial performance of the Company is stated in the audited accounts.
Foreign investments or collaborations, if any	Nil

II. Information about the appointee

Background details	Given in the body of this statement
Past Remuneration	FY 2016-17 – ₹ 285.36 lakhs FY 2017-18 – ₹ 441.92 lakhs FY 2018-19 – ₹ 372.34 lakhs
Recognition and Awards	Nil
Job profile and his suitability	Given in the body of this statement
Remuneration proposed	As mentioned in the resolution
Comparative remuneration profile with respect to industry, size of company, profile of the position and person	The proposed remuneration is as per the prevailing standards in the chemical industries.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Apart from receiving managerial remuneration, he does not have any other pecuniary relationship with the Company.

III. Other information:

1. Reasons for loss or inadequate profits: Not applicable
2. Steps taken or proposed to be taken for improvement: The Company continuously monitors the areas for improvement and necessary steps are taken as and when required.

3. Expected increase in productivity and profits in measurable terms: It is subject to market conditions.

IV. Disclosures:

The relevant disclosures under this head forms part of the Corporate Governance Report.

The above explanatory statement (together with Annexure thereto) shall be construed to be memorandum setting out the terms of the re-appointment as specified under Section 190 of the Companies Act, 2013.

ITEM NOS. 5 TO 7

The members of the Company at an annual general meeting held on 26th July, 2014 had appointed Shri Rajesh Muni, Shri P H Ravikumar and Dr. A K A Rathi as Independent Director of the Company for a term of five years in accordance with the provisions of Section 149, 152 and Schedule IV of the Companies Act, 2013 (“the Act”) read with the relevant Rules thereunder. Their respective term shall end on 25th July, 2019.

In terms of the provisions of Sections 149(10) of the Act, the Independent Directors shall be eligible for re-appointment for the second term on passing of the special resolution by the members of the Company. Shri Rajesh Muni, Shri P H Ravikumar and Dr. A K A Rathi have consented for their respective re-appointment as Independent Directors and have also submitted a declaration that they meet the criteria for independence under Section 149 of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and that they are eligible to be re-appointed. In the opinion of the Board of Directors, they fulfill the conditions for their re-appointment as Independent Directors and they are independent of the Management. The Company has also received Notices in writing from a member under Section 160 of the Act, proposing their respective re-appointment as Director.

The Board of Directors have carried out the performance evaluation of the above named independent directors in terms of Schedule IV to the Act and SEBI Listing Regulations and accordingly based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have recommended their re-appointment for a second term of five consecutive years with effect from 26th July, 2019 without being liable to retire by rotation under Section 152(6) of the Act.

The brief profile of the above named independent Directors is appended to this Notice and details of the remuneration paid/payable to them are provided in the Corporate Governance Report forming part of the annual report.

The Board recommends the Resolutions as set out in Item Nos. 5 to 7 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than the concerned Independent Directors are concerned or interested in the Resolutions as set out in Item Nos. 5 to 7 of the Notice.

ITEM NO. 8

The members of the Company at an annual general meeting held on 20th September, 2017 had approved the payment of commission to the non-executive directors of the Company at an amount not exceeding 1% of the net profits of the Company per annum calculated in accordance with the provisions of Section 197 of the Companies Act, 2013.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the members of the Company are required for the payment of remuneration to a single non-executive director exceeding fifty per cent of the total remuneration payable to all non-executive directors.

In accordance with the above approval, commission for the financial year 2018-19 is proposed to be paid @ 1% to all non-executive directors of the Company out of which Shri M M Dhanuka, Non-Executive Director shall be paid 0.90% of the net profits. Approval of the members is, therefore, sought by way of special resolution for the payment of commission to Shri M M Dhanuka.

The Board recommends the Resolutions as set out in Item No. 8 of the Notice for approval of the Members.

Except for Shri M M Dhanuka none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested in the said resolution.

ITEM NO. 9

On recommendation of Audit Committee, the Board of Directors has considered and approved the appointment of M/s Krishna S & Associates, Cost Accountants, for conducting an audit of cost records of the Company at a remuneration of ₹ 45,000/- plus taxes as applicable and reimbursement of actual travel and out of pocket expenses for the financial year 2019-20.

In terms of the provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the resolution is set out for approval and ratification by the members.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested in the aforesaid resolution.

The Board of Directors recommends the resolution for your approval.

By Order of the Board
For I G Petrochemicals Limited

Mumbai
22nd May, 2019

Sudhir R Singh
Company Secretary

Registered Office
T-10, 3rd Floor, Jairam Complex
Mala, Neugi Nagar, Panaji, Goa – 403 001.

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENTS

(As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of the Directors	**Shri M M Dhanuka**	**Shri Nikunj Dhanuka**
Director Identification Number	00193456	00193499
Date of Birth	17th April, 1948	26th May, 1967
Date of Appointment on the Board	18th October, 1988	1st July, 1998
Qualifications	B.E (Chem)	B. Com.
Expertise	Over three decade of experience and expertise on the functioning of chemical industries.	Possess diverse experience and extensive knowledge on the functioning of Chemical Industries, Finance and Banking.
Expertise in specific functional areas	Chemical industries	General management and chemical industries.
Directorship held in listed companies	Mysore Petro Chemicals Ltd.	Mysore Petro Chemicals Ltd.
Chairmanships/ Memberships of Committees in other listed companies	Nil	Mysore Petro Chemicals Ltd.: Audit Committee - Member Stakeholders Relationship Committee-Chairman
Shares held in the Company	1,04,904	Nil
Relationship between directors inter-se	Nil	Nil

Name of the Directors	**Shri Rajesh Muni**	**Shri P H Ravikumar**	**Dr. A K A Rathi**
Director Identification Number	00193527	00280010	00209505
Date of Birth	23rd December, 1951	20th July, 1951	6th January, 1950
Date of Appointment on the Board	30th April, 2002	30th October, 2012	28th July, 2009
Qualifications	B.Com (Hons), FCA	B.Com, AIIB, CIB, London, CISI, London	B.E. (Hons) Chemical, M.E. (Chemical), Ph.D (Engineering), Diploma in Management, Diploma in Integrated Coastal Zone Management.
Brief profile	He is a senior partner of M/s R. R. Muni & Co., Practicing Chartered Accountants and has more than 41 years of vast experience in audit and taxation.	He has approximately 47 years of experience in the financial services sector, including around 32 years as a commercial banker, spanning retail, corporate and treasury banking areas in India and abroad and across public sector and private sector banks such as Bank of India and ICICI Bank. He was a key member of the founding team that established ICICI Bank and where he held the position of the senior general manager and head of emerging corporate and agri business. Subsequently, he was the founding managing director and chief executive officer of NCDEX Limited and of Invent Assets Reconstruction & Securitization Private Limited, an asset reconstruction company regulated by RBI.	He was Professor at CEPT University in the Faculty of Planning and Public Policy. Earlier, he was Director (Environment), and Chief Technical Adviser to Govt of Gujarat. He has industrial work experience of about 10 years. A Visiting Faculty to Ahmedabad University, LD College of Engineering, NITK and Nirma University, he has penned several articles on different aspects of industrial development, management, environmental management, and process safety in different national as well as international journals/ periodicals. He has authored books entitled “Environmental Management and Industrial Development”, and “Environmental Impact Assessment: A Practical Guide for Professional Practice”, and contributed chapters in the book “Current Trends in Engineering Practice”

Name of the Directors	**Shri Rajesh Muni**	**Shri P H Ravikumar**	**Dr. A K A Rathi**
Expertise in specific functional areas	Audit and taxation	Banking and financial services	Chemical and petrochemical industrial practices, Environmental management, Engineering education
Directorship held in listed companies	Inspirisys Solutions Ltd.	1. Bharat Forge Ltd. 2. Escorts Ltd. 3. Bharat Financial Inclusion Ltd. 4. Aditya Birla Capital Ltd.	Nil
Chairmanships/ Memberships of Committees in other listed companies	**Audit Committee:** **Chairman** – Inspirisys Solutions Ltd. **Stakeholders Relationship Committee:** **Member** – Inspirisys Solutions Ltd.	**Audit Committee:** **Chairman** – Escorts Limited **Member** – 1. Aditya Birla Capital Ltd. 2. Bharat Forge Ltd. 3. Bharat Financial Inclusion Ltd. **Stakeholders Relationship Committee:** **Chairman** – Bharat Financial Inclusion Ltd.	Nil
Shares held in the Company	5,500	1,000	100
Relationship between directors inter-se	Nil	Nil	Nil

Management Discussion & Analysis

Global Economy Overview

Global economic activity accelerated in 2017 with growth increasing in more than half of the world's economies. However, the growth momentum softened to 3.6% in 2018, as per the International Monetary Fund (IMF) Report, April 2019.

First half of 2018 witnessed robust growth in the US amid a fiscal stimulus, tight labour market and firm consumption growth. With a domestic demand-led pickup, emerging Asia continued to record a strong growth. Aggregate growth in the Emerging Market and Developing Economies (EMDEs) stabilised during the same period.

The global expansion moderated notably in the second half. Strong growth in US was offset by escalated US–China trade wars, commodity price volatility, uncertainty related to Brexit, macroeconomic stress in Argentina and Turkey and disruptions to the auto sector in Germany. Economic activities in China moderated in the second quarter in response to regulatory tightening of the property sector and non-bank financial intermediation.

Higher oil prices in the second half of the year lifted fortunes of fuel-exporting economies in sub-Saharan Africa and the Middle East. Oil prices were impacted because of the US sanctions on purchase of oil from Iran and Venezuela. However, oil prices recovered in the beginning of 2019, thanks to production cuts by oil-exporting countries. The Euro area displayed stagnant growth as consumer and business confidence weakened with disruption of car production in Germany, drop in investment in Italy and low external demand, especially from emerging Asia.

IMF has projected a shrink in the global growth to 3.3% in 2019, mainly due to easing out of the US fiscal stimulus and majority of the economies reaching their peak potential. This growth is expected to rebound from second half of 2019 on account of accommodative stance by major central banks globally.

Indian Economy Overview

The Indian economy continued being a burgeoning economy for the second time in a row in FY 2018-19. Despite headwinds, it emerged stronger on the global landscape. The economy registered a growth rate of 6.8% during 2018-19 compared to 6.7% in the previous fiscal.

The first half of the year witnessed continued recovery of investment and private consumption. However, the second half encountered growing liquidity concerns, high crude oil prices, rupee devaluation and overall slowdown in the global growth amidst trade wars between US and China. Course correction strategies were introduced by the Government along with RBI, to improve liquidity and strengthen financial sector balance sheets. Apart from that, accelerated resolutions were initiated for the non-performing assets under the simplified bankruptcy framework. The year also witnessed continued efforts to further bring down the fiscal deficit and strengthening of Goods and Services Tax compliance.

On a year-on-year basis, the eight core industries growth remained unchanged at 4.3% in FY 2018-19 as compared to the previous year. Other factors that supported growth were steady growth in the capital goods, infrastructure and construction sectors. Construction activity picked up pace with a 9.6% growth in the third quarter of FY 2018-19 compared to 8% growth registered in the previous year. During the year, the industrial output witnessed a 3.6% growth as against 4.4% in the previous fiscal, according to data released by the Central Statistics Office (CSO).

According to the 2019-20 Interim Budget, Government announced scheme such as such as Pradhan Mantri Kisan Samman Nidhi to revive the rural economy. The Government increased focus on affordable housing and key infrastructure projects through construction of roads and highways. With digitisation and urbanisation, more jobs were created in the start-up universe, ecommerce and service sectors. As a result of favourable business environment, India's ranking in the World Bank's Ease of Doing Business Index 2018 moved up by 23 places to 77th position.

The historic re-election of the Prime Minister Mr. Narendra Modi heralds another era of robust growth for the country. The promise of a stable, growth-focused Government signals continued progress of investment opportunities in India. As per IMF projections, India's GDP growth is estimated at 7.3% in 2019 and 7.5% in 2020, amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy. However, fluctuating crude oil prices, weaker rupee and sluggish domestic demand may impact the growth prospects going ahead.

Company Overview

IGPL is one of the leading manufacturers of Phthalic Anhydride (PA) globally. PA is the downstream product of orthoxylene and is used in consumer durable and non-durables. With State-of-the-art manufacturing facility in Taloja, Maharashtra, the Company enjoys cost and operational efficiencies. Rising demand for PA with limited industry supply has led the Company to ramp-up capacities and meet end-user requirements. During the year, IGPL has undertaken Brownfield expansion, which will place the Company among the top three global producers of PA.

Industry Structure and Development

A rise in the price of crude oil affects the petrochemical industry prospects because it directly impacts the raw material prices. In addition, it also impacts the stability of the rupee and may produce an inflationary effect. Globally, oil prices have been supported by signs of tighter supply on the back of production cuts by the Organization of the Petroleum Exporting Countries (OPEC) and its allies, including Russia. However, with US imposing sanctions on purchase of crude oil from Iran and Venezuela, India stands to face the double whammy of rising prices as well as weaker rupee. The country's crude oil import bill for 2018-19 rose sharply as it is dependent for 80% of its consumption needs on Imports.

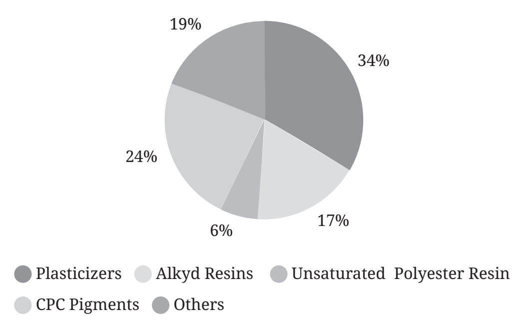
Currently at US$ 70.6 per barrel, Brent crude prices remained volatile during the entire year. Brent crude hit a level of $86 per barrel in October 2018, putting pressure on the rupee and on India's current account deficit. However, the prices declined over the following months to levels of around US $52 per barrel by the end of December 2018.

US decision to end waivers for countries importing crude from Iran beginning 2nd May, 2019 may lead to a supply crunch and likely increase in overall crude oil prices. Further, a global slowdown, rising geo-political uncertainties and increasing US-China trade war may impact the crude prices as well.

Phthalic Anhydride (PA)

Phthalic anhydride is a white crystalline compound used in the manufacturing of Plasticizers, Unsaturated Polyester Resins, Alkyd Resins, Polyols and CPC Pigments. This colorless solid is an important industrial chemical, especially for the large–scale production of plasticizers for plastics. It is obtained by catalytic oxidation of orthoxylene, a basic petrochemical. PA is widely used in the production of paints, inks, coatings, boxes, containers and packaging films industries among others.

PA - End User Industry



Outlook

The market size of domestic PA industry stands at 3,75,000 MTPA in 2018 and is expected to grow at 7-8% annually. The demand for PA is driven by growing use of PVC in construction and the automotive industry. Rising disposable income, growing number of nuclear families are expected to drive high demand for home furnishings and decorative paints in the country. Growth in the end-user industries will lead to a rise in innovative usage of PA.

Moreover, India's per capita consumption of plastic is 11 kg every year in comparison to 109 kg annually in the US. The plastic consumption in India is estimated to rise in the coming years, which presents a huge scope for the PA industry. Further, the demand for PA is projected to grow at a CAGR of 7.75% during 2019-2030 backed by Government's initiative to develop infrastructure and affordable housing for all.

In line with the strategic approach to tap industry opportunities, IGPL is wisely expanding the PA manufacturing capacity. The Company targets to complete the PA4 expansion by the end of 2019, which will increase its PA capacity significantly.

With the lowest cost production, strong clientele and higher capacities, IGPL is amongst the leading PA manufacturers globally.

Maleic Anhydride (MA)

Maleic anhydride is used in the production of unsaturated polyester resin. The raw material for MA is N-Butane. It is used in manufacturing coatings, pharmaceutics and surfactants, additive of plastics, lubricating oil additives and agricultural chemicals, spandex. MA is a precursor to compounds used for water treatment detergents, insecticides and fungicides.

Despite rising demand, domestic MA production is hit because of unavailability of the raw material N-butane. Thus, bulk of domestic MA requirement is met through imports. The ongoing PA4 expansion will result in additional wash water, which will be used to generate more MA capacity for the Company. With higher MA capacity, IGPL is all set to grow its foothold in the MA business.

Financial Performance

(₹ in lakhs)

	2018-19	2017-18	% Change
Total Revenue	**131128.07**	117,489.21	11.6
PBT	**18630.54**	23,084.88	(19.3)
PAT	**11648.16**	14,654.49	(20.5)
EPS	**37.82**	47.59	(20.5)

Risk Management

The Company is exposed to risks arising out of the macroeconomic environment as well as from the internal business environment. IGPL continually focuses on addressing the same as well as ensuring value creation for the stakeholders. The Company realises the need and takes appropriate action to understand, anticipate, evaluate and mitigate risks in order to minimise their impact on business.

Exchange Rate Risk

The raw material used for manufacturing PA is Orthoxylene and is sourced largely from domestic market. IGPL has a major presence in the domestic PA market. Thus, the Company always keeps checks on the exchange rate fluctuations and takes necessary safeguard and forward covers.

Interest Rate Risk

The Company, apart from utilising the internal accruals, occasionally borrows funds to meet its short-term and long-term business goals. Thus, it is exposed to the risks arising from interest rate fluctuations. The Company regularly services its debt payments to prevent itself from any adverse situation. It also reviews its working capital loans, commercial borrowings and rupee term loan on regular intervals.

Economic Risk

Various concerns such as fluctuations in crude oil prices, global slowdown, geo-political tensions and trade uncertainties can impact the Company's performance. However, with positive outlook in the end-users industries, the demand for petrochemical products will consistently rise in the future.

Import Risk

There are many global players that dump their products in India. Thus, anti-dumping duty has been imposed by the Government on Russia and Japan. These anti-dumping measures ensure fair trade and protect the interest of the domestic industry. Also, there is an import duty of 7.5% levied on phthalic anhydride, to protect the domestic industry.

Environmental Risk

PA is toxic in nature in and thus is exposed to numerous environmental risks. It continues to face various rigid norms from the Government. The key challenges, faced by the Company, are of handling of various processes like storage of raw material, transportation of finished products etc. Over the years, IGPL follows the world's best environmental protection standards to ensure that plants and products meet all the applicable regulations laid down by the Government.

Internal Control System & their Adequacy

The Company has adequate internal control systems that commensurate with its size and the industry standards. The process and the systems are well-defined and well-documented in the form of Standard Operating Processes. The Company strictly complies with all rules, laws and statutes of the land. The business transactions are properly recorded and are in total compliance and conformity with accounting principle and processes. The Company also regularly monitors all its expenses and ensures these are strictly within the allocated budgetary limits. The strict Code of Conduct lays down clear guidelines to be followed by the Company employees and business associates in their day-to-day activities. There are regular internal audits conducted through an internal audit program that check and correct any discrepancy or non-adherence or non-compliance with set and defined norms. The senior management executives of the Company supervise the internal audit program.

Material Development in HR

IGPL fosters a culture that is performance oriented, promotes rewards for results and provides equal importance to all employees. Strong set of values and the cohesive work culture ensure that the employees achieve their potential professionally and personally. IGPL ensures safe, secure and healthy environment for its workers. Also, the Company conducts various skill development programs and workshops for enhancement and upgrading the skills of their employees.

Cautionary Statement

This report contains statements that are “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Company’s future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, several risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Company undertakes no obligation to publicly revise any forward-looking statements to reflect future/likely events or circumstances.

Directors' Report

To The Members,

On behalf of the Board of Directors of your Company, it gives me pleasure in presenting the Thirtieth Annual Report together with the Audited Financial Statements for the year ended 31st March, 2019:

1. **FINANCIAL RESULTS**

(₹ in lakhs)

	2018-19	2017-18
Total Revenue	**131,128.07**	117,489.23
Profit before interest, depreciation and tax	**23,370.48**	27,142.41
Finance Cost	**1,143.53**	1,487.96
Depreciation and Amortization expenses	**2,646.41**	2,569.58
Profit before tax	**18,630.54**	23,084.88
Provision for tax	**6,982.39**	8,430.39
Profit for the year	**11,648.16**	14,654.49
Balance brought forward from previous year	**42,366.51**	30,823.94
Profit available for appropriations	**50,529.68**	45,478.43
Earnings per share	**37.82**	47.58

2. **DIVIDEND**

The Board of Directors have recommended a dividend of ₹ 4/- per equity share having face value of ₹ 10/- each (40%) for the year ended 31st March, 2019 aggregating to ₹ 1,484.99 lakhs (including dividend distribution tax).

3. **FINANCIALS**

The revenue from operations grew by 14% to ₹ 131,128.07 lakhs during the financial year 2018-19. The total expenditures rose by 18.15% mainly on account of higher raw material prices which led to the fall in the profit before tax by 15.18% at ₹ 18,630.54 lakhs. Profit after tax at ₹ 11,648.16 lakhs is lower than the previous year on account of the volatility in oil price movements during the year.

There were no material changes or commitments that have occurred between the end of the financial year and the date of this Report which affects the financial statements of the Company in respect of the reporting year.

4. **OPERATIONAL REVIEW**

The Orthoxylene prices remained volatile for most part of the year due to crude prices thus affecting the overall conversion cost of Phthalic Anhydride (PA).

The anti-dumping duty levied on imports of PA from Taiwan, Korea and Israel was removed during the year and this led to the intensified competition in the domestic market. As a result of this, the conversion of PA has come down because of competition on account of import from the overseas market.

The above factors contributed to the sustained pressure on margins throughout the year and eventually leading to the drop in profitability of the Company by 20.61% to ₹ 11,648.16 lakhs.

5. **EXPANSION**

The brownfield expansion of PA plant by 53,000 MTPA is on and is expected to get commissioned in the current year. With this, the Company shall become one of the largest producer of PA at a single location globally and will achieve substantial economies of scale. The expansion will also provide the Company with additional raw materials for the production of MA, which will improve the overall revenue and margins of the Company. The downstream expansion into specialty plasticizers is also expected to commission in the current year.

6. **CONTRIBUTION TO THE EXCHEQUER**

The Company has contributed ₹ 26,906.24 lakhs to the exchequer by way of income tax, customs duty, goods and service tax, etc.

7. **SHARE CAPITAL & FINANCE**

7.1 Share Capital

The Company's paid-up Equity Share Capital remained unchanged at ₹ 3,079.81 lakhs as at 31st March, 2019. The shareholdings of the Promoters and Persons Acting in Concert with Promoters are 68.90%.

7.2 Finance

The Company optimally utilizes its working capital facilities and continuously monitors its receivables, inventories, etc. The Company has raised external commercial borrowings of € 15.77 million from the foreign lenders and a term loan upto ₹ 75 crores to partially fund the expansion of plant. The debts (including interest) are being serviced regularly.

7.3 Credit Ratings

The Credit Ratings of the Company are "IND A+" (long term) and "IND A1+" (short term) issued by India Ratings & Research.

7.4 Deposits

During the year, the Company has not accepted or invited any deposits from the Public.

7.5 Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

8. TRANSFER TO GENERAL RESERVES

The Company proposes to transfer an amount of ₹ 2,000.00 lakhs to the General Reserves.

9. SUBSIDIARIES/ASSOCIATES/JOINT VENTURES

IGPL International Limited and IGPL (FZE) are the wholly owned subsidiaries of the Company.

The JV entered into between IGPL (FZE) and M/s Dubai Natural Gas Co. Ltd. for the manufacture of Maleic Anhydride has been called-off during the year due to it becoming economically unviable.

The financial statements of subsidiaries are placed on the website of the Company and available for inspection by the members of the Company. A copy of the audited accounts shall be made available to the member upon request.

The consolidated financial statements of the Company are prepared in accordance with the applicable Ind AS together with the report of the Auditors' thereon forms part of this Annual Report.

A statement containing salient features of the financial statements of the subsidiaries in Form AOC-1 is attached with this Annual Report.

10. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

In accordance with the provisions of Section 135 of the Companies Act, 2013 ("the Act") and the Rules framed thereunder, the CSR Committee reviews and monitors the projects and expenditures incurred by the Company which are mainly for education, old age homes, environment, etc. The Report on CSR activities containing prescribed details are annexed to the Directors' Report as "Annexure-A".

During the year, the Company spent ₹ 136.16 lakhs towards CSR activities as against the budgeted allocation of ₹ 293.24 lakhs. The Company has initiated some projects which are under implementation.

11. ANNUAL RETURN

The Annual Return of the Company in Form MGT-7 for the year 2018-19 is available on the website of the Company and can be accessed at www.igpetro.com

12. VIGIL MECHANISM POLICY

The Company has a Vigil Mechanism Policy in place to report instances of actual or suspected unethical behavior, fraud, etc. The Audit Committee reviews the functioning of the Policy. The details of the Vigil Mechanism has been elaborated in the Corporate Governance Report and posted on the Company's website www.igpetro.com

13. TRANSFER OF SHARES TO IEPF

In compliance with 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 ("the IEPF Rules") and amendments thereto, the Company had, during the financial year 2017-18, transferred 779,342 shares to IEPF Authority in respect of shares on which dividend has not been paid or claimed for seven consecutive years.

Members whose shares are so transferred can claim their dividend and shares from the IEPF authority by filing Form IEPF-5 available at www.iepf.gov.in. Member should also note that only one consolidated claim can be filed in a financial year as per the IEPF Rules. Members are advised to claim any unencashed dividends.

The Company Secretary of the Company has been designated as the Nodal Officer who can be contacted for any guidance/assistance to claim the dividend and shares from IEPF Authority.

14. DIRECTORS & KEY MANAGERIAL PERSONNEL

Upon the recommendation of the Nomination and Remuneration Committee and in accordance with the provision of the Act read with the Rules framed thereunder, Shri Nikunj Dhanuka was re-appointed as Managing Director & Chief Executive Officer of the Company for a period of three years with effect from 27th April, 2019.

Shri M M Dhanuka retires by rotation and being eligible offered himself for re-appointment.

Shri Rajesh Muni, Shri P H Ravikumar and Dr. A K A Rathi were appointed as Independent Directors of the Company by the members at an Annual General Meeting held on 26th July, 2014 for a term of five years, each with effect from 26th July, 2014.

In accordance with the provisions of Section 149 of the Act, the Independent Directors shall be eligible to seek re-appointment for a second term of five years subject to the approval of the members by special resolution. The said Independent Directors have given their consent for re-appointment.

The Company has received notices under Section 160 of the Act, from a Member proposing the re-appointment of Shri Rajesh Muni, Shri P H Ravikumar and Dr. A K A Rathi as Independent Directors of the Company. Approval of the Members are being sought by special resolutions for re-appointment as Independent Directors for a second term of five consecutive years.

All Independent Directors of the Company have furnished declarations under Section 149(7) of the Act confirming that they meet the criteria of independence laid down in Section 149(6) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Shri R Chandrasekaran resigned as Chief Financial Officer of the Company with effect from 7th February, 2019 and Shri Pramod Bhandari is appointed as Chief Financial Officer of the Company with effect from 7th February, 2019.

14.1 Meetings

During the year, four meetings of the Board of Directors and Audit Committee were held as more particularly disclosed in the attached Report on Corporate Governance.

14.2 Board Evaluation

The Board of Directors have carried out its annual performance evaluation as well as of the Directors individually and their respective Committees as required under the Act and SEBI Listing Regulations. The details of which are disclosed in the Corporate Governance Report.

14.3 Remuneration Policy

The details of the Remuneration Policy forms part of the Corporate Governance Report.

The information relating to remuneration as required pursuant to Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (“the Rules”) are given below:

a) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year –

   Shri Nikunj Dhanuka, Managing Director & CEO – 45:1

   Shri J K Saboo, Executive Director – 7:1

b) The percentage increase in the remuneration of Managing Director, Chief Financial Officer and Company Secretary for the Financial Year

   Shri Nikunj Dhanuka, Managing Director & CEO – (16%)@

   Shri R Chandrasekaran, Chief Financial Officer – N.A*

   Shri Sudhir R Singh, Company Secretary – 10%

   @ decline in commission due to lower profits.

   * Since resigned during the year

c) The percentage increase in the median remuneration of employees in the

Financial Year – 9.80%

d) Number of permanent employees on the rolls of the Company – 413

e) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was 11.50% whereas the increase in the managerial remuneration was 8.25%. The increase in the remuneration is on account of commission paid.

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

The information under Rule 5(2) of the Rules will be provided to the members upon request in terms of the first proviso to Section 136 of the Act.

15. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanation obtained by us, in terms of Section 134(3)(c) of the Companies Act, 2013, we state:

a. that in the preparation of the annual financial statements for the year ended 31st March 2019, all the applicable accounting standards have been followed and no material departures have been made from the same;

b. that appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2019 and of the profit of the Company for that year;

c. that proper and sufficient care has been taken 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/ detecting fraud and other irregularities;

d. that the annual financial statements have been prepared on a going concern basis;

e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

16. RELATED PARTY TRANSACTIONS

All transactions entered into with related parties during the year were on arm's length basis and in the ordinary course of business.

There were no material related party transactions. The necessary disclosures regarding the transactions are given in the notes to accounts. The Company has formulated a policy on dealing with the Related Party Transactions and necessary approval of the Audit Committee and Board of Directors were taken, wherever required, in accordance with the Policy.

17. INTERNAL CONTROL

The scope of Internal Audit is reviewed by the Audit Committee at regular intervals. A framework of the audit is generally defined at the beginning of the year based on the discussion with the Internal Auditor. The Internal Auditor submits its report to the Audit Committee. The Company's internal control systems commensurate with its nature of business, size and operations.

The Internal Audit strives to evaluate the efficacy and adequacy of internal control system and processes, accounting policies and procedures, compliance with laws and regulations concerning the operations of the Company.

The internal control mechanism of the Company enables it to identify, assess and mitigate the risk related to its business. Risks are being evaluated on various parameters and these parameters are being reviewed at regular intervals.

18. AUDITORS

18.1 Statutory Auditors

M/s ASA & Associates LLP and M/s Uday & Co. are the Statutory Auditors of the Company appointed by the members of the Company at the annual general meetings.

18.2 Cost Auditors

M/s Krishna S & Associates, Cost Accountants have been appointed as the Cost Auditor to conduct an audit of the cost records of the Company for the year 2019-20.

A resolution seeking Members' ratification for the remuneration payable to M/s Krishna S & Associates is included in the Notice convening the Annual General Meeting.

18.3 Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Makarand M Joshi & Associates, Practicing Company Secretaries (Membership No. 5533) to conduct the Secretarial Audit and their Report on the Secretarial Audit for the year 2018-19 is annexed herewith as "Annexure-B". There are no qualifications in the said report.

19. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as "Annexure-C".

20. CORPORATE GOVERNANCE

The Company has complied with the requirements of Corporate Governance and a report on the same along with the Auditors' Certificate confirming compliance is attached with and forms part of this report.

A report on Management Discussion and Analysis forms an integral part of this report.

21. PREVENTION OF SEXUAL HARASSMENT

The Company is an equal opportunity provider and has zero tolerance in any form or manner towards the sexual harassment of women at work place. In accordance with the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a policy on prevention, prohibition and redressal of sexual harassment of women at work place.

The Internal Complaints Committee has been constituted with majority of them being female who is also the Presiding Officer. The Committee meets as and when required.

No complaints pertaining to sexual harassment of women employees were received during the year.

22. ISO 9001 : (2008) AND ISO 14001 (2004) CERTIFICATION

Your Company continued to be certified under ISO 9001:2008 for quality management systems and ISO 14001:2004 for environment management systems by Bureau Veritas.

23. ACKNOWLEDGEMENTS

Your Directors convey their sincere appreciation to the business partners for their unstinted support and contribution and thank the customers, members, dealers, employees, bankers and all stakeholders for their co-operation and confidence reposed in the Company.

For and on behalf of the Board of directors

M M Dhanuka

Mumbai, 22nd May, 2019

Chairman

ANNEXURE 'A'

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

Sr. No.	Particulars	Remarks
1.	A brief outline of the Company's CSR Policy, including overview of projects or programmes undertaken and a reference to the web-link to the CSR policy and projects or programmes	CSR Policy of the Company is available at www.igpetro.com
2.	Composition of the CSR Committee	Dr. Vaijayanti Pandit, Chairperson Shri M M Dhanuka Shri Rajesh Muni Shri P H Ravikumar Shri J K Saboo
3.	Average net profit of the Company for last three financial years	₹ 14,662.04 lakhs
4.	Prescribed CSR expenditure (two per cent of the amount as in item 3 above)	₹ 293.24 lakhs.
5.	Details of CSR spend for the financial year	Total amount spent for the financial year: ₹ 136.16 lakhs. Amount unspent, if any: ₹ 157.08 lakhs

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

(₹ in lakhs)

Sr. No.	CSR Project or Activity identified	Sector in which the project is covered	Projects or program 1. Local area or other 2. Specify the State and district where projects or Programs was undertaken	Amount outlay (Budget) Project or Programs-wise	Amount spent on the Project or Programs Sub-heads 1. Direct expenditure on projects or programs 2. Overheads	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	Blind Organisation of India, Param Shantidham Vridhasharam, HP Dhanuka Trust, Smt Parmeshwari Devi Jankalyan Trust & District Disaster Response Fund	Community Organisation	Mumbai	Not exceeding 293.24	48.90	48.90	Direct/Agency
2.	Jaywant Prathisthtan, Provision for borewell, Bhudha Pratisthan, Ajankya Radlym Art, etc.	Environment	Mumbai		21.35	21.35	Direct/Agency
3.	The Akshaya Patra Foundation, Sri Chaitanya Seva Trust & Ama Utkarsha Odisha	Charitable Trust	Mumbai/Odisha		5.47	5.47	Direct
4.	Saraswati Shishu Mandir Trust, etc.	Education	Vrindavan/Mumbai		60.43	60.43	Direct/Agency
	TOTAL				**136.16**	**136.16**	

During the year, the Company spent ₹ 136.16 lakhs towards CSR activities as against the budgeted allocation of ₹ 293.24 lakhs. The Company has initiated some projects which are under implementation.

The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Sd/-
Nikunj Dhanuka
Managing Director & CEO

Sd/-
Dr. Vaijayanti Pandit
Chairperson – CSR Committee

ANNEXURE 'B'

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2019

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

The Members
I G Petrochemicals Limited
T-10, 3rd Floor, Jairam Complex
Mala, Neugi Nagar, Panaji 403001

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 (hereinafter called the '**Audit Period**') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 (**the Act**) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('**SCRA'**) and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment and External Commercial Borrowings **(Foreign Direct Investment 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, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 notified on 11th September, 2018 **(Not Applicable during the audit period)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable during the audit period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable during the audit period)**

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable during the audit period)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 notified on 11th September, 2018 **(Not Applicable during the audit period).**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that, having regard to Compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following laws applicable to the Company.

- Petroleum Act, 1934
- Petroleum Rules, 2002
- Chemicals Weapons Convection Act, 2000

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The composition of the Board of Directors during the period under review was 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 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 either unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

For **Makarand M. Joshi & Co.**
Practising Company Secretaries

Kumudini Bhalerao
Partner
FCS No: 6667
CP No. 6690

Mumbai
22nd May, 2019

*This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.

'ANNEXURE 1'

The Members
I G Petrochemicals Limited
T-10, 3rd Floor, Jairam Complex
Mala, Neugi Nagar, Panaji 403001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

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

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Makarand M. Joshi & Co.**
Practising Company Secretaries

Kumudini Bhalerao
Partner
FCS No: 6667
CP No. 6690

Mumbai
22nd May, 2019

ANNEXURE 'C'

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

FOR POWER & FUEL CONSUMPTION PER UNIT (MT) OF
PRODUCT, TECHNOLOGY ABSORPTION & FOREIGN EARNINGS & OUT GO

				For the year ended 31st March, 2019	For the year ended 31st March, 2018
(A)	**Consumption per unit (MT) of product**				
1.	Electricity				
	a.	Purchased (Units)		502,129	4,31,099
		Total Amount (Rs.)		72,52,851	53,85,879
		Rate / Unit (Rs.)		14.44	12.49
	b.	Own Generation			
		I.	Through Diesel Generator	9,53,840	9,04,520
			Units per Ltr. Of Diesel oil	4.17	4.23
			Cost / Units (Rs.)	17.00	13.94
		II.	Through Steam Turbine	3,93,01,010	3,81,92,580
			Generator (Units)	-	-
			Units per Ltr. Of Fuel / Oil / Gas	-	-
2.	Coal is not used in Manufacturing Process			-	-
3	Furnace Oil quantity (MT)			4,955	6,048
	Total Amount (₹)			18,48,03,192	15,55,93,225
	Average Rate / MT (₹)			37,294	25,728
4	Other/Internal Generation			-	-
(B)	**Consumption per unit (MT) of product**				
	Phthalic Anhydride	Standard			
	Electricity – Units	Not Specified		250	253
	Furnace Oil – Liters	Not Specified		31	39
	Maleic Anhydride	Standard			
	Electricity – Units	Not Specified		–	62
	Furnace Oil – Liters	Not Specified		–	–
(C)	**Technology Absorption**				
	Research & Development (R&D)				

(i) Specific area in which R&D carried out by the Company
The Company is conducting its R&D activities for developing the process of Phthalic Anhydride downstream value added products.

(ii) Benefits derived as a result of above R&D.
Benefits in terms of better quality and increased productivity.

(iii) Future plan of action.
All the efforts are being continued in the direction of product / process development as mentioned above

(iv) Expenditure incurred on R&D
The company has incurred expenditure to an extent of ₹ 58.84 lakhs.
Total R&D expenses as a % of turnover : 0.04% (0.04%)

(D) Foreign Exchange Earnings & outgo :		(₹ in lakhs)
Total Foreign Exchange Earnings :	16,501.39	19,862.17
Total Foreign Exchange Outgo :	12,416.89	4,591.57

Report on Corporate Governance

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

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2019

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is about upholding the highest standards of integrity, transparency and accountability. The Board of Directors of the Company is committed to ethics and code of conduct and plays the important role of overseeing the Company's management and business strategies to maximize shareholder value and promote and protect the interests of other stakeholders. The Management, led by the Managing Director & CEO, is responsible for setting, managing and executing the strategies of the Company, including but not limited to running the operations of the Company under the oversight of the Board and keeping the Board informed of the status of the Company's operations. Management's responsibilities include strategic planning, risk management and financial reporting.

The Company recognizes that corporate governance is the important basic structure and endeavors to establish and strengthen the effective corporate governance structure. We believe that retaining and enhancing stakeholder trust is essential for sustained corporate growth.

BOARD OF DIRECTORS

Composition and category of the Directors

The Board of Directors, led by a Non-executive Chairman, comprises of seven Directors with diverse background and profession and having an optimum combination of Executive and Non-executive Directors in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The majority of the Board consists of Independent Directors, whose terms are fixed in accordance with the provisions of Section 149 of the Companies Act, 2013 ("the Act").

The Company has Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee, which functions in accordance with the defined criteria.

ATTENDANCE OF THE DIRECTORS AT THE MEETINGS

The Board met four times during the year i.e. on 28th May, 2018, 31st July, 2018, 14th November, 2018 and 7th February, 2019.

The attendance of the Directors at the Board Meetings and the Annual General Meeting, Directorship and Committee membership in other Companies are given below:

Name of the Director	Category	Number of Board Meetings attended	Attendance at the AGM held on 27th August, 2018	Number of Directorship(s) held in other public companies	Number of Committee positions held in other public companies		No. of shares held
					Chairman	Member	
Shri M M Dhanuka	Non-Executive	4	No	1	-	-	1,04,904
Shri Nikunj Dhanuka	Executive	4	No	1	1	1	0
Shri J K Saboo	Executive	4	Yes	2	0	0	1,200
Shri Rajesh Muni	Non-Executive & Independent	4	Yes	1	1	1	5,500
Dr. A K A Rathi	Non-Executive & Independent	4	Yes	-	0	0	100
Shri P H Ravikumar	Non-Executive & Independent	4	Yes	8	2	5	1,000
Dr. Vaijayanti Pandit	Non-Executive & Independent	4	Yes	8	1	6	0

The familiarization programme of the Directors can be accessed at www.igpetro.com

None of the Directors of the Company are related to each other.

Directorships held by the Directors in other listed companies:@

Name of the Director	Directorships held in	Category
Shri M M Dhanuka	Mysore Petro Chemicals Ltd.	Chairman and Managing Director
Shri Nikunj Dhanuka	Mysore Petro Chemicals Ltd.	Non-Executive
Shri J K Saboo	-	-
Shri Rajesh Muni	Inspirisys Solutions Ltd.	Non-Executive & Independent
Dr. A K A Rathi	-	-
Shri P H Ravikumar	Aditya Birla Capital Ltd. Bharat Forge Ltd. Bharat Financial Inclusion Ltd. Escorts Ltd.	Non-Executive & Independent
Dr. Vaijayanti Pandit	Indo Count Industries Ltd. Automobile Corporation of Goa Ltd. Banswara Syntex Ltd.	Non-Executive & Independent

@ Does not include I G Petrochemicals Ltd.

Profile

The Company is engaged in the business of manufacture of petrochemicals products viz. Phthalic Anhydride, Maleic Anhydride, Benzoic Acid, etc.

The Company's business requires it to have the work force with dominant knowledge of the chemical industries besides people with ability to make strategic decisions, finance and marketing expertise amongst others. The Company skilled workforce comprises of people in charge of production, technical and maintenance, projects, finance, marketing, etc.

The Board of Directors of the Company have the privilege of Directors with diverse background such as engineering, management, finance and tax expertise.

In the opinion of the Board, all the independent directors have fulfilled the conditions of the SEBI Listing Regulations and that they are independent of the Company's management.

AUDIT COMMITTEE

The composition of the Audit Committee consists majorly of independent directors with diverse experience and Chairman possessing expertise in financial, accounts and taxation. The meetings of the Committee are held at regular intervals. The terms of reference are governed by Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act. It acts as an additional layer of governance for the Board of Directors in providing its observations and recommendations to the Board to enable it to arrive at informed decisions which relates primarily to overseeing the financial statements and its reporting process, internal audit reports, related party transactions, reviewing the adequacy and evaluation of internal financial controls, etc.

The Audit Committee met four times during the year i.e. on 28th May, 2018, 31st July, 2018, 14th November, 2018 and 7th February, 2019, which were attended by all the members of the Committee. The Composition of Audit Committee are given below.

Name of the Director	Position	Category
Shri Rajesh Muni	Chairman	Non-Executive & Independent
Shri M M Dhanuka	Member	Non-Executive
Dr. A K A Rathi	Member	Non-Executive & Independent
Shri P H Ravikumar	Member	Non-Executive & Independent
Shri Nikunj Dhanuka	Member	Executive
Dr. Vaijayanti Pandit	Member	Non-Executive & Independent

The Company Secretary acts as the Secretary of the Committee. The Internal Auditors, Statutory Auditors, Chief Financial Officer and President – Finance & Accounts are the invitees to all Audit Committee meetings and have attended all meetings during the year.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee functions within the ambit of powers as vested by the Board vis-à-vis Regulation 19 of the SEBI Listing Regulations and Section 178 of the Act, which includes amongst other overseeing the matters relating to appointment of directors, key managerial personnel, senior management level employees, recommending to the Board the remuneration and other related benefits of the executive directors and senior management employees, determining the term of the directors, recommending to the Board and the shareholders the appointment of directors, evaluating the re-appointment and determining whether to extend the tenure of the independent directors, etc.

All members of the Committee are non-executive with majority of them being independent. During the year, three meetings were held on 28th May, 2018, 14th November, 2018 and 7th February, 2019 and which were attended by all the members of the Committee.

The Composition of Nomination and Remuneration committee are given below.

Name of the Director	Position	Category
Shri P H Ravikumar	Chairman	Non-Executive & Independent
Shri M M Dhanuka	Member	Non-Executive
Shri Rajesh Muni	Member	Non-Executive & Independent
Dr. A K A Rathi	Member	Non-Executive & Independent

The Company Secretary acts as the Secretary of the Committee.

Performance evaluation criteria of independent directors

The criteria for the evaluation of directors are determined by the Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Act and SEBI Listing Regulations. The Committee evaluates the performance of each directors. The evaluation criteria provides for different parameters for the evaluation of the performance of the Board, its committees and Directors (including Independent Directors). The criteria for the evaluation were designed from the point of discharge of the key responsibilities, attendance at the meetings, directors' contribution, board functioning, etc.

All the Directors carried out the performance evaluation. The Independent Directors evaluated the performance of non-independent directors, the Board as a whole and Chairman. The performance evaluation of independent directors was done by the entire Board members in which the independent directors who were being evaluated did not participate.

Remuneration of Directors

The Remuneration Policy of the Company strives to ensure that the level and composition of the remuneration is reasonable and sufficient to attract, retain and motivate the best talent commensurate with the size of the Company and that it involves a balance between fixed and incentive pay reflecting short and long-term performance objectives to the working.

During the year, there was no pecuniary relationship or transactions between the Company and any of its Non-Executive Directors apart from sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending the meetings of the Company.

The shareholders at an Annual General Meeting held on 20th September, 2017 have approved the payment of Commission @ 1% of the net profits to the Non-Executive Directors (including Independent Directors) in the ratio as determined by the Board of Directors after taking into factors such as attendance at meetings, role and responsibilities as Chairman/ Member of the Board/Committees.

The details of the remuneration of Non -Executive Directors are given below:-

(₹ in lakhs)

Name	Commission#	Sitting fees
M M Dhanuka@	171.97	4.10
Rajesh Muni	4.78	3.80
P H Ravikumar	4.78	3.70
Dr. A K A Rathi	4.78	3.00
Dr. Vaijayanti Pandit	4.78	2.80

Payable in 2019-20
@ subject to the approval of the shareholders

Details of remuneration of Managing/Executive Director:

(₹ in lakhs)

Name	Nikunj Dhanuka	J K Saboo
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	60.00	42.90
Perquisites	25.72	25.33
Commission	286.62	–
TOTAL	**372.34**	**68.23**

The payment of remuneration to Managing Director and Executive Director are as per their terms of appointment agreed to between the Company and the said Directors individually subject to the same being within the overall limits as prescribed under the Act. There are no performance linked incentives or severance fees payable to the Directors. The Company has not granted Stock Option either to Directors or its employees.

The terms of appointment of the Managing Director and Executive Director provide that the appointment may be terminated by either party by giving to the other party three months' notice of such termination or the Company paying three months remuneration in lieu thereof.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Shareholders' Relationship Committee meets as and when required and reviews all matters relating to the resolution of the investors grievances viz. transfer of shares, non-receipt of annual report, non-receipt of dividends, issue of duplicate share certificates, etc.

The investor grievances are being attended by M/s Bigshare Services Pvt. Ltd., Registrar and Share Transfer Agent (RTA) administered under the supervision of the Company Secretary and a periodical report on the same is being presented before the Committee.

The details of composition and attendance are given below:

Name of the Members	Position	Category	No. of complaints received	No. of complaints resolved	No. of complaints pending
Dr. A K A Rathi	Chairman	Non-Executive & Independent	21	21	0
Shri M M Dhanuka	Member	Non-Executive			
Shri P H Ravikumar	Member	Non-Executive & Independent			
Dr. Vaijayanti Pandit	Member	Non-Executive & Independent			

Shri Sudhir R Singh acts as the Secretary of the Committee and is the Compliance Officer of the Company.

GENERAL BODY MEETINGS

a. Annual General Meetings

Financial Year	Date	Time	Venue	Special Resolutions
2015-16	31st August, 2016	3.30 p.m.	Hotel Mandovi, D.B. Bandodkar Road, Panaji Goa – 403 001	Appointment of Shri Nikunj Dhanuka as Managing Director & CEO
2016-17	20th September, 2017	3.00 p.m.		Revision in terms of remuneration of Shri Nikunj Dhanuka
2017-18	27th August, 2018	3.00 p.m.		Nil

b. During the year, no Special Resolution was passed through postal ballot.

c. No special resolution is proposed to be conducted through postal ballot at this AGM.

MEANS OF COMMUNICATION

Quarterly results	The quarterly results are published in the newspapers and displayed on the Company's website i.e. www.igpetro.com
Newspapers wherein results published	The quarterly results are generally published in Economic Times/ Business Standard and Nav Prabha/Goa Doot (Goa edition)
Any website, where displayed	The quarterly results of the Company are displayed on the website of the Company
Whether it also displays official news releases	Yes
The presentations made to institutional investors or to analysts	The Company generally makes presentation to investors/analysts after the declaration of financial results and also participates in conference call with financial analysts

The quarterly financial results and other information (as applicable) are promptly disclosed to the stock exchanges and are published in newspapers. The investor presentations and the financial results are uploaded on the website of the Company www.igpetro.com

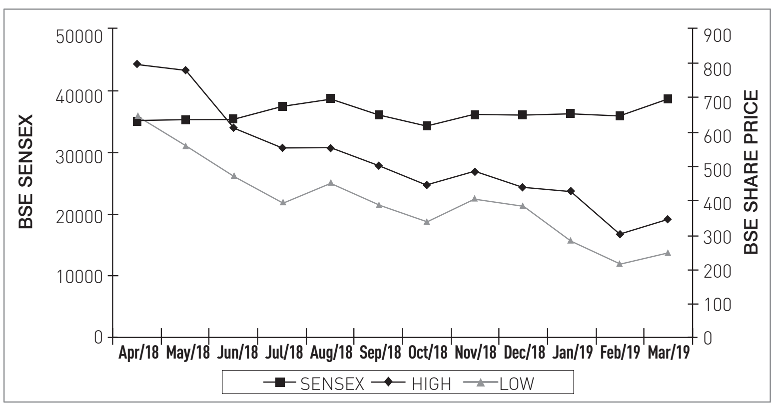
GENERAL INFORMATION TO SHAREHOLDERS

Date, Time and Venue of Annual General Meeting	5th August, 2019 at 3.00pm at Hotel Mandovi, D.B. Bandodkar Road Panaji Goa – 403 001
Financial year	1st April to 31st March
Date of Book Closure	30th July, 2019 and 31st July, 2019
Dividend Payment Date	On or after 13th August, 2019
ISIN Code	INE 204A01010
Listing on stock exchanges and stock code	BSE Ltd. – 500199 and The National Stock Exchange of India Ltd. - IGPL The listing fees for the year 2019-20 have been paid to the stock exchanges
Registrars & Share Transfer Agents	M/s Bigshare Services Pvt. Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) - Mumbai – 400 059 Tel: 022-62638200 • Fax: 022-62638299 • E-mail: info@bigshareonline.com
Share Transfer System	By the Registrars & Share Transfer Agents
Dematerialisation of shares and liquidity	96.43% of the shares are held in dematerialised form as at 31st March, 2019.
Plant locations	T-2, MIDC Industrial Area, Taloja 410 208, Dist. Raigad, Maharashtra
Address for correspondence	401-404, Raheja Centre, 214, Nariman Point, Mumbai - 400 021 Phone : +91-22-30286100 • E-mail- igpl@igpetro.com

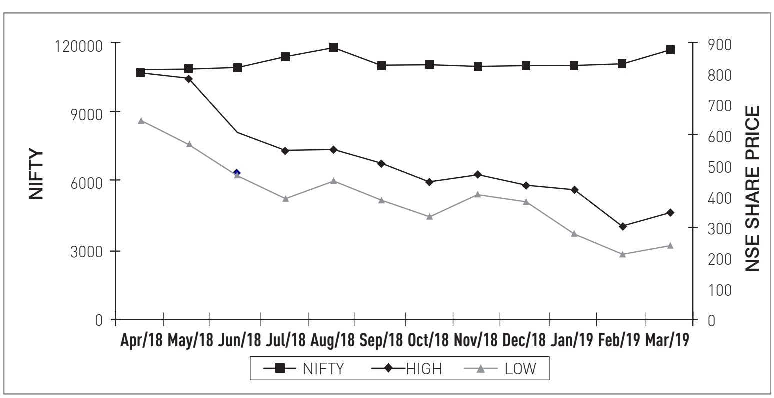
MARKET PRICE DATA DURING THE YEAR ENDED 31ST MARCH, 2019 (MONTH-WISE)

	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
Month	**High (₹)**	**Low (₹)**	**High (₹)**	**Low (₹)**
April	795.50	645.35	798.00	647.00
May	778.90	562.45	780.25	571.70
June	610.00	470.30	607.10	466.55
July	553.65	395.00	548.70	391.10
August	553.25	452.00	552.00	453.05
September	504.90	388.80	506.85	390.00
October	446.70	340.00	446.75	338.00
November	487.00	408.00	468.45	407.00
December	438.90	386.00	437.95	383.80
January	429.10	285.00	422.05	283.00
February	302.40	215.85	304.85	215.00
March	347.40	248.65	348.75	246.00

PERFORMANCE OF IGPL SHARE PRICE IN COMPARISON WITH SENSEX (BSE)



PERFORMANCE OF IGPL SHARE PRICE IN COMPARISON WITH NIFTY (NSE)



DISTRIBUTION OF SHAREHOLDING AS AT 31ST MARCH, 2019

Shareholding	No. of shareholders	% to total	No. of shares	% to total
1 – 500	31,006	95.34	31,66,143	10.28
501 – 1000	857	2.64	6,89,340	2.24
1001 – 2000	341	1.05	5,10,660	1.66
2001 – 3000	94	0.29	2,38,768	0.78
3001 – 4000	68	0.21	2,44,118	0.79
4001 – 5000	47	0.14	2,19,770	0.71
5001 – 10000	52	0.16	3,62,968	1.18
10001 and above	56	0.17	2,53,63,083	82.36
Total	**32,521**	**100.00**	**3,07,94,850**	**100.00**

OTHER DISCLOSURES

a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

   There were no material related party transactions which could have had potential conflict with the interest of the Company at large.

b. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets, during the last three years.

   No penalties or strictures were imposed by the stock exchanges or SEBI or any other statutory authority during the last three years.

c. Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee

   The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and it provides its employees a channel for the reporting of genuine concerns about unethical behaviour, actual or suspected or misconduct without fear of punishment or unfair treatment.

   The mechanism provides for adequate safeguards against victimization and direct access to the Chairman of the Audit Committee.

   During the year, no employee has been denied access to the Audit Committee.

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

   The Company complies with all mandatory legislations including but not restricted to Ind As, Secretarial Standards, Internal Financial Controls, Code of Conduct, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Corporate Social Responsibility, etc.

   The Company has adopted the following non-mandatory requirements:

   a. The financial statements of the Company contain an unmodified audit opinion.
   b. The office of the Chairman and Managing Director are being held by separate persons.
   c. The report of the Internal Auditor is placed before the Audit Committee meeting and they are invitees to the meeting.

e. Web link where policy for determining ‘material’ subsidiaries is disclosed

   The Company do not have any material subsidiary.

f. Web link where policy on dealing with related party transactions

   The Policy on related party transactions is available at www.igpetro.com

g. Disclosure of commodity price risks and commodity hedging activities – NIL

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) – Not applicable

i. Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority

   The certificate forms part of this report.

j. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof - None

k. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

Audit fees	-	₹ 15.00 lakhs
Reimbursement of expenses	-	₹ 1.35 lakhs
Total	-	₹ 16.35 lakhs

l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

   No complaints pertaining to sexual harassment of women employees were received during the year.

m. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed – Nil

n. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted – Given above

o. Disclosure with respect to demat suspense account /unclaimed suspense account – Not applicable

   The Company has complied with the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI Listing Regulations.

DECLARATION ON CODE OF CONDUCT

I hereby confirm and declare that all the Directors and Senior Management personnel of the Company as defined in the Code of Conduct of the Company have submitted annual declarations for the year ended 31st March, 2019 confirming their compliance of the same.

Nikunj Dhanuka
Chief Executive Officer

Mumbai, 22nd May, 2019

CERTIFICATE UNDER SCHEDULE V – PART C OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Directors and Members of
I G Petrochemicals Limited

This is to certify that, as on 31st March, 2019, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/Ministry of Corporate Affairs or any such Statutory Authority.

For Martinho Ferrao & Associates
Company Secretaries

Martinho Ferrao
Proprietor
FCS No. 6221
CP No. 5676

Mumbai, 13th May, 2019

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
I G Petrochemicals Limited

We have examined the compliance of conditions of Corporate Governance by I G Petrochemicals Limited ("the Company") for the year ended 31st March, 2019 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 & Disclosure Requirements) Regulations 2015 ('SEBI Listing Regulations') and as amended from time to time.

Management's Responsibility

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

Auditor's Responsibility

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of relevant records and information and according to the explanations given to us and the representation 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 SEBI Listing Regulations, during the year ended 31st March, 2019, as applicable.

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

Restriction on use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Uday & Co.
Chartered Accountants
Firm's Registration No.004440S

K. Sathyanarayanan
Partner
Membership No.203644

Mumbai, 22nd May, 2019

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

Name of Subsidiary	Reporting Period	Reporting Currency	Exchange Rate	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Invest-ments	Turn Over	Profit/(Loss) Before Taxation	Profit/(Loss) After Taxation	Proposed Dividend	% of share holding
IGPL International Ltd	31st March, 2019	GBP	90.4756	59,83,101	59,718	96,97,546	96,97,546	32,739	–	(5,886)	(5,886)	–	100
IGPL (FZE)	31st March, 2019	AED	18.2636	1,50,000	51,90,603	5,38,993	5,38,993	49,80,000	–	(49,42,476)	(4,942,476)	–	100

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

Pramod Bhandari
Chief Financial Officer

Sudhir R Singh
Company Secretary

Mumbai
22nd May, 2019

Financial Section

Independent Auditor's Report

To the Members of I G Petrochemicals Limited

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone Ind AS financial statements of I G Petrochemicals Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019 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 the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the 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 31st March, 2019 and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

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 Ind AS 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 together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules 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 opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Deferred tax asset on impairment in value of investments ▪ The Company has recorded impairment in the value of investments in IGPL International Limited, its wholly owned subsidiary, of ₹ 950 lakhs as at 31st March, 2019. ▪ The Company has not recognised deferred tax asset on the said impairment provision. ▪ Recognition of deferred tax asset involves significant management judgement to determine the possible outcome of deductibility of this charge for current tax in future years, consequently having an impact on related accounting and disclosures in the standalone financial statements. ▪ Refer Note 2 to the standalone financial statements.	Our audit procedures include the following substantive procedures: ▪ Obtained understanding of the management judgement ▪ We read and analysed external advise obtained by the Company ▪ We discussed the matter with appropriate senior management

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors report, Corporate Governance report and Management Discussion and Analysis of Annual report, but does not include the financial statements and our auditor's report thereon.

The Directors report and Management Discussion and Analysis of Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Directors report and Management Discussion and Analysis of Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.

- Obtain an understanding of internal control 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Ind AS 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.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS 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.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

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

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

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st

March, 2019 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 Ind AS financial statements – Refer Note 31 to the 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;

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

(C) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197(16) of the Act, as amended, 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 Uday & Co.
Chartered Accountants
Firm’s Registration No.
004440S

K Sathyanarayanan
Partner
Membership No. 203644
Place : Mumbai
Date : 22nd May, 2019

For ASA & Associates LLP
Chartered Accountants
Firm’s Registration No.
009571N/N500006

Prateet Mittal
Partner
Membership No. 402631

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

As referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date

(i) a) As per information and explanation provided to us and based on our examination of the records of the Company, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b) As per information provided before us, the fixed assets were physically verified by the management at reasonable intervals and no material discrepancies were noticed.

c) As per information provided to us and to the best of our knowledge and belief, the title deeds of immovable properties are held in the name of the Company.

(ii) As per information provided to us and to the best of our knowledge and belief, the physical verification of inventory has been conducted by the management at reasonable intervals. No material discrepancies have been noticed on physical verification of inventories as compared to book records.

(iii) The Company has granted loan to one body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act").

a) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to the body corporate listed in the register maintained under section 189 of the Act were not prima facie prejudicial to the interest of the Company.

b) In case of the loan granted to the body corporate listed in the register maintained under section 189 of the Act, the borrower have been regular in the payment of the principal and interest as stipulated.

c) There is no overdue amount in respect of the loan granted to the body corporate listed in the register maintained under section 189 of the Act.

(iv) According to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act.

(v) According to the information and explanations given to us, during the financial year, the Company has not accepted deposits within the meaning of Section 73 to 76 of the Act. Accordingly, paragraph 3(v) of the Order is not applicable.

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

(vii) a) According to the information provided and explanations given to us and based on our examination of the records of the Company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, goods and service tax, duty of customs and other statutory dues applicable to it. There are no material outstanding statutory dues existing as on the last day of the financial year which is outstanding for more than six months from the day these becomes payable.

b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute other than those indicated below :

Name of the statute	Nature of disputed dues	Amount (₹ In lakhs)	Year to which demand relates	Forum, where dispute is pending
Central Excise Act, 1944	Excise Duty	1,699.30	Various Years from 1997 to 2009	CESTAT
Central Excise Act, 1944	Excise Duty	112.62	Various Years from 1997 to 2015	Commissioner of GST
Income Tax Act, 1961	Income Tax	4,914.36 #	Various Assessment Year from 1992-93 to 2016-17	Karnatka High Court / ITAT/ CIT (Appeal)

After taking into consideration of the payments under protest / MAT adjustments.

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution, bank, Government or dues to debenture holders.

(ix) In our opinion and according to the information and explanations given to us and to the best of our knowledge and belief, the Company did not take any loan & did not raise money by way of initial public offer or further public offer during the year.

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

(xi) According to the information and explanations given to us and based on examination of the record of the Company, the Company has paid/ provided for the managerial remuneration in accordance with requisite approval mandated by the provisions of Section 197 read with schedule V to the Act.

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

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has entered transactions during the period, with the related parties as per the provisions of section 177 and 188 of the Act and wherever applicable the details have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on 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.

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

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

For Uday & Co.	**For ASA & Associates LLP**
Chartered Accountants	Chartered Accountants
Firm's Registration No. 004440S	Firm's Registration No. 009571N/N500006
K Sathyanarayanan	**Prateet Mittal**
Partner	Partner
Membership No. 203644	Membership No. 402631

Place : Mumbai
Date : 22nd May, 2019

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of I G Petrochemicals Limited ("the Company") as of 31st March, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Uday & Co.	**For ASA & Associates LLP**
Chartered Accountants	Chartered Accountants
Firm's Registration No.	Firm's Registration No.
004440S	009571N/N500006
K Sathyanarayanan	**Prateet Mittal**
Partner	Partner
Membership No. 203644	Membership No. 402631

Place : Mumbai
Date : 22nd May, 2019

Balance Sheet
as at 31st March, 2019

(₹ in lakhs)

Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
Non Current assets			
Property, Plant and Equipment	1	38,657.28	40,078.66
Capital Work-In-Progress	1	21,608.27	2,568.60
Goodwill	1	201.14	201.14
Other Intangible Assets	1	63.76	13.99
Intangible Assets Under Development	1	–	58.86
		60,530.45	**42,921.25**
Financial Assets			
(i) Investments	2	4,339.04	4,895.43
(ii) Loans	3	127.15	128.48
(iii) Other Financial Assets	4	392.20	321.24
Non- Current Tax Assets (Net)		644.93	656.74
Other Non-Current Assets	5	1,829.97	2,379.84
Total Non Current Assets		**67,863.74**	**51,302.98**
Current Assets			
Inventories	6	12,944.04	9,437.88
Financial Assets			
(i) Investments	7	6,977.01	4,073.86
(ii) Trade Receivables	8	18,281.13	13,877.11
(iii) Cash and Cash Equivalents	9(a)	836.20	450.15
(iv) Bank balances other than (iii) above	9(b)	1,676.64	1,669.14
(v) Loans	10	61.07	56.79
(vi) Other Financial Assets	11(a)	1,455.01	70.16
Other Current Assets	11(b)	2,116.98	1,792.63
Total Current Assets		**44,348.08**	**31,427.72**
TOTAL		**1,12,211.82**	**82,730.70**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	3,079.81	3,079.81
Other Equity	13	59,793.39	49,730.29
Total Equity		**62,873.20**	**52,810.10**
Non Current Liabilities			
Financial Liabilities			
(i) Borrowings	14	11,015.56	2,923.44
(ii) Other Financial Liabilities	15	2,369.00	3,750.00
Provisions	16	291.72	278.63
Deferred Tax Liabilities (Net)	17	5,561.65	3,712.14
Total Non Current Liabilities		**19,237.93**	**10,664.21**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	18	3,340.14	2.51
(ii) Trade Payables	19(a)	23,245.78	14,982.99
(iii) Other Financial Liabilities	19(b)	2,880.90	3,744.98
Other Current Liabilities	20	478.19	441.09
Provisions	21	155.68	84.82
Total Current Liabilities		**30,100.69**	**19,256.39**
TOTAL		**1,12,211.82**	**82,730.70**
Significant Accounting Policies	A		
Notes on Financial Statements	1 - 42		

As per our report of even date
For **Uday & Co.**
Chartered Accountants.

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants.

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

Mumbai
22nd May, 2019

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

Pramod Bhandari
Chief Financial Officer

Sudhir R Singh
Company Secretary

Statement of Profit and Loss
for the year ended 31st March, 2019

(₹ in lakhs)

Particulars	Note	Year ended 31st March, 2019	Year ended 31st March, 2018
INCOME			
Revenue from Operations	22	1,30,370.31	1,17,086.88
Other income	23	757.76	402.35
Total Income		**1,31,128.07**	**1,17,489.23**
EXPENSES			
Cost of Raw Material Consumed	24	91,974.92	69,815.63
Purchases of Stock-in -Trade		538.39	2,498.27
Changes In Inventories of Finished Goods and Work-in-Progress	25	(1,232.58)	436.45
Excise Duty		–	2,669.96
Employee Benefits Expense	26	6,181.76	5,575.11
Finance Cost	27	1,143.53	1,487.96
Depreciation and Amortisation Expenses	1	2,646.41	2,569.60
Other Expenses	28	10,295.10	9,351.37
Total Expenses		**1,11,547.53**	**94,404.35**
Profit before Exceptional Items & Tax		19,580.54	23,084.88
Less: Exceptional Items			
Impairment in the value of Investment in Subsidiary		950.00	–
Profit before Tax		**18,630.54**	**23,084.88**
Tax Expenses	37		
Current Tax		6,341.62	7,574.52
Deferred Tax		640.76	855.87
Profit for the year		**11,648.16**	**14,654.49**
Other Comprehensive Income / (Expenses)			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of Defined Benefit Plan - Gratuity		(153.03)	25.92
(ii) Income Tax relating to items that will not be reclassified to profit or loss		52.96	(8.97)
Other Comprehensive Income For the Year		**(100.07)**	**16.95**
Total Comprehensive Income For the Year		**11,548.09**	**14,671.44**
Earning per Equity Share:	29		
Face value of shares ₹ 10 each, (Previous Year: ₹ 10 each)			
Basic & Diluted - ₹		37.82	47.58
Significant Accounting Policies	A		
Notes on Financial Statements	1-42		

As per our report of even date
For **Uday & Co.**
Chartered Accountants.

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants.

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

Mumbai
22nd May, 2019

For and on behalf of the Board of Directors of
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Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

Pramod Bhandari
Chief Financial Officer

Sudhir R Singh
Company Secretary

Statement of Changes in Equity

for the year ended 31st March, 2019

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
(A) EQUITY SHARE CAPITAL		
Opening Balance	3,079.81	3,079.81
Changes in Equity Share Capital	–	–
Closing Balance	**3,079.81**	**3,079.81**

(B) Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus				Other Comprehensive Income	Total Other Equity
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance at 1st April, 2017	**116.25**	**2,275.00**	**3,000.00**	**30,823.94**	**(44.42)**	**36,170.77**
Profit for the Year	-	-	-	14,654.49	-	14,654.49
Other Comprehensive Income, net of tax	-	-	-	-	16.95	16.95
Transfer to General Reserve	-	-	2,000.00	(2,000.00)	-	-
Dividend Including Dividend - Distribution Tax	-	-	-	(1,111.92)	-	(1,111.92)
Balance at 31st March, 2018	**116.25**	**2,275.00**	**5,000.00**	**42,366.51**	**(27.47)**	**49,730.29**
Profit for the Year	-	-	-	11,648.16	-	11,648.16
Other Comprehensive Income, net of tax	-	-	-	-	(100.07)	(100.07)
Transfer to General Reserve	-	-	2000.00	(2,000.00)	-	-
Dividend Including Dividend Distribution Tax	-	-	-	(1,484.99)	-	(1,484.99)
Balance at 31st March, 2019	**116.25**	**2,275.00**	**7,000.00**	**50,529.68**	**(127.54)**	**59,793.39**

The nature of reserves are as follows:

1. Capital Reserve : Capital Reserve has been created to record the forfeiture of Share Warrants. It is utilised to meet Capital Losses and issue of Bonus Share.
2. Securities Premium Reserve : Securities premium is used to record the premium received on issue of Shares. It is utilised in accordance with the Companies Act, 2013.
3. General Reserve : General Reserve is created by transfer of profit from retained earnings for appropriation purposes from time to time.
4. Retained Earnings : The amount can be utilised to distribute as dividend to its equity shareholders.

As per our report of even date
For **Uday & Co.**
Chartered Accountants.

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants.

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

Mumbai
22nd May, 2019

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

Pramod Bhandari
Chief Financial Officer

Sudhir R Singh
Company Secretary

Cash Flow Statement

for the year ended 31st March, 2019

(₹ in lakhs)

	Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax and Extraordinary Items	18,630.54	23,084.88
	Non -cash Adjustment to reconcile profit before tax to net cash flow:		
	Depreciation / Amortisation Expenses	2,646.41	2,569.60
	Impairment in the value of Investment in Subsidiary	950.00	-
	Loss / (Profit) on Sale / Write off of Fixed Assets	14.77	(14.52)
	Loss / (Profit) on Sale of Investments	(38.87)	(7.87)
	Profit on Fair Value of Investment through Profit & Loss	(421.54)	(115.66)
	Foreign Exchange Translation Difference Loss (Net)	(344.48)	207.04
	Sundry Balances / Excess Provision Written Back	9.32	47.72
	Interest Expense	741.15	1,121.73
	Interest Income	(157.72)	(226.08)
	Dividend Income	(24.28)	(12.79)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**22,005.30**	**26,654.05**
	Movements in Working Capital		
	Increase / (decrease) in Trade Payables / Other Current liabilities	6,676.01	(1,881.46)
	Decrease / (increase) in Trade receivables	(4,236.66)	1,361.50
	Decrease / (increase) in Inventories	(3,506.16)	222.05
	Decrease / (increase) in loans and advances	(1,234.67)	(1,157.32)
		(2,301.48)	**(1,455.23)**
	CASH GENERATED FROM/(USED IN) OPERATIONS	**19,703.82**	**25,198.82**
	Direct Taxes Paid (Net of refunds)	(5,051.19)	(5,420.02)
	NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES	**14,652.63**	**19,778.80**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Purchase of Fixed Assets, including intangible assets,CWIP	(20,901.24)	(6,138.42)
	Proceeds from Sale of Fixed Assets	139.93	35.89
	Purchase of Investments	(2,836.35)	(6,987.47)
	Interest Received	134.75	220.17
	Dividend Received	24.28	12.79
	NET CASH FLOW FROM /(USED IN) INVESTING ACTIVITIES	**(23,438.63)**	**(12,857.04)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Proceeds / (Repayments) of Long-term borrowings (Net)	8,053.02	(4,499.60)
	Interest Paid	(767.30)	(1,175.28)
	Dividend Paid	(1,451.30)	(1,068.19)
	NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES	**5,834.42**	**(6,743.07)**
	NET INCREASE / (DECREASE) (A+B+C)	**(2,951.58)**	**178.69**
	Cash and Cash Equivalents (Opening Balance)	**447.64**	**268.95**
	Cash and Cash Equivalents (Closing Balance)	**(2,503.94)**	**447.64**

NOTE : 1. Previous year figures have been regrouped / reclassified wherever applicable.

As per our report of even date
For **Uday & Co.**
Chartered Accountants.

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants.

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

Mumbai
22nd May, 2019

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

Pramod Bhandari
Chief Financial Officer

Sudhir R Singh
Company Secretary

Significant Accounting Policies

NOTE A :

(A) GENERAL INFORMATION

I G Petrochemicals Limited ("the Company") is a public limited Company incorporated in India with its registered office at T-10, 3rd Floor, Jairam Complex, Mala, Neugi Nagar, Panaji, Goa 403001.

(B) STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

(C) BASIS OF PREPARATION

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company had adopted Indian Accounting Standards ("Ind AS"), notified under the Companies (Indian Accounting Standards) Rules, 2015, with effect from 1st April, 2017.

The transition from the previous GAAP to Ind AS had been accounted for, in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards", with effect from April 1, 2016 as the transition date.

The financial statements have been prepared under the historical cost convention, with the exception of certain financial instruments that are required to be carried at fair values or at amortised cost by Ind AS.

(D) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:

- Depreciation on property, plant and equipment of Maleic Anhydride acquired in earlier year from Mysore Petro Chemicals Limited is provided based on the useful life determined by the valuer which is as follows:

Asset	Useful life as per valuer	Useful life as per Schedule II
Building	20 to 30 years	30 years
Furniture & fixtures	5 years	10 years
Vehicles	5 to 6 years	8 years
Plant & Equipment	20 years	8 to 20 years
Road	10 years	10 years

Catalyst used in the production process is amortized over a period of 3 years against useful life of 8 to 20 years as per schedule II, so as to expense the cost over its estimated useful based on a technical evaluation.

Freehold land is not depreciated.

Leasehold land is amortized over the period of lease.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

(E) INTANGIBLE ASSETS AND GOODWILL

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Significant Accounting Policies

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Computer software : 4 years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquire's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment lossess, if any.

These assets are not amortised but are tested for impairment annually.

(F) INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURE

Investments in subsidiaries and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

(G) OTHER INCOME

Insurance and other claims are accounted as and when unconditionally admitted by the appropriate authorities.

(H) INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

(I) BORROWING COST

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

(J) FINANCIAL INSTRUMENTS

Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value. In case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognized in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- amortized cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade Receivables and Loans

Trade receivables are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash flows through the expected life of financial instrument.

Significant Accounting Policies

Debt Instruments

Debt instruments are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

(a) **Measured at amortised cost:** Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

(b) **Measured at fair value through other comprehensive income:** Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) **Cash and Cash Equivalents:** Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(d) **Measured at fair value through profit or loss:** A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity Instruments

All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

For financial assets other than trade receivables as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component. In determining the allowances for doubtful trade receivables,

Significant Accounting Policies

the company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value. In case of trade payables they are initially recognised at fair value and subsequently these liabilities are held at amortised cost using the effective interest method.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(K) PROVISIONS AND CONTINGENT LIABILITIES

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 measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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 the obligation or a reliable estimate of the amount cannot be made.

(L) REVENUE RECOGNITION

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement

With the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as value added tax.

Income from export incentives such as duty drawback and premium on sale of import licenses are recognised on accrual basis.

Income from services rendered is recognised based on agreements/ arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably.

Interest income is recognized using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.

Significant Accounting Policies

Insurance claim receivable is accounted for when amount of claim is finalized by insurance company.

(M) EMPLOYEE BENEFITS

Defined contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

Company's provident fund contribution, in respect of certain employees, is made to an irrevocable trust set up by the company and contribution to pension fund deposited with the Regional Provident Fund Commissioner and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plans

In respect of certain employee, provident fund contributions are made to a trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation. The Company also provides for retirement/post-retirement benefits in the form of gratuity and leave pay.

For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Employee benefit expense" in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

The defined benefit plan surplus or deficit on the Balance Sheet comprises the total for each plan of the fair value of plan assets less the present value of the defined benefit liabilities (using a discount rate by reference to market yields on government bonds at the end of the reporting period).

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

Termination benefits

Termination benefits, in the nature of voluntary retirement benefits or termination benefits arising from restructuring are recognised in the Statement of Profit and Loss. The Company recognises termination benefits at the earlier of the following dates:

(a) when the Company can no longer withdraw the offer of those benefits or

(b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value

(N) IMPAIRMENT OF NON FINANCIAL ASSETS

The Company assess at each reporting date whether there is any indication that the carrying amount may not be recoverable. If any such indication exists, then the assets recoverable amount is estimated and an impairment loss is recognised if the carrying amount of an asset or CGV exceeds its estimated recoverable amount in the statement of profit and loss.

Significant Accounting Policies

Goodwill is tested annually for impairment.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(O) INCOME TAXES

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date and any adjustment to taxes in respect of previous years. Interest income/ expenses and penalties, if any, related to income tax are included in current tax expense.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

(P) FOREIGN CURRENCIES

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

(Q) EARNINGS PER SHARE

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(R) BUSINESS COMBINATION

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration

Significant Accounting Policies

transferred and the amount recognised for non-controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Company has not applied as they are effective from 1st April, 2019:

Ind AS 116 – Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single on-balance sheet lessee accounting model for lessees. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116 effective annual reporting period beginning 1st April, 2019. The Company is in the process of finalising changes to systems and processes to meet the accounting and the reporting requirements of the standard in conjunction with review of lease agreements. The Company will recognise with effect from 1st April, 2019 new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to:

(a) amortisation charge for the right-to-use asset and

(b) interest accrued on lease liability.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following:

(1) the entity has to use judgement to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty;

(2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount;

(3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable

Significant Accounting Policies

profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control/ joint control of a business that is a joint operation.

Notes

to the financial statements for the year ended 31st March, 2019

1 PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Equipments	Office Equipments	Furniture & Fixtures	Vehicles	Catalyst	Total	Intangible Assets (Computer - Software)	Goodwill	Intangible Assets under Develop-ment	Capital work-in-progress (Refer Note-2)
Gross Carrying Amount													
At 1st April, 2018	233.87	4,524.84	2,905.09	71,610.51	400.33	958.14	644.79	2,912.17	84,189.74	67.87	201.14	58.86	2,568.60
Additions	–	–	107.10	192.36	34.49	15.95	403.72	603.91	1,357.53	71.97	–	–	19,493.94
Disposal	–	–	–	(36.88)	–	–	(195.09)	(1,453.57)	(1,685.54)	–	–	(58.86)	(454.27)
At 31st March, 2019	**233.87**	**4,524.84**	**3,012.19**	**71,765.99**	**434.82**	**974.09**	**853.42**	**2,062.51**	**83,861.73**	**139.84**	**201.14**	–	**21,608.27**
Accumulated Depreciation													
At 1st April, 2018	–	179.97	1,324.05	39,760.02	310.93	422.28	204.12	1,909.71	44,111.08	53.88	–	–	–
Depreciation for the year	–	59.05	103.23	1,808.57	25.98	62.90	95.26	469.22	2,624.21	22.20	–	–	–
Disposal	–	–	–	(29.18)	–	–	(48.09)	(1,453.57)	(1,530.84)	–	–	–	–
At 31st March, 2019	–	**239.02**	**1,427.28**	**41,539.41**	**336.91**	**485.18**	**251.29**	**925.36**	**45,204.45**	**76.08**	–	–	–
Net Carrying Amount													
At 1st April, 2018	233.87	4,344.87	1,581.04	31,850.49	89.40	535.86	440.67	1,002.46	40,078.66	13.99	201.14	58.86	2,568.60
At 31st March, 2019	**233.87**	**4,285.82**	**1,584.91**	**30,226.58**	**97.91**	**488.91**	**602.13**	**1,137.15**	**38,657.28**	**63.76**	**201.14**	–	**21,608.27**

Notes :

1. Buildings include ₹ 250/- (Previous year ₹ 250/-) for shares in office premises in a co-operative society.

2. Capital work in Progress includes Property, Plant & Equipment under construction ₹ 15,887.09 lakhs (Previous year - ₹ 1,769.94 lakhs), Machinery Spares Stock ₹ 5,159.79 lakhs (Previous year - ₹ 513.01 lakhs) and preoperative expenses incurred during the year in the form of Employee Benefits expense of ₹ 181.42 lakhs (Previous year ₹ 108.97 lakhs), Rates & Taxes -Nil (Previous year ₹ 7.82 lakhs), Legal & Professional Fees -Nil (Previous Year ₹ 3.51 lakhs), Interest & Finance Expenses ₹ 166.50 lakhs (Previous Year - Nil), Insurance Premium ₹ 25.98 lakhs (Previous Year - Nil) and Miscellaneous Expenses ₹ 6.84 lakhs (Previus Year - Nil).

3. **Goodwill**

   The Company tests goodwill annually for impairment

   Goodwill was recognised from business combination during the year ended 31st March, 2018 and represents difference of purchase consideration paid & allocation to Identified Assets & Liabilities as per Valuer's Report on acquiring manufacturing unit of Maleic anhydride .The estimated value-in-use of the Unit is based on the future cash flows using at 2% annual growth rate for periods subsequent to the forecast period of 5 years and discount rate of 17%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the Unit would decrease below its carrying amount.

Notes

to the financial statements for the year ended 31st March, 2019

2 NON-CURRENT INVESTMENTS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Investment at Cost		
Unquoted		
Investment in Equity Instruments (Fully Paid-up)		
1,000 (Previous year - 1,000) shares of ₹ 100 each in Cosmos Co-operative Bank Ltd.	1.00	1.00
2,94,348 (Previous year - 2,68,055) Share of AED 100 each in IGPL - International Limited (wholly owned subsidiary)	5,278.58	3,884.20
Total Non Current Investment at Cost	**5,279.58**	**3,885.20**
Investment measured at fair Value through Profit & Loss		
Investment in Mutual Funds (Fully Paid-up)		
40,537.392 (Previous year - 40,537.392) units of ₹ 10 each in Principal Mutual Fund	9.46	8.82
Nil (Previous year -100) Units of JM Financial Products of ₹ 1,00,000 each.	–	1,001.41
Total Non-Current Investment measured at Fair Value through Profit & Loss	**9.46**	**1,010.23**
Total Non-Current Investments	**5,289.04**	**4,895.43**
Aggregate amount of quoted Investments and market value thereof	–	–
Aggregate amount of unquoted Investments	5,289.04	4,895.43
Aggregate amount of impairment in the value of Investments	(950.00)	–
	4,339.04	**4,895.43**

3 NON-CURRENT FINANCIAL ASSETS

(Unsecured, Considered Good)		
Loan to Wholly Owned Subsidiary	127.15	128.48
	127.15	**128.48**

4 NON- CURRENT FINANCIAL ASSETS

OTHER FINANCIAL ASSETS		
Deposits – Others	154.50	113.60
Loan to Employees	114.61	108.16
Fixed Deposits with Bank with a maturity period of above 12 months	52.86	29.25
Security Deposit - Related Party (refer note no.33)	70.23	70.23
	392.20	**321.24**

Notes

to the financial statements for the year ended 31st March, 2019

5 OTHER NON CURRENT ASSETS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Capital Advances for Purchase of Property,Plant and Equipment	983.43	1,529.16
Other Advances (Deposit with Government Authorities, etc.)	846.54	850.68
	1,829.97	**2,379.84**

6 INVENTORIES (at lower of cost and net realisable value)

Raw Material	5,994.44	4,163.40
Raw Material in transit	1,384.62	1,098.24
Stores and Spares	2,924.99	2,768.83
Work-in-Progress	1,118.89	397.21
Finished Goods	1,521.10	1,010.20
	12,944.04	**9,437.88**

7 CURRENT INVESTMENTS

Unquoted		
Investment measured at Fair Value through Profit & Loss		
Investment in Mutual Funds - (Fully Paid -up)		
Nil (Previous year - 800) Units of Edelwise Finvest Private Limited of ₹ 1,00,000 each	–	865.54
18,409.446 (Previous year - 1,53,895.370) Units of Aditya Birla Sunlife Cash Plus of ₹ 100 each	18.45	154.20
976 (Previous year - 976) Units of Edelwise Finvest Private Limited of ₹ 1,00,000 each	1,100.41	1,011.62
1,00,000 (Previous year - 50,000) Units of Edelweiss Alpha Fund of ₹ 1,000 each	1,040.38	500.00
1,00,000 (Previous year - 50,000) Units of Avendus Absolute Return Fund ₹ 1,000 each	1,083.95	520.48
Nil (Previous year - 9) Units of Arm Infra & Utilities Pvt. Ltd. of ₹ 10,00,000 each	–	104.36
Nil (Previous year - 9) Units of JM Financial Products Ltd. of ₹ 10,00,000 each	–	98.00
Nil (Previous year - 31.885) Units of HDFC Liquid Fund of ₹ 3,418.5354 each	–	1.09
5,00,000 (Previous year - 5,00,000) Units of DSP BlackRock India of ₹ 100 each	538.00	501.90
Nil (Previous year - 200) Units of ECAP Equities Ltd. of ₹ 1,00,000 each	–	214.92
Nil (Previous year - 88) Units of ECL Finance Ltd. of ₹ 1,00,000 each	–	101.75
100 (Previous year - NIL) Units of JM Financial Products of ₹ 1,00,000 each	1,082.56	–
10,00,000 (Previous year - Nil) Units of Indosta Capital Finance Ltd ₹ 100 each	1,047.30	–
10,00,000 (Previous year - Nil) Units of ECL Finance Ltd ₹ 100 each	1,065.96	–
Total Current Investment measured at Fair Value through Profit & Loss	**6,977.01**	**4,073.86**
Total Current Investment	**6,977.01**	**4,073.86**
Aggregate amount of quoted Investments and market value thereof	–	–
Aggregate amount of unquoted Investments	6,977.01	4,073.86
Aggregate amount of impairment in the value of Investments	–	–

Notes

to the financial statements for the year ended 31st March, 2019

8 TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, Considered Good	18,287.86	13,877.11
Less: Provision for doubtful debts	(6.73)	–
	18,281.13	**13,877.11**

9 CASH AND CASH EQUIVALENTS

(a)	Cash in hand	3.09	2.92
	Balance with Scheduled Banks		
	In Current Accounts	833.11	447.23
		836 .20	**450.15**
(b)	Other Bank Balances		
	In Fixed Deposits (Held with Scheduled Banks as Margin)	1,547.85	1,037.18
	In Deposits with Maturity of less than 12 Months	–	542.84
	In Fixed Deposits (Provided to Government Department as Security)	1.04	0.97
	In Margin Money Accounts	5.90	–
	In Unpaid Dividend Account	121.85	88.15
		1,676.64	**1,669.14**
		2,512.84	**2,119.29**

10 CURRENT FINANCIAL ASSETS - LOANS

Loan to Employees	61.07	56.79
	61.07	**56.79**

11 a) CURRENT ASSETS - OTHERS FINANCIAL ASSETS

Advances recoverable in cash or kind or for value to be received		
– Considered Good	93.20	70.16
Balance with GST Authorities	1,361.81	–
	1,455.01	**70.16**

11 b) CURRENT ASSETS - OTHERS

Prepayment	1,442.89	1,163.37
Export incentive receivable	301.45	366.44
Advances to suppliers	**372.64**	**262.82**
	2,116.98	**1,792.63**

Notes

to the financial statements for the year ended 31st March, 2019

12 EQUITY SHARE CAPITAL

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Authorised		
4,00,00,000 (Previous year - 4,00,00,000) Equity Shares of ₹ 10/- each	4,000.00	4,000.00
10,00,000 (Previous year - 10,00,000) Preference Share of ₹ 100/- each	1,000.00	1,000.00
	5,000.00	**5,000.00**
Issued		
3,08,01,350 (Previous year - 3,08,01,350) Equity Shares of ₹ 10/- each	3,080.14	3,080.14
Subscribed and Paid-up		
3,07,94,850 (Previous year - 3,07,94,850) Equity Shares of ₹ 10/- each	3,079.49	3,079.49
Add: Amount paid up on 6,500 shares forfeited	0.32	0.32
	3,079.81	**3,079.81**

The reconciliation of the number of shares outstanding is set out below

Particulars	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	3,07,94,850	3,07,94,850
Add : Shares Issued during the year	–	–
Equity Shares at the end of the year	**3,07,94,850**	**3,07,94,850**

The Details of Shareholders holding more than 5% Shares in the Company

Name of the Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	%	No. of Shares	%
Gembel Trade Enterprises Ltd.	27,17,491	8.82	27,17,491	8.82
Kamrup Enterprises Ltd.	33,21,401	10.79	33,21,401	10.79
Mysore Petrochemicals Ltd.	40,75,000	13.23	40,75,000	13.23
Savita Investment Co.Ltd.	19,33,414	6.28	19,33,414	6.28
Shekhawati Investment Co. Ltd.	31,00,425	10.07	41,22,210	13.39
Vincent (India) Ltd.	48,89,927	15.88	48,89,927	15.88

13 OTHER EQUITY

(₹ in lakhs)

Particulars		As at 31st March, 2019	As at 31st March, 2018
Capital Reserve			
Balance as per last Balance Sheet		116.25	116.25
Securities Premium Reserve			
Balance as per last Balance Sheet		**2,275.00**	**2,275.00**
General Reserve			
Balance as per last Balance Sheet	5,000.00		3,000.00
Add : Transferred from Surplus in Profit & Loss	2,000.00	7,000.00	2,000.00

Notes

to the financial statements for the year ended 31st March, 2019

13 OTHER EQUITY

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Retained Earnings		
Opening Balance at the beginning of the year	42,366.51	30,823.94
Add : Profit for the year	11,648.16	14,654.49
	54,014.67	**45,478.43**
Less: Appropriation		
Transferred to General Reserve	2,000.00	2,000.00
Equity dividend	1,231.79	923.85
Tax on Dividend	253.20	188.07
	50,529.68	**42,366.51**
Other Comprehensive Income (OCI)		
As per Last Balance Sheet	(27.47)	(44.42)
Add : Movement in OCI (Net) during the year	(100.07)	16.95
	(127.54)	**(27.47)**
Total Other Equity	**59,793.39**	**49,730.29**

14 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

Secured Loans		
Term Loan - Rupee Term Loan from a Bank	1,530.84	–
External Commercial Borrowing	9,484.72	2,698.44
	11,015.56	**2,698.44**
Unsecured Loans		
From Bodies Corporate	–	225.00
	-	**225.00**
	11,015.56	**2,923.44**

i. During the year, the Company has raised External Commercial Borrowings (ECB), the repayment of which is due to commence from 29th November, 2019. This is in addition to the already subsisting ECB, in respect of which the repayment has already started from 15th September, 2013. Both the ECB's are payable in 17 equal semi-annual instalments from their respective due dates and are secured by the first pari-pasu charge on the fixed movable assets (other than current assets) and registered mortgage on immovable properties of the Company by way of first pari-passu charge.

ii. Term Loan which is secured by the first pari-passu charge by way of hypothecation of movable fixed assets of the Company including but not limited to plants, machinery, equipment, etc and second pari-passu charge by way of hypothecation on all current assets of the Company including but not limited to book debts, stocks and all other current assets of the Company. The loan shall be further secured by mortgage of immovable properties of the Company by way of first pari-passu charge. The same is also secured by Personal Guarantee of two Directors of the Company.

15 NON-CURRENT FINANCIAL LIABILITIES

Due to Related Party (Refer Note No. 33)	2,369.00	3,750.00
	2,369.00	**3,750.00**

Notes
to the financial statements for the year ended 31st March, 2019

16 LONG TERM PROVISIONS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for Leave Encashment	291.72	278.63
	291.72	**278.63**

17 DEFERRED TAX LIABILITIES (NET)

Deferred Tax Assets		
MAT Credit Entitlement	-	753.92
Provision allowed under tax on payment basis	29.33	143.48
	29.33	**897.40**
Deferred Tax Liabilities		
Property,Plant & Equipments	5,443.68	4,569.52
Financial Assets	147.30	40.02
	5,590.98	**4,609.54**
Net Deferred Tax Liability (Net)	**5,561.65**	**3,712.14**
Deferred Tax benefits are recognised on assets to the extent that it is probable that taxable profit will be available against which the deductible temporary differences will be utilised against which the asset can be utilised		
The movement on the deferred Tax account is as under		
At the beginning of the year	3,712.14	199.44
Charge to statement of Profit & Loss (Net)	640.76	855.87
Adjustment to MAT (Net)	1,208.75	2,656.83
At the end of the year	**5,561.65**	**3,712.14**

18 CURRENT FINANCIAL LIABILITIES - BORROWINGS

Secured		
Bank Borrowings	3,069.54	2.51
Bills Discounting Facility	270.60	–
	3,340.14	**2.51**

i. Bank borrowings are secured by first pari passu charge on the entire current assets of the Company and second pari passu charge on the entire movable fixed assets of the Company amongst Working Capital lenders under consortium banking arrangement. The loan shall be further secured by mortgage of immovable properties of the Company by way of second charge basis. The above Bank borrowings are further secured by Personal Guarantee of two Directors of the Company.

ii. Bill discounting facility is secured by respective book debts & personal Guarantee of two Directors of the Company.

Notes

to the financial statements for the year ended 31st March, 2019

19 a) CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Dues of Micro, Medium and Small Enterprises	39.23	118.99
Dues of creditors other than Micro, Medium and Small Enterprises	23,206.55	14,864.00
	23,245.78	**14,982.99**

Dues to parties covered under the Micro, Small and Medium Enterprises as per MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditor.

19 b) CURRENT FINANCIAL LIABILITIES - OTHER

Unpaid Dividend (shall be credited to Investor Education and Protection Fund as and when due)	121.84	88.15
Security Deposits	3.50	249.58
Current maturities of long term Secured debts		
– External Commercial Borrowing	1,040.28	1,079.38
– Loan against cars (secured against vehicles acquired from such loan)	0.53	52.53
– Due to related party - refer note no. 33	1,350.00	1,350.00
Interest accrued but not due on loans	4.08	30.25
Book overdraft	350.51	889.96
Other liabilities	10.16	5.13
	2,880.90	**3,744.98**

20 OTHER CURRENT LIABILITIES

Advance from Customers	150.40	7.91
Statutory Dues & Taxes payable	327.79	433.18
	478.19	**441.09**

21 SHORT TERM PROVISIONS

Provision for Leave Encashment	64.51	62.06
Provision for Gratuity	91.17	22.76
	155.68	**84.82**

Notes

to the financial statements for the year ended 31st March, 2019

22 REVENUE FROM OPERATIONS (GROSS)

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Sale of products		
Finished Goods	129,347.40	113,977.03
Traded Goods	557.31	2,573.47
Other Operating Revenues	465.60	536.38
	130,370.31	**117,086.88**

23 OTHER INCOME

Interest		
– Bank Deposits	102.75	152.78
– Others	54.97	73.30
Profit on Fair Value of Investment through Profit & Loss	421.54	115.66
Profit/(Loss) on Sale of Fixed Assets	(14.77)	14.52
Profit on Sale of Investments	38.87	7.87
Dividend Received	24.28	12.79
Insurance Claim Received	83.05	–
Other Non Operating Income	47.07	25.43
	757.76	**402.35**

24 COST OF RAW MATERIAL CONSUMED

Orthoxylene		
Opening Stock	4,163.40	4,491.62
Add: Purchases (Net)	93,805.96	69,487.41
	97,969.36	73,979.03
Less: Closing Stock	5,994.44	4,163.40
	91,974.92	**69,815.63**

Notes

to the financial statements for the year ended 31st March, 2019

25 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK -IN-PROGRESS

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Opening Inventories		
Work-in-Progress	397.21	482.80
Finished Goods	1,010.20	1,511.90
Stock on acquisition of MA Unit	–	66.25
Closing Inventories		
Work-in-Progress	1,118.89	397.21
Finished Goods	1,521.10	1,010.20
	(1,232.58)	653.54
Differential Excise duty	–	(217.09)
	(1,232.58)	**436.45**

26 EMPLOYEE BENEFITS EXPENSE

Salaries, Wages and Bonus	5,116.45	4,489.64
Contribution to Provident and Other Funds	261.49	223.29
Gratuity Expenses	51.82	129.26
Staff Welfare Expenses	752.00	732.92
	6,181.76	**5,575.11**

27 FINANCE COST

Interest		
– on Term Loans	63.63	330.42
– on Others	677.52	791.31
Bills Discounting and Bank Charges	402.38	366.23
	1,143.53	**1,487.96**

Notes

to the financial statements for the year ended 31st March, 2019

28 OTHER EXPENSES

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Consumption of Stores, Spares and Consumables	298.56	258.19
Consumption of Packing Materials	675.16	589.48
Power, Fuel and Water charges	2,365.28	2,186.74
Repairs and Maintenance		
Plant and Equipments	2,039.11	1,312.83
Buildings	38.15	9.14
Others	32.07	82.80
Insurance Premium	299.81	245.74
Rent	115.91	126.22
Rates and Taxes	212.51	192.13
Selling Expenses		
Brokerage and Commission	185.30	41.56
Freight outward	2,449.80	2,157.19
Port charges	95.64	123.01
Other selling expenses	98.81	116.62
Directors' Sitting Fees & Commission	208.48	255.62
Payment to Auditors (Refer Note 28.1)	16.35	15.96
Travelling & Conveyance	651.84	556.60
Legal & Professional fees	392.87	297.22
Foreign Exchange Translation Difference	(344.48)	207.04
Communication Cost	35.35	40.05
CSR Expenditure (Refer Note 41)	136.16	143.70
Provision for Doubtful Debtors	6.73	–
Miscellaneous Expenses	285.69	393.53
	10,295.10	**9,351.37**

28.1 PAYMENTS TO AUDITORS

Audit Fees (Including Fee for Limited review)	15.00	15.00
Reimbursement of Expenses	1.35	0.96
	16.35	**15.96**

29 EARNING PER SHARE OF ₹ 10 EACH (EPS)

Profit after tax as per Statement of Profit & Loss	11,648.16	14,654.49
Weighted average No. of Shares in calculating basic and diluted EPS	30794850	30794850
Earning per Share		
Basic & Diluted - ₹	**37.82**	**47.58**

Notes

to the financial statements for the year ended 31st March, 2019

30 CAPITAL COMMITMENT

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances.	7,845.55	13,982.74

31 CONTINGENT LIABILITIES

Contingent Liabilities not provided for			
a.	Disputed Excise & Service tax matters		
	i) Cases decided in favour of the Company which are taken further in appeal before the appellate authorities by the department. (Deposit under Protest ₹ 36.32 lakhs, (Previous year ₹ 36.32 lakhs).	447.98	3,054.41
	ii) Other Matters for which the Company is in appeal. (Deposits paid under protest ₹ 794.57 lakhs (Previous year ₹ 794.57 lakhs)	794.57	794.57
	iii) Show Cause Notices received (Deposits paid under protest ₹ 15.65 lakhs (Previous year ₹ 19.61 lakhs)	569.37	602.01
b.	Claim against the Company not acknowledged as Debt.	29.63	377.81
c.	Income Tax matters under dispute for various years due to additions/ disallowances.	5,559.30	4,055.77
d.	Custom Duty on Raw Material under Advance Licence pending Export Obligation. (Including Cenvat Credit available ₹ Nil (Previous year ₹ 1,647.75 lakhs).	–	1,647.75
e.	Electricity Duty Disputed, writ petion has been filed before the Mumbai High Court through Captive Power Producers Association and stay has been granted.	1,310.14	1,001.62

The Management is confident that the matters will be in favour of the company as per legal opinions obtained / legal precedents.

Future cash outflows in respect of item a,b, c, and e above are determinable only on receipt of judgments / decisions pending at various forums/authorities.

f. The Board at its meeting held on 22nd May, 2019 considered and recommended a dividend @ 40% i.e. ₹ 4/- per share of ₹ 10/- each for the financial year 2018-19 (Previous Year @ 40% i.e. ₹ 4/- per Share taken as deduction under Reserves & Surplus) subject to approval of the members of the Company.

(₹ in lakhs)

Particulars	As at 31st March, 2019
Proposed equity dividend	1,231.79
Tax on proposed dividend	253.20

Notes
to the financial statements for the year ended 31st March, 2019

32 SEGMENT INFORMATION

Primary Business Segment

The Company is exclusively engaged in a single business segment of manufacture and sale of organic chemicals and accordingly this is the only primary reportable segment.

Geographical Segments

Secondary segmental reporting is based on the geographical location of customer. The geographical segments have been disclosed based on revenues within India (sales to Customers within India) and revenues outside India (sales to customers located outside India). Secondary segment assets and liabilities are based on the location of such asset/ liability.

Information about Secondary Geographical Segments

(₹ in lakhs)

Segment Information	Year ended 31st March, 2019			Year ended 31st March, 2018		
	India	Outside India	Total	India	Outside India	Total
Revenue (Including Excise duty)	1,13,868.92	16,501.39	1,30,370.31	97,224.71	19,862.17	1,17,086.88
Carrying amount of segment assets	1,03,579.62	8,632.20	1,12,211.82	76,146.57	6,584.13	82,730.70
Carrying amount of segment liabilities	34,884.17	14,454.45	49,338.62	20,758.92	9,161.68	29,920.60
Additions to fixed assets	1,429.50	–	1,429.50	10,298.01	–	10,298.01

33 RELATED PARTY DISCLOSURES

Names of other related parties with whom transactions have taken place during the year

a.	Key Management Personnel	Shri Nikunj Dhanuka - Managing Director & CEO Shri R Chandrarsekaran - Chief Financial Officer (upto 7th February, 2019) Shri Pramod Bhandari - Chief Financial Officer (from 7th February, 2019) Shri Sudhir R Singh - Company Secretary
b.	Relatives of key management personnel	Shri Umang Dhanuka - Brother of Managing Director & CEO Smt. Raj Kumari Dhanuka - Mother of Managing Director & CEO
c.	Enterprises Over which Key Management personnel and their relatives can exercise control	Mysore Petro Chemicals Limited
d.	Subsidiary Companies	IGPL - International Limited (Wholly owned Subsidiary) IGPL - FZE (Step down Subsidiary)

Transactions carried out and year end balances with related parties referred in above, in ordinary course of business are as under:

(₹ in lakhs)

Sr. No.	Nature of Transaction	Related parties referred to in			
		i(a) above	i(b) above	i(c) above	i(d) above
1	**Income**				
	Sale of Goods (Including Taxes)	-	-	**559.68**	-
		(-)	(-)	(203.00)	(-)
	Interest Charged	-	-	-	**10.17**
		(-)	(-)	(-)	(42.64)
2	**Purchases**				
	Purchase of MA Unit on Slump sale basis	-	-	–	-
		(-)	(-)	(7,448.00)	(-)

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(₹ in lakhs)

Sr. No.	Nature of Transaction	Related parties referred to in			
		i(a) above	i(b) above	i(c) above	i(d) above
3	**Expenses**				
	Remuneration	**481.88**	**97.25**	-	-
		(537.29)	(72.12)	(-)	(-)
	Interest	-	-	**426.70**	-
		(-)	(-)	(629.85)	(-)
	Rent	-	**5.40**	**88.85**	-
		(-)	(5.40)	(88.29)	(-)
4	**Investment (Net of Impairment)**	-	-	-	**4,328.58**
		(-)	(-)	(-)	(3,884.20)
5	**Amount Payable at year end**				
	Against Purchase of MA Unit	-	-	3,719.00	-
		(-)	(-)	(5,100.00)	(-)
	Other payable	-	-	249.38	-
		(-)	(-)	(-)	(-)
6	**Amount Receivable at year end**				
	Security Deposit	-	**1.20**	**69.02**	-
		(-)	(1.20)	(69.02)	(-)
	Other Receivable	-	-	**-**	**179.14**
		(-)	(-)	(-)	(171.14)

Note: Amount in bracket represents figures for previous year.

34 EMPLOYEE BENEFITS

i. General Description of defined benefit plan

The Gratuity scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss account and the funded status and amounts recognized in the balance sheet.

(₹ in lakhs)

Particulars	Gratuity (funded) 31st March, 2019	Gratuity (funded) 31st March, 2018
a. Profit and Loss account Net employee benefit expense (recognized in Personnel Expenses in Note 26)		
Current service cost	55.46	40.26
Net Interest cost on benefit obligation	(3.64)	1.51
Past service cost	–	87.49
Net Benefit / Cost	51.82	129.26
b Net employee benefit expense (recognized in Profit & Loss and other Comprehensive Income)		
Amount recognised in Profit & Loss account	51.82	129.26
Amount recognised in Other Comprehensive Income	153.03	(25.92)
Total Expenses / (Income) Recognized for the year	204.85	103.34

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to the financial statements for the year ended 31st March, 2019

(₹ in lakhs)

Particulars		Gratuity (funded) 31st March, 2019	Gratuity (funded) 31st March, 2018
c	**Balance sheet**		
	Details of Provision for gratuity		
	Defined benefit obligation	1,171.48	1,028.78
	Fair value of plan assets	1,080.31	1,006.02
	Amount Recognised in the Balance Sheet	(91.17)	(22.76)
d	**Changes in the present value of the defined benefit obligation are as follows**		
	Opening defined benefit obligation	1,028.78	699.42
	Interest cost	75.43	51.15
	Current service cost	55.46	40.26
	Benefits paid	(136.45)	(58.50)
	Actuarial (gains) / losses on obligation	148.26	(5.65)
	Acquisition/Business Combination/Divestiture	–	214.61
	Past service cost	–	87.49
	Closing defined benefit obligation	1,171.48	1028.78
e	**Changes in the fair value of plan assets are as follows**		
	Opening fair value of plan assets	1,006.02	658.72
	Contributions by employer	79.07	49.65
	Benefits paid	–	–
	Actuarial gains / (losses)	(4.78)	20.27
	Acquisition/Business Combination/Divestiture	-	277.38
	Closing fair value of plan assets	1,080.31	1,006.02
f	**Maturity Profile of defined benefit Plan assets**		
	Within next 12 months (next annual reporting period)	193.06	85.56
	Between 2 and 5 years	481.47	398.72
	Between 6 and 10 years	641.65	504.45
g	**Quantitative sensitivity analysis for significant assumption is as below Increase / decrease on present value of defined benefits obligation at the end of the year**		
	One percentage point increase in discount rate	(66.90)	(58.81)
	One percentage point decrease in discount rate	71.97	63.00
	One percentage point increase in rate of salary	52.46	46.08
	One percentage point decrease in rate of salary	(48.01)	(42.17)
h	**Sensitivity Analysis Method**		
	Sensitivity analysis is determined based on the expected movement in liability, if the assumptions were not proved to be true on different count		

Notes
to the financial statements for the year ended 31st March, 2019

(₹ in lakhs)

Particulars	Gratuity (funded) 31st March, 2019	Gratuity (funded) 31st March, 2018
i The principal assumptions used in determining gratuity obligations for the Company's plans are shown below		
	%	%
Discount rate	7.77	7.86
Expected rate of return on assets	7.77	7.86
Employee turnover	5	5
Salary Escalation	4	4
Mortality	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Retirement Age	60	60

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

35 DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

The Company uses forward exchange contracts to hedge its exposure in foreign currency. the information on derivative instruments is as follows:-

	31st March, 2019		31st March, 2018	
	Amount in Foreign currency	₹ in lakhs	Amount in Foreign currency	₹ In lakhs
i. Forward Contracts of sale outstanding as at the balance sheet date				
Forward currency contract - US$	5,400,850	3,735.84	2,976,900	1,936.30
ii. Forward Contracts of purchases outstanding as at the balance sheet date				
Forward currency contract - US$	–	–	859,902	559.32
iii. Particulars of Unhedged foreign currency exposure as at the balance sheet date:				
Amount Receivable				
US $	561,850	388.64	1,174,020	763.63
GBP	198,002	179.14	184,467	171.14
Amount Payable				
Import of Goods - US $	–	–	1,149,120	747.43
Import of Goods - Euro	5,057,058	3,929.46	5,057,058	4,077.11
Loans Payable - US $	–	–	–	–
Loans Payable - Euro	13,545,275	10,525.00	4,685,826	3,777.82

36 FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

Notes
to the financial statements for the year ended 31st March, 2019

The details of significant accounting policies, including the criterial for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note-H of significant accounting policies to the financial statements.

(a) Financial assets and liabilities

The following table Presents carrying amount and fair Value of each category of financial assets and liabilities.

(₹ in lakhs)

Particulars	Amortised Cost	Fair Value through Profit and Loss A/c	Total Carrying Value	Total Fair Value (Level 2)	Total Fair Value (Level 3)
As at 31st March, 2019					
Financial Assets					
Trade Receivable	18,281.13	-	18,281.13	18,281.13	-
Investment	5,279.58	6,036.47	11,316.05	11,316.05	-
Cash and bank	2,512.84	-	2,512.84	2,512.84	-
Other financial assets	2,035.43	-	2,035.43	-	2,035.43
Total	**28,108.98**	**6,036.47**	**34,145.45**	**32,110.02**	**2,035.43**
Financial Liabilities					
Borrowings	14,355.70	-	14,355.70	14,355.70	-
Trade Payable	23,245.78	-	23,245.78	23,245.78	-
Other financial Liabilities	5,249.90	-	5,249.90	-	5,249.90
Total	**42,851.38**	**–**	**42,851.38**	**37,601.48**	**5,249.90**
As at 31st March, 2018					
Financial Assets					
Trade Receivable	13,877.11	-	13,877.11	13,877.11	-
Investment	3,885.20	5,084.09	8,969.29	8,969.29	-
Cash and bank	2,119.29	-	2,119.29	2,119.29	-
Other financial assets	576.67	-	576.67	-	576.67
Total	**20,458.27**	**5,084.09**	**25,542.36**	**24,965.69**	**576.67**
Financial Liabilities					
Borrowings	2,925.95	-	2,925.95	2,925.95	-
Trade Payable	14,982.99	-	14,982.99	14,982.99	-
Other financial Liabilities	7,494.98	-	7,494.98	-	7,494.98
Total	**25,403.92**	**-**	**25,403.92**	**17,908.94**	**7,494.98**

(b) The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to level 3, as described below :

Level-1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level-2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level-3 : Techniques which use inputs that have a significant effect on the recorded Fair Value that are not based on observable market data.

(c) Financial Risk Management Policies and objectives:

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board.

Notes
to the financial statements for the year ended 31st March, 2019

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and borrowings.

Interest rate risk
The Company does not have any significant interest bearing asset however there are certain unsignificant interest bearing liability. As such, the Company is not exposed to significant interest rate risk as at the reporting date.

Foreign currency risk
The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash and cash equivalents to manage its liquidity risk.

Credit Risk
Credit risk is the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company. To manage this, the Company periodically assess the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and agreeing of accounts receivable. Individual risk limit are set accordingly.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivatives, Cash and cash equivalents, bank deposits and other financial assets.

(d) Foreign Currency exposure as at 31st March, 2019

(₹ in lakhs)

Particulars	USD	EUR	GBP	Total
Trade Receivables	4,124.48	-	-	4,124.48
Loans and advances	-	-	179.14	179.14
Trade Payable	-	(3,929.46)	-	(3,929.46)
Loan in Foreign Currency	-	(10,525.00)	-	(10,525.00)
Net Exposure	**4,124.48**	**(14,454.46)**	**179.14**	**(10,150.84)**

Foreign Currency exposure as at 31st March, 2018

Trade Receivables	2,699.93	-	-	2,699.93
Loans and advances	-	-	171.14	171.14
Trade Payable	(1,306.75)	(4,077.11)	-	(5,383.86)
Loan in Foreign Currency	-	(3,777.82)	-	(3,777.82)
Net Exposure	**1,393.18**	**(7,854.93)**	**171.14**	**(6,290.61)**

Notes
to the financial statements for the year ended 31st March, 2019

(e) 1% increase or decrease in foreign currency exchange rates will have the following impact on profit before tax.

(₹ in lakhs)

Particulars	2018-19		2017-18	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	41.24	(41.24)	13.93	(13.93)
EUR	(144.54)	144.54	(78.55)	78.55
GBP	1.79	(1.79)	1.71	(1.71)
AED	-	-	-	-
Increase / (Decrease) in Profit	**(101.51)**	**101.51**	**(62.91)**	**62.91**

37 INCOME TAXES (IND AS 12) :

(₹ in lakhs)

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Income tax recognised in Statement of Profit and Loss		
Current tax	6,341.62	7,574.52
Deferred tax	640.76	855.87
Total income tax expenses recognised in the current year	**6,982.38**	**8,430.39**
The Income tax expenses for the year can be reconciled to the accounting profit as follows		
Profit before tax	18,630.54	23,084.88
Add: Exceptional Items	950.00	–
Profit before exceptional items & tax	19,580.54	23,084.88
Applicable Tax Rate	34.94%	34.61%
Computed Tax Expense	6,842.22	7,989.22
Tax effect of		
Exempted income	(164.21)	(52.20)
Expenses disallowed	58.79	259.10
Additional allowances net of MAT Credit	(395.18)	(621.60)
Current Tax Expense	6,341.62	7,574.52
Incremental Deferred Tax Liability on account Property, Plant & Equipments	493.46	637.44
Incremental Deferred Tax Asset on account of Financial Assets and Other items	147.30	218.43
Deferred tax provision (Net)	640.76	855.87
Tax Expenses recognised in Statement of Profit and Loss	6,982.38	8,430.39
Effective Tax Rate	35.66%	36.52%

38 BUSINESS COMBINATION

During the year ended 31st March, 2018 the Company has acquired the manufacturing unit of M/s Mysore Petro Chemicals Limited with effect from April 1, 2017 for a consideration of ₹ 7,448.00 lakhs on slump sale basis, as per the valuation by Haribhakti & Co. LLP. The transaction was accounted under Ind AS 103 "Business Combination" as a business combination with the purchases price being allocated to identifiable assets and liabilities at fair value as determined by an approved valuer.

Notes
to the financial statements for the year ended 31st March, 2019

Following Table present the allocation of purchase price

Particulars	(₹ in lakhs)
Net Tangiable Assets	7,246.86
Goodwill	201.14
Total Purchase price	7,448.00

Goodwill arose in the acquisition of above business because the cost of combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and assembled workforce of acquired business combination. These benefits are not recognised separately from goodwill as they do not meet the recognised criteria for identifiable intangible assets. The Goodwill is expected to be deductible for Income Tax purposes.

39 RESEARCH & DEVELOPMENT

Research & Development Expenditure of ₹ 58.84 lakhs (Previous Year ₹ 48.07 lakhs) has been accounted for in the respective heads of the Statement of Profit and Loss.

40 Revenue from operations for Previous year includes excise duty which was discontinued effective July 1, 2017 upon implementation of Goods and Service Tax (GST). In accordance with Ind AS 18,GST is not included in Revenue from operations. In view of this Revenue from operations for the year are not comparable with the previous year.

41 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceeding three financial years on Corporate Social Responsibility (CSR) activities.

Particulars	(₹ in lakhs)
(a) Gross amount required to be spent by the Company during the year is	293.24
(b) Amount spent during the year	136.16

i	Construction / Acquisition of any assets	-
ii	On Purposes other than (i) above.	136.16
	Total	**136.16**

42 PREVIOUS YEAR COMPARATIVES

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date
For **Uday & Co.**
Chartered Accountants.

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants.

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

Mumbai
22nd May, 2019

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

Pramod Bhandari
Chief Financial Officer

Sudhir R Singh
Company Secretary

Independent Auditor's Report

To the Members of I G Petrochemicals Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated Ind AS financial statements of I G Petrochemicals Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March, 2019 and the consolidated statement of Profit and Loss (including other comprehensive income) and 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 significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 as at 31st March, 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

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 SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the Rules 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 opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

OTHER INFORMATION

The Holding Company's Board of Directors is responsible

Key audit matter	How our audit addressed the key audit matter
Deferred tax asset on impairment in value of investments ▪ The Holding Company has recorded impairment in the value of investments in IGPL International Limited, its wholly owned subsidiary, of ₹ 950 lakhs as at 31st March, 2019. ▪ The Holding Company has not recognised deferred tax asset on the said impairment provision. ▪ Recognition of deferred tax asset involves significant management judgement to determine the possible outcome of deductibility of this charge for current tax in future years, consequently having an impact on related accounting and disclosures in the standalone financial statements.	Our audit procedures include the following substantive procedures: ▪ Obtained understanding of the management judgement ▪ We read and analysed external advise obtained by the Holding Company ▪ We discussed the matter with appropriate senior management

for the other information. The other information comprises the Directors report, Corporate Governance report and Management Discussion and Analysis in the Holding Company's Annual report, but does not include the financial statements and our auditor's report thereon. The Directors report and Management Discussion and Analysis in the Holding Company's Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Directors report and Management Discussion and Analysis in the Holding Company's Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those charged with governance for the consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the each entity and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity 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 entity or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the entity included in the Group is responsible for overseeing the financial reporting process of each entity.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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.

- Obtain an understanding of internal control 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 entity has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 appropriateness of this assumption. 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 Ind AS 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.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group 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.
- 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.
- 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.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS 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

a) We did not audit the consolidated financial statements of foreign subsidiary whose consolidated financial statements reflect total assets of ₹ 7,748.87 lakhs as at 31st March, 2019, total revenues of ₹ 21.01 lakhs and net cash flows amounting to ₹ 1,065.07 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These consolidated financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and report of the other auditors;
   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including the Other Comprehensive Income), the Consolidated Statement of Changes in Equity, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
   (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;
   (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 and taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our audit report on standalone Ind AS financial statements. The subsidiaries are incorporated outside India and hence the requirements of this clause are not applicable to those entities.
2. 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 as at 31st March, 2019 on the consolidated financial position of the Group– Refer Note 30 to the consolidated Ind AS financial statements;

   i. 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;
   ii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
3. 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, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

For Uday & Co.	**For ASA & Associates LLP**
Chartered Accountants	Chartered Accountants
Firm's Registration No. 004440S	Firm's Registration No. 009571N/N500006
K Sathyanarayanan	**Prateet Mittal**
Partner	Partner
Membership No. 203644	Membership No. 402631

Place : Mumbai
Date : 22nd May, 2019

Consolidated Balance Sheet
as at 31st March, 2019

(₹ in lakhs)

Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
Non Current assets			
Property, Plant and Equipment	1	38,657.28	40,078.66
Capital Work-In-Progress	1	28,259.20	8,861.20
Goodwill	1	201.14	201.14
Other Intangible Assets	1	63.76	13.99
Intangible Assets Under Development	1	–	58.86
Investment in a Joint Venture(Net of Impairment)		41.65	870.77
		67,223.03	**50,084.62**
Financial Assets			
(i) Investments	2	10.46	1,011.23
(ii) Other Financial Assets	3	392.20	321.24
Non- Current Tax Assets (Net)		644.93	656.74
Other Non-Current Assets	4	1,829.97	2,379.84
Total Non Current Assets		**70,100.59**	**54,453.67**
Current Aseets			
Inventories	5	12,944.04	9,437.88
Financial Assets			
(i) Investments	6	6,977.01	4,073.86
(ii) Trade Receivables	7	18,281.13	13,877.11
(iii) Cash and Cash Equivalents	8(a)	1,954.56	503.44
(iv) Bank balances other than (iii) above	8(b)	1,676.64	1,669.14
(v) Loans	9	61.07	56.79
(vi) Other Financial Assets	10(a)	1,403.02	35.27
Other Current Assets	10(b)	2,116.98	1,857.80
Total Current Assets		**45,414.45**	**31,511.29**
TOTAL		**115,515.04**	**85,964.96**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11	3,079.81	3,079.81
Other Equity	12	59,827.75	49,697.83
Total Equity		**62,907.56**	**52,777.64**
Non Current Liabilities			
Financial Liabilities			
(i) Borrowings	13	11,015.56	2,923.44
(ii) Other Financial Liabilities	14	2,369.00	3,750.00
Provisions	15	291.72	278.63
Deferred Tax Liabilities (Net)	16	5,561.65	3,712.14
Total Non Current Liabilities		**19,237.93**	**10,664.21**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	17	6,606.67	3,269.04
(ii) Trade Payables	18(a)	23,248.11	14,983.18
(iii) Other Financial Liabilities	18(b)	2,880.90	3,744.98
Other Current Liabilities	19	478.19	441.09
Provisions	20	155.68	84.82
Total Current Liabilities		**33,369.55**	**22,523.11**
TOTAL		**115,515.04**	**85,964.96**
Significant Accounting Policies	A		
Notes on Financial Statements	1-43		

As per our report of even date
For **Uday & Co.**
Chartered Accountants.

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants.

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

Pramod Bhandari
Chief Financial Officer

Sudhir R Singh
Company Secretary

Mumbai
22nd May, 2019

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2019

(₹ in lakhs)

Particulars	Note	Year ended 31st March, 2019	Year ended 31st March, 2018
INCOME			
Revenue from Operations	21	1,30,370.31	1,17,086.88
Other Income	22	768.37	367.66
Total Income		**1,31,138.68**	**1,17,454.54**
EXPENSES			
Cost of Raw Material Consumed	23	91,974.92	69,815.63
Purchases of Stock-in-Trade		538.39	2,498.27
Changes In Inventories of Finished Goods and Work-in-Progress	24	(1,232.58)	436.45
Excise Duty		–	2,669.96
Employee Benefits Expense	25	6,181.76	5,575.11
Finance Cost	26	1,214.35	1,493.27
Depreciation and Amortisation Expenses	1	2,646.41	2,569.60
Other Expenses	27	10,316.80	9,361.03
Total Expenses		**1,11,640.05**	**94,419.32**
Profit before Exceptional Items & Tax		19,498.63	23,035.22
Less: Exceptional Items			
Impairment in the value of Investment in Subsidiary		829.12	–
Profit before Tax and Share of profit of Joint venture		**18,669.51**	**23,035.22**
Share of profit/(Loss) of Joint Venture		(2.31)	(1.74)
Profit before Tax		**18,667.20**	**23,033.48**
Tax Expenses	36		
Current Tax		6,341.62	7,574.52
Deferred Tax		640.76	855.87
Profit for the year		**11,684.82**	**14,603.09**
Other Comprehensive Income / (Expenses)			
(i) Items that will not be reclassified to profit or loss Remeasurement of Defined Benefit Plan - Gratuity		(153.03)	25.92
(ii) Income Tax relating to items that will not be reclassified to profit or loss		**52.96**	**(8.97)**
Other Comprehensive Income For the Year		**(100.07)**	**16.95**
Total Comprehensive Income For the Year		**11,584.75**	**14,620.04**
Earning per Equity Share:	28		
Face value of shares ₹ 10 each (Previous Year: ₹ 10 each)			
Basic & Diluted - ₹		37.94	47.42
Significant Accounting Policies	A		
Notes on Financial Statements	1-43		

As per our report of even date

For **Uday & Co.**
Chartered Accountants.

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants.

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

Mumbai
22nd May, 2019

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

Pramod Bhandari
Chief Financial Officer

Sudhir R Singh
Company Secretary

Statement of Changes in Equity

for the year ended 31st March, 2019

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
(A) Equity Share Capital		
Opening Balance	3,079.81	3,079.81
Changes in Equity Share Capital	–	–
Closing Balance	**3,079.81**	**3,079.81**

(B) Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus					Other Compre-hensive Income	Total Other Equity
	Capital Reserve	Securities Premium Reserve	General Reserve	Foreign Currency Transalation reserve on consolidation	Retained Earnings		
Balance at 1st April, 2017	**116.25**	**2,275.00**	**3,000.00**	**(38.44)**	**30,769.30**	**(44.42)**	**36,077.69**
Profit for the Year	-	-	-	-	14,603.09	-	14,603.09
Other Comprehensive Income,net of tax	-	-	-	-	-	16.95	16.95
Foreign Currency Translation reserve on consolidation	-	-	-	112.02	-	-	112.02
Transfer to General Reserve	-	-	2,000.00	-	(2,000.00)	-	-
Dividend Including Dividend Distribution Tax	-	-	-	-	(1,111.92)	-	(1,111.92)
Balance at 31st March, 2018	**116.25**	**2,275.00**	**5,000.00**	**73.58**	**42,260.47**	**(27.47)**	**49,697.83**
Profit for the Year	-	-	-	-	11,684.82	-	11,684.82
Other Comprehensive Income,net of tax	-	-	-	-	-	(100.07)	(100.07)
Foreign Currency Translation reserve on consolidation	-	-	-	30.16	-	-	30.16
Transfer to General Reserve	-	-	2000.00	-	(2,000.00)	-	-
Dividend Including Dividend - Distribution Tax	-	-	-	-	(1,484.99)	-	(1,484.99)
Balance at 31st March, 2019	**116.25**	**2,275.00**	**7,000.00**	**103.74**	**50,460.30**	**(127.54)**	**59,827.75**

The nature of reserves are as follows:

1. Capital Reserve : Capital Reserve has been created to record the forfeiture of Share Warrnts. It is utlised to meet Capital Losses and issue of Bonus Share
2. Securities Premium Reserve : Securities premium is used to record the premium received on issue of Shares. It is utilised in accordance with the Companies Act,2013.
3. General Reserve : General Reserve is created by transfer of profit from retained earnings for appropriation purposes from time to time.
4. Retained Earnings : The amount can be utilised to distribute as dividend to its equity shareholders.

As per our report of even date
For **Uday & Co.**
Chartered Accountants.

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants.

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

Mumbai
22nd May, 2019

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

Pramod Bhandari
Chief Financial Officer

Sudhir R Singh
Company Secretary

Consolidated Cash Flow Statement

for the year ended 31st March, 2019

(₹ in lakhs)

	Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax and Extraordinary Items	18,667.20	23,033.48
	Non -cash Adjustment to reconcile profit before tax to net cash flow:		
	Depreciation / Amortisation Expenses	2,646.41	2,569.60
	Loss / (Profit) on Sale / Write off of Fixed Assets	14.77	(14.52)
	Foreign Currency Translation reserve on consolidation	30.16	112.02
	Loss / (Profit) on Sale of Investments	(38.87)	(7.87)
	Profit on Fair Value of Investment through Profit & Loss	(421.54)	(115.66)
	Foreign Exchange Translation Difference Loss (Net)	(344.48)	207.04
	Sundry Balances / Excess Provision Written Back	9.32	47.72
	Interest Expense	741.15	1,126.13
	Interest Income	(147.56)	(183.44)
	Dividend Income	(24.28)	(12.79)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**21,132.28**	**26,761.71**
	Movements in Working Capital		
	Increase / (decrease) in Trade Payables / Other Current liabilities	6,678.15	(1,881.36)
	Decrease / (increase) in Trade receivables	(4,236.66)	1,361.50
	Decrease / (increase) in Inventories	(3,506.16)	222.05
	Decrease / (increase) in loans and advances	(1,153.73)	(984.64)
		(2,218.40)	**(1,282.45)**
	CASH GENERATED FROM/(USED IN) OPERATIONS	**18,913.88**	**25,479.26**
	Direct Taxes Paid (Net of refunds)	(5,051.19)	(5,420.02)
	NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES	**13,862.69**	**20,059.24**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Purchase of Fixed Assets, including intangible assets,CWIP	(21,259.56)	(12,431.02)
	Proceeds from Sale of Fixed Assets	139.93	35.89
	Purchase of Investments	(612.86)	(4,151.85)
	Interest Received	124.59	177.53
	Dividend Received	24.28	12.79
	NET CASH FLOW FROM /(USED IN) INVESTING ACTIVITIES	**(21,583.62)**	**(16,356.66)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Proceeds / (Repayments) of Long-term borrowings (Net)	8,053.02	(1,233.07)
	Interest Paid	(767.30)	(1,179.68)
	Dividend Paid	(1,451.30)	(1,068.19)
	NET CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES	**5,834.42**	**(3,480.94)**
	NET INCREASE / (DECREASE) (A+B+C)	**(1,886.51)**	**221.63**
	Cash and Cash Equivalents (Opening Balance)	**500.93**	**279.30**
	Cash and Cash Equivalents (Closing Balance)	**(1,385.58)**	**500.93**

NOTE : 1. Previous year figures have been regrouped / reclassified wherever applicable.

As per our report of even date
For **Uday & Co.**
Chartered Accountants.

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants.

Prateet Mittal
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Mumbai
22nd May, 2019

For and on behalf of the Board of Directors of
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Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

Pramod Bhandari
Chief Financial Officer

Sudhir R Singh
Company Secretary

Significant Accounting Policies

NOTE A :

(A) GENERAL INFORMATION

I G Petrochemicals Limited ("the Company") together with it subsidiaries (collectively "the Group") is engaged in the manufacture of Phthalic Anhydride and Maleic Anhydride. The Company is a public limited Company incorporated in India with its registered office at T-10, 3rd Floor, Jairam Complex, Mala, Neugi Nagar, Panaji, Goa - 403001.

(B) STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

(C) BASIS OF PREPARATION

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

The financial statements have been prepared under the historical cost convention, with the exception of certain financial instruments that are required to be carried at fair values or at amortised cost by Ind AS.

(D) PRINCIPLES OF CONSOLIDATION

i) The consolidated financial statements have been prepared under the historical cost convention, with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

ii) The financial statements of the Group are consolidated on line-by-line basis, intra-group transactions, balances and any unrealized gains arising from intra-group transactions are eliminated. Unrealised losses are eliminated, but only to the extent that there is no evidence of impairment. All temporary differences that arise from the elimination of profits and losses resulting from intra group transactions are recognized as per Ind AS 12, Income Taxes.

iii) The consolidated financial statements have been prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's consolidated financial statements.

iv) Translation of the financial statement of foreign operation is effected as under:

1) Income and expenses are translated at the average exchange rate prevailing during the year.
2) All assets and liabilities both monetary and non-monetary are translated at the exchange rate prevalent at the date of Balance Sheet.
3) The resulting net exchange differences are recognized as foreign currency translation reserve as part of Reserve and Surplus.

(E) THE LIST OF SUBSIDIARY COMPANIES, JOINTLY CONTROLLED ENTITY AND COMPANY'S HOLDINGS THEREUNDER:

Name of the Company	Country of incorporation	Ownership in % either Directly or through Subsidiaries	
		2018-19	2017-18
Foreign subsidiaries			
IGPL International Limited	UAE	100%	100%
IGPL (FZE) (step down subsidiary)	UAE	100%	100%
Jointly Controlled Entity (through step down subsidiary)			
ENOC-IG Petrochemicals LLC	UAE	30%	30%

Significant Accounting Policies

(F) USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material their effects are disclosed in the notes to the consolidated financial statements.

(G) FUNCTIONAL AND PRESENTATION CURRENCY

These consolidated financial statements are presented in Indian rupees (INR), which is also the functional currency of the parent Company. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated in respect of subsidiaries and associates whose functional currency has been determined to be currency of the primary economic environment in which the entity operates.

(H) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:

- Depreciation on property, plant and equipment acquired from Mysore Petro Chemicals Limited is provided based on the useful life determined by the valuer which is as follows :

Asset	Useful life as per valuer	Useful life as per Schedule II
Building	20 to 30 years	30 years
Furniture & fixtures	5 years	10 years
Vehicles	5 to 6 years	8 years
Plant & Equipment	20 years	8 to 20 years
Road	10 years	10 years

Cost of catalyst has been amortized from the date, the same has been issued in the production process in 3 years as against 8 to 20 years defined in schedule II, so as to expense the cost over its estimated useful life based on a technical evaluation.

Freehold land is not depreciated.

Leasehold land is amortized over the period of lease.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

(I) INTANGIBLE ASSETS AND GOODWILL

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Significant Accounting Policies

Computer software : 4 years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

Indefinite life intangibles mainly consist of brands/ trademarks. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues, if not, it is impaired or changed prospectively basis revised estimates.

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquire's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any.

These assets are not amortised but are tested for impairment annually.

(J) INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURE

Investments in subsidiaries and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

(K) OTHER INCOME

Insurance and other claims are accounted as and when unconditionally admitted by the appropriate authorities.

(L) INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

(M) BORROWING COST

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

(N) FINANCIAL INSTRUMENTS

Financial Assets:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognized in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- amortized cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade Receivables and Loans:

Trade receivables are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash flow through the expected life of financial instrument.

Debt Instruments:

Debt instruments are subsequently measured at amortised cost, fair value through other

Significant Accounting Policies

comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any, is recognised in the Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) Cash and Cash Equivalents: Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(d) Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses

Significant Accounting Policies

if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component. In determining the allowances for doubtful trade receivables, the company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Financial Liabilities:

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(O) PROVISIONS AND CONTINGENT LIABILITIES:

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 measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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 the obligation or a reliable estimate of the amount cannot be made.

(P) REVENUE RECOGNITION:

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement

With the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales i.e. goods & service tax.

Income from export incentives such as duty drawback and premium on sale of import licenses are recognised on accrual basis.

Interest income is recognized using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.

Insurance claim receivable is accounted for when amount of claim is finalized by insurance company.

(Q) EMPLOYEE BENEFITS:

Defined contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund,

Significant Accounting Policies

superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

Company’s provident fund contribution, in respect of certain employee is made to an irrevocable trust set up by the company and contribution to pension fund deposited with the Regional Provident Fund Commissioner and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plans

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation. The Company also provides for retirement/post-retirement benefits in the form of gratuity and leave pay.

For defined benefit plans, the amount recognised as ‘Employee benefit expenses’ in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to ‘Employee Benefit Expenses’ in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in ‘Other comprehensive income’ and subsequently not reclassified to the Statement of Profit and Loss.

The defined benefit plan surplus or deficit on the Balance Sheet comprises the total for each plan of the fair value of plan assets less the present value of the defined benefit liabilities (using a discount rate by reference to market yields on government bonds at the end of the reporting period).

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company’s net obligation into current and non-current is as per the actuarial valuation report.

Termination benefits

Termination benefits, in the nature of voluntary retirement benefits or termination benefits arising from restructuring, are recognised in the Statement of Profit and Loss. The Company recognises termination benefits at the earlier of the following dates:

(a) when the Company can no longer withdraw the offer of those benefits; or

(b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value

(R) IMPAIRMENT OF NON FINANCIAL ASSETS :

The Company assess at each reporting date whether there is any indication that the carrying amount may not be recoverable if any such indication exists, then the assets recoverable amount is estimated and an impairment loss is recognised if the carrying amount of an asset or CGV exceeds its estimated recoverable amount in the statement of profit and loss.

Goodwill is tested annually for impairment. Goodwill from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

For impairment testing, assets that do not generate independent cash inflows are grouped together into

Significant Accounting Policies

cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Impairment loss recognised in respect of a CGUs is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of other assets of the CGU (or groups of CGUs) on a pro rata basis.

Impairment loss recognised in respect of goodwill is not subsequently reversed in respect of other assets for which impairment loss has been recognised in prior periods. The Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(S) INCOME TAXES:

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date and any adjustment to taxes in respect of previous years. Interest income/ expenses and penalties, if any, related to income tax are included in current tax expense.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

(T) FOREIGN CURRENCIES:

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

(U) EARNINGS PER SHARE:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable

Significant Accounting Policies

to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(V) BUSINESS COMBINATION:

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new amendments to Ind AS which the Company has not applied as they are effective from 1st April, 2019.

Ind AS 116 – Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116 effective annual reporting period beginning 1st April, 2019. The Company is in the process of finalising changes to systems and processes to meet the accounting and the reporting requirements of the standard in conjunction with review of lease agreements. The Company will recognise with effect from 1st April, 2019 new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to:

(a) amortisation charge for the right-to-use asset and

(b) interest accrued on lease liability

Previously, the Company recognised operating lease expense on a straight line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following:

Significant Accounting Policies

(1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty;

(2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount;

(3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

Notes

to the financial statements for the year ended 31st March, 2019

1 PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Equipments	Office Equipments	Furniture & Fixtures	Vehicles	Catalyst	Total	Intangible Assets (Computer - Software)	Goodwill	Intangible Assets under Develop-ment	Capital work-in-progress (Refer Note-2)
Gross Carrying Amount													
At 1st April, 2018	233.87	4,524.84	2,905.09	71,610.51	400.33	958.14	644.79	2,912.17	84,189.74	67.87	201.14	58.86	8,861.20
Additions	-	-	107.10	192.36	34.49	15.95	403.72	603.91	1,357.53	71.97	-	-	19,852.27
Disposal	-	-	-	(36.88)	-	-	(195.09)	(1,453.57)	(1,685.54)	-	-	(58.86)	(454.27)
At 31st March, 2019	**233.87**	**4,524.84**	**3,012.19**	**71,765.99**	**434.82**	**974.09**	**853.42**	**2,062.51**	**83,861.73**	**139.84**	**201.14**	**-**	**28,259.20**
Accumulated Depreciation													
At 1st April, 2018	-	179.97	1,324.05	39,760.02	310.93	422.28	204.12	1,909.71	44,111.08	53.88	-	-	-
Depreciation for the year	-	59.05	103.23	1,808.57	25.98	62.90	95.26	469.22	2,624.21	22.20	-	-	-
Disposal	-	-	-	(29.18)	-	-	(48.09)	(1,453.57)	(1,530.84)	-	-	-	-
At 31st March, 2019	**-**	**239.02**	**1,427.28**	**41,539.41**	**336.91**	**485.18**	**251.29**	**925.36**	**45,204.45**	**76.08**	**-**	**-**	**-**
Net Carrying Amount													
At 1st April, 2018	233.87	4,344.87	1,581.04	31,850.49	89.40	535.86	440.67	1,002.46	40,078.66	13.99	201.14	58.86	8,861.20
At 31st March, 2019	**233.87**	**4,285.82**	**1,584.91**	**30,226.58**	**97.91**	**488.91**	**602.13**	**1,137.15**	**38,657.28**	**63.76**	**201.14**	**-**	**28,259.20**

Notes :

1. Buildings include ₹ 250/- (Previous year ₹ 250/-) for shares in office premises in a co-operative society.

2. Capital work in Progress includes Property, Plant & Equipment under construction ₹ 22538.02 lakhs (Previous year - ₹ 8062.54 lakhs), Machinery Spares Stock ₹ 5159.79 lakhs (Previous year - ₹ 513.01 lakhs) and preoperative expenses incurred during the year in the form of Employee Benifits expense of ₹ 181.42 lakhs (Previous year ₹ 108.97 lakhs), Rates & Taxes -Nil (Previous year ₹ 7.82 lakhs), Legal & Professional Fees -Nil (Previous Year ₹ 3.51 lakhs), Interest & Finance Expenses ₹ 166.50 lakhs (Previous Year - Nil), Insurance Premium ₹ 25.98 lakhs (Previous Year - Nil) and Miscellaneous Expenses ₹ 6.84 lakhs (Previous Year - Nil).

3. **Goodwill**

   The Company tests goodwill annually for impairment.

   Goodwill was recognised from business combination during the year ended 31st March, 2018 and represents difference of purchase consideration paid & allocation to Identified Assets & Liabilities as per Valuer 's Report on acquiring manufacturing unit of Maleic anhydride .The estimated value-in-use of the Unit is based on the future cash flows using at 2% annual growth rate for periods subsequent to the forecast period of 5 years and discount rate of 17%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the Unit would decrease below its carrying amount.

Notes
to the financial statements for the year ended 31st March, 2019

2 NON-CURRENT INVESTMENTS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Investment at Cost		
Unquoted		
Investment in Equity Instruments (Fully Paid-up)		
1,000 (Previous year - 1,000) shares of ₹ 100 each in Cosmos Cooperative Bank	1.00	1.00
Total Non Current Investment at Cost	**1.00**	**1.00**
Investment measured at fair Value through Profit & Loss		
Investment in Mutual Funds (Fully Paid-up)		
40,537.392 (Previous year - 40,537.392) units of ₹ 10 each in Principal Mutual Fund	9.46	8.82
Nil (Previous year - 100) Units of JM Financial Products of ₹ 1,00,000 each.	–	1,001.41
Total Non-Current Investment measured at Fair Value through Profit & Loss	**9.46**	**1,010.23**
Total Non-Current Investments	**10.46**	**1,011.23**
Aggreagte amount of quoted Investments and market value thereof	–	–
Aggreagte amount of unquoted Investments	10.46	1,011.23
Aggreagte amount of impairment in the value of Investments	–	–
	10.46	**1,011.23**

3 NON-CURRENT FINANCIAL ASSETS

OTHER FINANCIAL ASSETS		
Deposits – Others	154.50	113.60
Loan to Employees	114.61	108.16
Fixed Deposits with Bank with a maturity period of above 12 months	52.86	29.25
Security Deposit – Related Party (Refer Note No. 32)	70.23	70.23
	392.20	**321.24**

4 OTHER NON-CURRENT ASSETS

Capital Advances for Purchase of Property, Plant and Equipment	983.43	1,529.16
Other Advances (Deposit with Government Authorities,etc.)	846.54	850.68
	1,829.97	**2,379.84**

Notes

to the financial statements for the year ended 31st March, 2019

5 INVENTORIES (at lower of cost and net realisable value)

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Raw Material	5,994.44	4,163.40
Raw Material in transit	1,384.62	1,098.24
Stores and Spares	2,924.99	2,768.83
Work - in- Progress	1,118.89	397.21
Finished Goods	1,521.10	1,010.20
	12,944.04	**9,437.88**

6 CURRENT INVESTMENTS

Unquoted		
Investment measured at Fair Value through Profit & Loss		
Investment in Mutual Funds - (Fully Paid-up)		
Nil (Previous year -800) Units of Edelwise Finvest Private Limited of ₹ 1,00,000 each	-	865.54
18,409.446 (Previous year - 1,53,895.370) Units of Aditya Birla Sunlife Cash Plus of ₹ 100 each	18.45	154.20
976 (Previous year - 976) Units of Edelwise Finvest Private Limited of ₹ 1,00,000 each	1,100.41	1,011.62
1,00,000 (Previous year - 50,000) Units of Edelweiss Alpha Fund of ₹ 1,000 each	1,040.38	500.00
1,00,000 (Previous year - 50,000) Units of Avendus Absolute Return Fund ₹ 1,000 each	1,083.95	520.48
Nil (Previous year - 9) Units of Arm Infra & Utilities Pvt. Ltd. of ₹ 10,00,000 each	-	104.36
Nil (Previous year - 9) Units of JM Financial Products Ltd. of ₹ 10,00,000 each	-	98.00
Nil (Previous year - 31.885) Units of HDFC Liquid Fund of ₹ 3,418.5354 each	-	1.09
5,00,000 (Previous year - 5,00,000) Units of DSP Black Rock India of ₹ 100 each	538.00	501.90
Nil (Previous year - 200) Units of ECAP Equities Ltd. of ₹ 1,00,000 each	-	214.92
Nil (Previous year - 88) Units of ECL Finance Ltd. of ₹ 1,00,000 each	-	101.75
100 (Previous year - NIL) Units of JM Financial Products of ₹ 1,00,000 each	1,082.56	-
10,00,000 (Previous year - Nil) Units of Indosta Capital Finance Ltd ₹ 100 each	1,047.30	-
10,00,000 (Previous year - Nil) Units of ECL Finance Ltd ₹ 100 each	1,065.96	-
Total Current Investment measured at Fair Value through Profit & Loss	**6,977.01**	**4,073.86**
Total Current Investment	**6,977.01**	**4,073.86**
Aggregate amount of quoted Investments and market value thereof	–	–
Aggregate amount of unquoted Investments	6,977.01	4,073.86
Aggregate amount of impairment in the value of Investments	–	–

Notes

to the financial statements for the year ended 31st March, 2019

7 TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, Considered Good	18,287.86	13,877.11
Less: Provision for doubtful debts	(6.73)	–
	18,281.13	**13,877.11**

8 CASH AND CASH EQUIVALENTS

(a) Cash in hand	3.09	2.92
Balance with Scheduled Banks		
In Current Accounts	1,951.47	500.52
	1,954.56	**503.44**
(b) Other Bank Balances		
In Fixed Deposits (Held with Scheduled Banks as Margin)	1,547.85	1,037.18
In Deposits with Maturity of less than 12 Months	-	542.84
In Fixed Deposits (Provided to Government Department as Security)	1.04	0.97
In Margin Money Accounts	5.90	-
In Unpaid Dividend Account	121.85	88.15
	1,676.64	**1,669.14**
	3,631.20	**2,172.58**

9 CURRENT FINANCIAL ASSETS - LOANS

Loan to Employees	61.07	56.79
	61.07	**56.79**

10 a) CURRENT ASSETS - OTHERS FINANCIAL ASSETS

Advances recoverable in cash or kind or for value to be received		
– Considered Good	41.21	35.27
Balance with GST Authorities	1,361.81	–
	1,403.02	**35.27**

10 b) CURRENT ASSETS - OTHERS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Prepayment	1,442.89	1,228.54
Export Incentive Receivable	301.45	366.44
Advances to Suppliers	372.64	262.82
	2,116.98	**1,857.80**

Notes

to the financial statements for the year ended 31st March, 2019

11 EQUITY SHARE CAPITAL

Authorised		
4,00,00,000 (Previous year - 4,00,00,000) Equity Shares of ₹ 10/- each	4,000.00	4,000.00
10,00,000 (Previous year - 10,00,000) Preference Share of ₹ 100/- each	1,000.00	1,000.00
	5,000.00	**5,000.00**
Issued		
3,08,01,350 (Previous year- 3,08,01,350) Equity Shares of ₹ 10/- each	3,080.14	3,080.14
Subscribed and Paid-up		
3,07,94,850 (Previous year - 3,07,94,850) Equity Shares of ₹ 10/- each	3,079.49	3,079.49
Add: Amount paid up on 6,500 shares forfeited	0.32	0.32
	3,079.81	**3,079.81**

The reconciliation of the number of shares outstanding is set out below

Particulars	No. of Shares	No of Shares
Equity Shares at the beginning of the year	3,07,94,850	3,07,94,850
Add : Shares Issued during the year	–	–
Equity Shares at the end of the year	**3,07,94,850**	**3,07,94,850**

The Details of Shareholders holding more than 5% Shares in the Company

Name of the Shareholder	**As at 31st March, 2019**		**As at 31st March, 2018**	
	No. of Shares	**%**	**No. of Shares**	**%**
Gembel Trade Enterprises Ltd.	27,17,491	8.82	27,17,491	8.82
Kamrup Enterprises Ltd.	33,21,401	10.79	33,21,401	10.79
Mysore Petrochemicals Ltd.	40,75,000	13.23	40,75,000	13.23
Savita Investment Co. Ltd.	19,33,414	6.28	19,33,414	6.28
Shekhawati Investment Co. Ltd.	31,00,425	10.07	41,22,210	13.39
Vincent (India) Ltd.	48,89,927	15.88	48,89,927	15.88

Notes
to the financial statements for the year ended 31st March, 2019

12 OTHER EQUITY

(₹ in lakhs)

Particulars		As at 31st March, 2019	As at 31st March, 2018
Capital Reserve			
Balance as per last Balance Sheet		116.25	116.25
Securities Premium Reserve			
Balance as per last Balance Sheet		**2,275.00**	**2,275.00**
General Reserve			
Balance as per last Balance Sheet	5,000.00		3,000.00
Add : Transferred from Surplus in Profit & Loss	2,000.00	7,000.00	2,000.00
Foreign Currency Translation reserve on consolidation		103.74	73.58
Retained Earning			
Opening Balance at the beginning of the year		42,260.47	30,769.30
Add : Profit for the year		11,684.82	14,603.09
		53,945.29	**45,372.39**
Less: Appropriation			
Transferred to General Reserve		2,000.00	2,000.00
Equity dividend		1,231.79	923.85
Tax on Dividend		253.20	188.07
		50,460.30	**42,260.47**
Other Comprehensive Income (OCI)			
As per Last Balance Sheet		(27.47)	(44.42)
Add : Movement in OCI (Net) during the year		(100.07)	16.95
		(127.54)	**(27.47)**
Total Other Equity		**59,827.75**	**49,697.83**

13 NON-CURRENT FINANCIAL LIABILITIES - BORROWING

Secured Loans		
Term Loan - Rupee Term Loan from a Bank	1,530.84	–
External Commercial Borrowing	9,484.72	2,698.44
	11,015.56	**2,698.44**
Unsecured Loans		
From Bodies Corporate	–	225.00
	–	**225.00**
	11,015.56	**2,923.44**

i. During the year, the Company has raised External Commercial Borrowings (ECB), the repayment of which is due to commence from 29th November, 2019. This is in addition to the already subsisting ECB, in respect of which the repayment has already started from 15th September, 2013. Both the ECB's are payable in 17 equal semi-annual instalments from their respective due dates and are secured by the first pari pasu charge on the fixed movable assets (other than current assets) and registered mortgage on immovable properties of the Company by way of first pari passu charge.

ii. Term Loan which is secured by the first pari-passu charge by way of hypothecation of movable fixed assets of the Company including but not limited to plants, machinery, equipment, etc and second pari-passu charge by way of hypothecation on all current

Notes

to the financial statements for the year ended 31st March, 2019

assets of the Company including but not limited to book debts, stocks and all other current assets of the Company. The loan shall be further secured by mortgage of immovable properties of the Company by way of first pari passu charge. The same is also secured by Personal Guarantee of two Directors of the Company.

14 NON-CURRENT FINANCIAL LIABILITIES

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Due to Related Party (Refer Note No. 32)	2,369.00	3,750.00
	2,369.00	**3,750.00**

15 LONG TERM PROVISIONS

Provision for Leave Encashment	291.72	278.63
	291.72	**278.63**

16 DEFERRED TAX LIABILITIES (NET)

Deferred Tax Assets :		
MAT Credit Entitlement	–	753.92
Provision allowed under tax on payment basis	29.33	143.48
	29.33	**897.40**
Deferred Tax Liabilities :		
Property,Plant & Equipments	5,443.68	4,569.52
Financial Assets	147.30	40.02
	5,590.98	**4,609.54**
Net Deferred Tax Liability (Net)	**5,561.65**	**3,712.14**

Deferred Tax benefits are recognised on assets to the extent that it is probable that taxable profit will be available against which the deductible temporary differences will be utilised against which the asset can be utilised

The movement on the deferred Tax account is as under:		
At the beginning of the year	3,712.14	199.44
Charge to statement of Profit & Loss (Net)	640.76	855.87
Adjustment to MAT (Net)	1,208.75	2,656.83
At the end of the year	**5,561.65**	**3,712.14**

Notes
to the financial statements for the year ended 31st March, 2019

17 CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured		
Bank Borrowings	6,336.07	3,269.04
Bill Discounting Facility	270.60	–
	6,606.67	**3,269.04**

i. Bank borrowings of ₹ 3,069.54 lakhs (previous year ₹ 2.51 lakhs) are secured by first pari passu charge on the entire current assets of the Company and second pari passu charge on the entire movable fixed assets of the Company amongst Working Capital lenders under consortium banking arrangement. The loan shall be further secured by mortgage of immovable properties of the Company by way of second charge basis. The above Bank borrowings are further secured by Personal Guarantee of two Directors of the Company.

ii. Bill discounting facility is secured by respective book debts & personal Guarantee of two Directors of the Company.

iii. Bank borrowings of ₹ 3,266.53 lakhs of Subsidiary is secured by collateral value of the subsidiary's property.

18 a) CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

Dues of Micro, Medium and Small Enterprises	39.23	118.99
Dues of creditors other than Micro, Medium and Small Enterprises	23,208.88	14,864.19
	23,248.11	**14,983.18**

Dues to parties covered under the Micro, Small and Medium Enterprises as per MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditor.

18 b) CURRENT FINANCIAL LIABILITIES - OTHER

Unpaid Dividend (shall be credited to Investor Education and Protection Fund as and when due)	121.84	88.15
Security Deposits	3.50	249.58
Current maturities of long term Secured debts		
– External Commercial Borrowing	1,040.28	1,079.38
– Loan Against Cars (Secured against Vehicles acquired from such Loan)	0.53	52.53
– Due to Related Party - Refer Note No. 32	1,350.00	1,350.00
Interest Accrued But not Due on Loans	4.08	30.25
Book Overdraft	350.51	889.96
Other Liabilities	10.16	5.13
	2,880.90	**3,744.98**

19 OTHER CURRENT LIABILITIES

Advance from Customers	150.40	7.91
Statutory Dues & Taxes payable	327.79	433.18
	478.19	**441.09**

20 SHORT TERM PROVISIONS

Provision for Leave Encashment	64.51	62.06
Provision for Gratuity	91.17	22.76
	155.68	**84.82**

Notes
to the financial statements for the year ended 31st March, 2019

21 REVENUE FROM OPERATIONS (GROSS)

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Sale of products		
Finished Goods	1,29,347.40	1,13,977.03
Traded Goods	557.31	2,573.47
Other Operating Revenues	465.60	536.38
	1,30,370.31	**1,17,086.88**

22 OTHER INCOME

Interest		
– Bank Deposits	102.75	152.78
– Others	44.80	30.66
Profit on Fair Value of Investment through Profit & Loss	421.54	115.66
Profit/(Loss) on Sale of Fixed Assets	(14.77)	14.52
Profit on Sale of Investments	38.87	7.87
Dividend Received	24.28	12.79
Insurance Claim Received	83.05	–
Other Non Operating Income	67.85	33.38
	768.37	**367.66**

23 COST OF RAW MATERIAL CONSUMED

Orthoxylene		
Opening Stock	4,163.40	4,491.62
Add: Purchases (Net)	93,805.96	69,487.41
	97,969.36	73,979.03
Less: Closing Stock	5,994.44	4,163.40
	91,974.92	**69,815.63**

Notes
to the financial statements for the year ended 31st March, 2019

24 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK -IN-PROGRESS

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Opening Inventories		
Work-in-Progress	397.21	482.80
Finished Goods	1,010.20	1,511.90
Stock on acquisition of MA Unit	–	66.25
Closing Inventories		
Work-in-Progress	1,118.89	397.21
Finished Goods	1,521.10	1,010.20
	(1,232.58)	653.54
Differential Excise duty	–	(217.09)
	(1,232.58)	**436.45**

25 EMPLOYEE BENEFITS EXPENSE

Salaries, Wages and Bonus	5,116.45	4,489.64
Contribution to Provident and Other Funds	261.49	223.29
Gratuity Expenses	51.82	129.26
Staff Welfare Expenses	752.00	732.92
	6,181.76	**5,575.11**

26 FINANCE COST

Interest		
– on Term Loans	63.63	330.42
– on Others	677.52	795.71
Bills Discounting and Bank Charges	473.20	367.14
	1,214.35	**1,493.27**

27 OTHER EXPENSES

(₹ i n lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Consumption of Stores, Spares and Consumables	298.56	258.19
Consumption of Packing Materials	675.16	589.48
Power, Fuel and Water charges	2,365.28	2,186.74
Repairs and Maintenance		
Plant and Equipments	2,039.11	1,312.83
Buildings	38.15	9.14
Others	32.07	82.80
Insurance Premium	299.81	245.74
Rent	115.91	126.22
Rates and Taxes	212.51	192.13

Notes

to the financial statements for the year ended 31st March, 2019

(₹ i n lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Selling Expenses		
Brokerage and Commission	185.30	41.56
Freight outward	2,449.80	2,157.19
Port charges	95.64	123.01
Other selling expenses	98.81	116.62
Directors' Sitting Fees & Commission	208.48	255.62
Payment to Auditors (Refer Note 27.1)	16.44	16.05
Travelling & Conveyance	651.84	556.60
Legal & Professional fees	414.28	306.44
Foreign Exchange Translation Difference	(344.48)	207.04
Communication Cost	35.35	40.40
CSR Expenditure (Refer Note 40)	136.16	143.70
Provision for Doutful Debtors	6.73	–
Miscellaneous Expenses	285.89	393.53
	10,316.80	**9,361.03**

27.1 PAYMENTS TO AUDITORS

Audit Fees (Including Fee for Limited review)	15.09	15.09
Reimbursement of Expenses	1.35	0.96
	16.44	**16.05**

28 EARNING PER SHARE OF ₹ 10 EACH (EPS)

Profit after tax as per Statement of Profit & Loss	11,684.82	14,603.09
Weighted average No. of Shares in calculating basic and diluted EPS	3,07,94,850	3,07,94,850
Earning per Share		
Basic & Diluted - ₹	**37.94**	**47.42**

29 CAPITAL COMMITMENT

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances.	7,845.55	13,982.74

Notes
to the financial statements for the year ended 31st March, 2019

30 CONTINGENT LIABILITIES

(₹ in lakhs)

Particulars			As at 31st March, 2019	As at 31st March, 2018
Contingent Liabilities not provided for				
a.	Disputed Excise & Service tax matters			
	i)	Cases decided in favour of the Company which are taken further in appeal before the appellate authorities by the department. (Deposit under Protest ₹ 36.32 lakhs (Previous year ₹ 36.32 lakhs).	447.98	3,054.41
	ii)	Other Matters for which the Company is in appeal. (Deposits paid under protest ₹ 794.57 lakhs (Previous year ₹ 794.57 lakhs)	794.57	794.57
	iii)	Show Cause Notices received (Deposits paid under protest ₹ 15.65 lakhs (Previous year ₹ 19.61 lakhs)	569.37	602.01
b.	Claim against the Company not acknowledged as Debt.		29.63	377.81
c.	Income Tax matters under dispute for various years due to additions/ disallowances.		5,559.30	4,055.77
d.	Custom Duty on Raw Material under Advance Licence pending Export Obligation. (Including Cenvat Credit available ₹ Nil (Previous year ₹ 1647.75 lakhs).		–	1,647.75
e.	Electricity Duty Disputed, writ petion has been filed before the Mumbai High Court through Captive Power Producers Association and stay has been granted.		1,310.14	1,001.62

The Management is confident that the matters will be in favour of the company as per legal opinions obtained / legal precedents.

Future cash outflows in respect of item a, b, c, and e above are determinable only on receipt of judgments / decisions pending at various forums/authorities.

f. The Board at its meeting held on 22nd May, 2019 considered and recommended a dividend @ 40% i.e. ₹ 4/- per share of ₹ 10/ each for the financial year 2018-19 (Previous Year @ 40% i.e. ₹ 4/- per share taken as deduction under Reserves & Surplus) subject to approval of the members of the Company.

(₹ in lakhs)

Particulars	As at 31st March, 2019
Proposed equity dividend	1,231.79
Tax on proposed dividend	253.20

31 SEGMENT INFORMATION

Primary Business Segment

The Company is exclusively engaged in a single business segment of manufacture and sale of organic chemicals and accordingly this is the only primary reportable segment.

Geographical Segments

Secondary segmental reporting is based on the geographical location of customer. The geographical segments have been disclosed based on revenues within India (sales to Customers within India) and revenues outside India (sales to customers located outside India). Secondary segment assets and liabilities are based on the location of such asset/ liability.

Notes

to the financial statements for the year ended 31st March, 2019

Information about Secondary Geographical Segments (₹ in lakhs)

Segment Information	Year ended 31st March, 2019			Year ended 31st March, 2018		
	India	Outside India	Total	India	Outside India	Total
Revenue (Including Excise duty)	1,13,868.92	16,501.39	1,30,370.31	97,224.71	19,862.17	1,17,086.88
Carrying amount of segment assets	1,03,579.62	11,935.42	1,15,515.04	75,983.20	9,981.76	85,964.96
Carrying amount of segment liabilities	34,884.16	17,723.32	52,607.48	17,492.19	12,428.40	29,920.59
Additions to fixed assets	1,429.50	–	1429.50	10,298.01	–	10,298.01

32 RELATED PARTY DISCLOSURES

i. Names of other related parties with whom transactions have taken place during the year

a.	Key Management Personnel	Shri Nikunj Dhanuka - Managing Director & CEO Shri R Chandrarsekaran - Chief Financial Officer (upto 7th February, 2019) Shri Pramod Bhandari - Chief Financial Officer (from 7th February, 2019) Shri Sudhir R Singh - Company Secretary
b.	Relatives of key management personnel	Shri Umang Dhanuka – Brother of Managing Director & CEO Smt. Raj Kumari Dhanuka – Mother of Managing Director & CEO
c.	Enterprises Over which Key Management personnel and their relatives can exercise control	Mysore Petro Chemicals Limited

Transactions carried out and year end balances with related parties referred in above, in ordinary course of business are as under:

(₹ in lakhs)

Sr.	Nature of Transaction	Related parties referred to in		
		i(a) above	i(b) above	i(c) above
1	**Income**			
	Sale of Goods (Including Taxes)	-	-	**559.68**
		(-)	(-)	(203.00)
2	**Purchases**			
	Purchase of MA Unit on Slump sale basis	-	-	-
		(-)	(-)	(7,448.00)
3	**Expenses**			
	Remuneration	**481.88**	**97.25**	-
		(537.29)	(72.12)	(-)
	Interest	-	-	**426.70**
		(-)	(-)	(629.85)
	Rent	-	**5.40**	**88.85**
		(-)	(5.40)	(88.29)
4	**Amount Payable at year end**			
	Against Purchase of MA Unit	-	-	3,719.00
		(-)	(-)	(5,100.00)
	Other payable	-	-	249.38
		(-)	(-)	(-)
5	**Amount Receivable at year end**			
	Security Deposit	-	**1.20**	**69.02**
		(-)	(1.20)	(69.02)

Note: Amount in bracket represents figures for previous year.

Notes
to the financial statements for the year ended 31st March, 2019

33 EMPLOYEE BENEFITS

General Description of defined benefit plan

The Gratuity scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss account and the funded status and amounts recognized in the balance sheet.

(₹ in lakhs)

	Particulars	Gratuity (funded) 31st March, 2019	Gratuity (funded) 31st March, 2018
a.	**Profit and Loss account**		
	Net employee benefit expense (recognized in Personnel Expenses in Note 25)		
	Current service cost	55.46	40.26
	Net Interest cost on benefit obligation	(3.64)	1.51
	Past service cost	-	87.49
	Net Benefit / Cost	51.82	129.26
b	**Net employee benefit expense (recognized in Profit & Loss and other Comprehensive Income)**		
	Amount recognised in Profit & Loss account	51.82	129.26
	Amount recognised in Other Comprehensive Income	153.03	(25.93)
	Total Expenses / (Income) Recognized for the year	204.85	103.33
c	**Balance sheet**		
	Details of Provision for gratuity		
	Defined benefit obligation	1171.48	1028.78
	Fair value of plan assets	1080.31	1006.02
	Less: Unrecognized past service cost		
	Amount Recognised in the Balance Sheet	(91.17)	(22.76)
d	**Changes in the present value of the defined benefit obligation are as follows**		
	Opening defined benefit obligation	1,028.78	699.42
	Interest cost	75.43	51.15
	Current service cost	55.46	40.26
	Benefits paid	(136.45)	(58.50)
	Actuarial (gains) / losses on obligation	148.26	(5.65)
	Acquisition/Business Combination/Divestiture	-	214.61
	Past service cost	-	87.49
	Closing defined benefit obligation	1,171.48	1,028.78
e	**Changes in the fair value of plan assets are as follows**		
	Opening fair value of plan assets	1,006.02	658.72
	Contributions by employer	79.07	49.65
	Benefits paid	–	–
	Actuarial gains / (losses)	(4.78)	20.27
	Acquisition/Business Combination/Divestiture	-	277.38
	Closing fair value of plan assets	1,080.31	1,006.02
f	**Maturity Profile of defined benefit Plan assets**		
	Within next 12 months (next annual reporting period)	193.06	85.56
	Between 2 and 5 years	481.47	398.72
	Between 6 and 10 years	641.65	504.45

Notes
to the financial statements for the year ended 31st March, 2019

(₹ in lakhs)

	Particulars	Gratuity (funded) 31st March, 2019	Gratuity (funded) 31st March, 2018
g	**Quantitative sensitivity analysis for significant assumption is as below Increase / decrease on present value of defined benefits obligation at the end of the year**		
	One percentage point increase in discount rate	(66.90)	(58.81)
	One percentage point decrease in discount rate	71.97	63.00
	One percentage point increase in rate of salary	52.46	46.08
	One percentage point decrease in rate of salary	(48.01)	(42.17)
h	**Sensitivity Analysis Method**		

Sensitivity analysis is determined based on the expected movement in liability, if the assumptions were not proved to be true on different count

i The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	%	%
Discount rate	7.77	7.86
Expected rate of return on assets	7.77	7.86
Employee turnover	5	5
Salary Escalation	4	4
Mortality	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Retirement Age	60	60

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

34 DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

The Company uses Forward Exchange Contracts to hedge its exposure in foreign currency. The Information on derivative instruments is as follows:

	Particulars	31st March, 2019		31st March, 2018	
		Amount in Foreign currency	₹ in lakhs	Amount in Foreign currency	₹ In lakhs
i.	Forward Contracts of sale outstanding as at the balance sheet date				
	Forward currency contract - US$	5,400,850	3,735.84	2,976,900	1,936.30
ii.	Forward Contracts of purchases outstanding as at the balance sheet date				
	Forward currency contract - US$	–	–	859,902	559.32
iii.	Particulars of Unhedged foreign currency exposure as at the balance sheet date:				
	Amount Receivable				
	US $	561,850	388.64	1,174,020	763.63
	Amount Payable				
	Import of Goods - US $	–	–	1,149,120	747.43

Notes
to the financial statements for the year ended 31st March, 2019

Particulars	31st March, 2019		31st March, 2018	
	Amount in Foreign currency	₹ in lakhs	Amount in Foreign currency	₹ In lakhs
Import of Goods - Euro	5,057,058	3,929.46	5,057,058	4,077.11
Loans Payable - US $	–	–	–	–
Loans Payable - Euro	13,545,275	10,525.00	4,685,826	3,777.82
Loans Payable - GBP	3,576,000	3,266.53	3,576,000	3,266.53

35 FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criterial for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note-H of significant accountin policies to the financial statements.

(a) Financial assets and liabilities

The following table presents carrying amount and fair value of each category of financial assets and liabilities.

(₹ in lakhs)

Particulars	Amortised Cost	Fair Value through Profit and Loss A/c	Total Carrying Value	Total Fair Value (Level 2)	Total Fair Value (Level 3)
As at 31st March, 2019					
Financial Assets					
Trade Receivable	18,281.13	-	18,281.13	18,281.13	-
Investment	10.46	6,977.01	6,987.47	6,987.47	-
Cash and bank	3,631.20	-	3,631.20	3,631.20	-
Other financial assets	1,856.29	-	1,856.29	-	1,856.29
Total	**23,779.08**	**6,977.01**	**30,756.09**	**28,899.80**	**1,856.29**
Financial Liabilities					
Borrowings	17,622.23	-	17,622.23	17,622.23	-
Trade Payable	23,248.11	-	23,248.11	23,248.11	-
Other financial Liabilities	5,249.90	-	5,249.90	-	5,249.90
Total	**46,120.24**	**-**	**46,120.24**	**40,870.34**	**5,249.90**
As at 31st March, 2018					
Financial Assets					
Trade Receivable	13,877.11	-	13,877.11	13,877.11	-
Investment	1,011.23	4,073.86	5,085.09	5,085.09	-
Cash and bank	2,172.58	-	2,172.58	2,172.58	-
Other financial assets	413.30	-	413.30	-	413.30
Total	**17,474.22**	**4,073.86**	**21,548.08**	**21,134.78**	**413.30**
Financial Liabilities					
Borrowings	6,192.48	-	6,192.48	6,192.48	-
Trade Payable	14,983.18	-	14,983.18	14,983.18	-
Other financial Liabilities	7,494.98	-	7,494.98	-	7,494.98
Total	**28,670.64**	**-**	**28,670.64**	**21,175.66**	**7,494.98**

Notes

to the financial statements for the year ended 31st March, 2019

(b) The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to level 3, as described below :

Level-1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level-2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level-3 : Techniques which use inputs that have a significant effect on the recorded Fair Value that are not based on observable market data.

(c) Financial Risk Management Policies and objectives:

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency recivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and borrowings.

Interest rate risk

The Company's does not have any significant interest bearing asset however there are certain unsignificant interest bearing liability. As such, the Company is not exposed to significant interest rate risk as at the reporting date.

Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash and cash equivalents to manage its liquidity risk.

Credit Risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company. To manage this, the Company periodically assess the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and agreeing of accounts receivable. Individual risk limit are set accordingly.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivatives, Cash and cash equivalents, bank deposits and other financial assets.

Notes
to the financial statements for the year ended 31st March, 2019

(d) Foreign Currency exposure as at 31st March, 2019

(₹ in lakhs)

Particulars	USD	EUR	GBP	Total
Trade Receivables	4,124.48	-	-	4,124.48
Trade Payable	-	(3,929.46)	-	(3,929.46)
Loan in Foreign Currency	-	(10,525.00)	-	(10,525.00)
Loan in Foreign Currency	-	-	(3,266.53)	(3,266.53)
Net Exposure	**4,124.48**	**(14,454.46)**	**(3,266.53)**	**(13,596.51)**

Foreign Currency exposure as at 31st March, 2018

Particulars	USD	EUR	GBP	Total
Trade Receivables	2,699.93	–	–	2,699.93
Trade Payable	(1,306.75)	(4,077.11)	–	(5,383.86)
Loan in Foreign Currency	–	(3,777.82)	–	(3,777.82)
Loan in Foreign Currency	-	-	(3,266.53)	(3,266.53)
Net Exposure	**1,393.18**	**(7,854.93)**	**(3,266.53)**	**(9,728.28)**

(e) 1% increase or decrease in foreign currency exchange rates will have the following impact on profit before tax.

(₹ in lakhs)

Particulars	2018-19		2017-18	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	41.24	(41.24)	13.93	(13.93)
EUR	(144.54)	144.54	(78.55)	78.55
GBP	(32.67)	32.67	(32.67)	32.67
Increase / (Decrease) in Profit	**(135.97)**	**135.97**	**(97.28)**	**97.28**

36 INCOME TAXES (IND AS 12) :

(₹ in lakhs)

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Income tax recognised in Statement of Profit and Loss		
Current tax	6,341.62	7,574.52
Deferred tax	640.76	855.87
Total income tax expenses recognised in the current year	**6,982.38**	**8,430.39**
The Income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before tax	18,630.54	23,084.88
Add: Exceptional Items	950.00	-
Profit before exceptional items & tax	19,580.54	23,084.88
Applicable Tax Rate	34.94%	34.61%
Computed Tax Expense	6,842.22	7,989.22
Tax effect of :		
Exempted income	(164.21)	(52.20)

Notes

to the financial statements for the year ended 31st March, 2019

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Expenses disallowed	58.79	259.10
Additional allowances net of MAT Credit	(395.18)	(621.60)
Current Tax Expense	6,341.62	7,574.52
Incremental Deferred Tax Liability on account Property,Plant & Equipments	493.46	637.44
Incremental Deferred Tax Asset on account of Financial Assets and Other items	147.30	218.43
Deferred tax provision (Net)	640.76	855.87
Tax Expenses recognised in Statement of Profit and Loss	6,982.38	8,430.39
Effective Tax Rate	35.66%	36.52%

37 BUSINESS COMBINATION

During the year ended 31st March, 2018 the Company has acquired the manufacturing unit of M/s Mysore Petro Chemicals Limited with effect from 1st April, 2017 for a consideration of ₹ 7,448.00 lakhs on slump sale basis, as per the valuation by Haribhakti & Co. LLP. The transaction was accounted under Ind AS 103 “Business Combination” as a business combination with the purchases price being allocated to identifiable assets and liabilities at fair value as determined by an approved valuer.

Following Table present the allocation of purchase price

Particulars	(₹ in lakhs)
Net Tangible Assets	7,246.86
Goodwill	201.14
Total Purchase price	7,448.00

Goodwill arose in the acquisition of above business because the cost of combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and assembled workforce of acquired business combination. These benefits are not recognised separately from goodwill as they do not meet the recognised criteria for identifiable intangible assets. The Goodwill is expected to be deductible for Income Tax purposes.

38 RESEARCH & DEVELOPMENT

Research & Development Expenditure of ₹58.84 lakhs (Previous Year ₹48.07 lakhs) has been accounted for in the respective heads of the Statement of Profit and Loss.

39 Revenue from operations for Previous year includes excise duty which was discontinued effective July 1, 2017 upon implementation of Goods and Service Tax (GST). In accordance with Ind AS 18,GST is not included in Revenue from operations. In view of this Revenue from operations for the year are not comparable with the previous year.

40 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceeding three financial years on Corporate Social Responsibility (CSR) activities.

Particulars	(₹ in lakhs)
(a) Gross amount required to be spent by the Company during the year is	293.24
(b) Amount spent during the year :	136.16

Notes
to the financial statements for the year ended 31st March, 2019

i	Construction / Acquisition of any assets	–
ii	On Purposes other than (i) above.	136.16
	Total	**136.16**

41 CONSOLIDATION OF JOINT VENTURE

The Consolidated Financial Statement also includes the unaudited accounts of one jointly controlled entity through its step down subsidiary and financial impact of which are not material for the Group.

42 ADDITIONAL INFORMATION AS PER PART II OF SCHEDULE III, OF COMPANIES ACT, 2013

Name of the Entity	Net Assets		Share of Profit or Loss	
	As % of Consolidated Net Assets	Amount ₹ In lakhs	As % of Consolidated Profit & Loss	Amount ₹ In lakhs
I G Petrochemicals Limited - Parent	99.95	62,873.20	99.69	11,648.16
IGPL International Ltd. - Subsidiary	0.05	34.36	0.31	36.66
Total	**100.00**	**62,907.56**	**100.00**	**11,684.82**

Name of the Entity	Share in other Comprehensive Income		Share in total Comprehensive Income	
	As % of Consolidated Comprehensive Income	Amount ₹ In lakhs	As % of Total Comprehensive Income	Amount ₹ In lakhs
I G Petrochemicals Limited - Parent	100.00	(100.07)	99.68	11,548.09
IGPL International Ltd. - Subsidiary	-	-	0.32	36.66
Total	**100.00**	**(100.07)**	**100.00**	**11,584.75**

43 PREVIOUS YEAR COMPARATIVES

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date
For **Uday & Co.**
Chartered Accountants.

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants.

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

Pramod Bhandari
Chief Financial Officer

Sudhir R Singh
Company Secretary

Mumbai
22nd May, 2019

IGPL

I G PETROCHEMICALS LIMITED

CIN: L51496GA1988PLC00915

Registered Office: T-10, 3rd Floor, Jairam Complex, Neugi Nagar, Panaji, Goa – 403 001
Corporate Office: 401, Raheja Centre, 214, Nariman Point, Mumbai-400 021
Tel. No.: 022 30286100 • Fax: 022 22040747 • Email: igpl@igpetro.com

ATTENDANCE SLIP

(please complete this attendance slip and handover at the entrance)

I/We hereby record my/our presence at the 30th Annual General Meeting of the Company at Hotel Mandovi, D B Bandodkar Road, Panaji, Goa-403 001 on Monday, 5th August, 2019 at 3.00 p.m.

Folio No.______________________ DP ID No.______________________ Client ID No.______________________

Name of the Member ______________________ Signature ______________________

Name of the Proxy holder ______________________ Signature ______________________

1. Only Member / Proxy holder can attend the Meeting.
2. Member / Proxy holder should bring his / her copy of the Annual Report for reference at the Meeting.

TEAR HERE

IGPL

I G PETROCHEMICALS LIMITED

CIN: L51496GA1988PLC00915

Registered Office: T-10, 3rd Floor, Jairam Complex, Neugi Nagar, Panaji, Goa – 403 001
Corporate Office: 401, Raheja Centre, 214, Nariman Point, Mumbai-400 021
Tel. No.: 022 30286100 • Fax: 022 22040747 • Email: igpl@igpetro.com

PROXY FORM

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

Name of the Member(s) : ....

Registered Address : ....

E-Mail Id : ....

Folio No./Client ID : ....

DP ID : ....

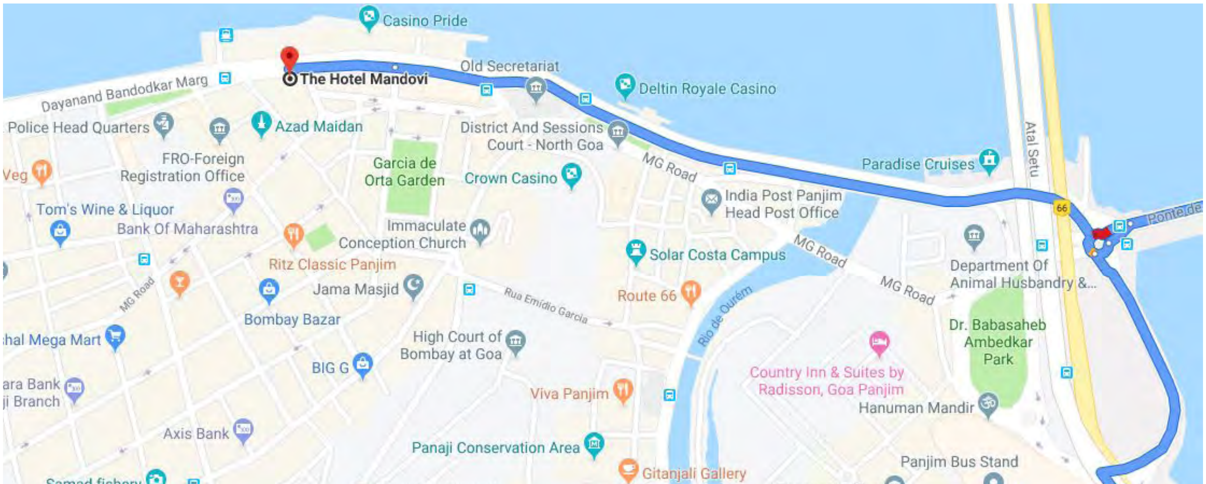
I/We the member(s) of **IG Petrochemicals Limited** holding ______________ shares hereby appoint:

(1) Name: ______________________ E-Mail Id: ______________________
Address: ______________________
______________________ Signature ______________________ or failing him;

(2) Name: ______________________ E-Mail Id: ______________________
Address: ______________________
______________________ Signature ______________________ or failing him;

(3) Name: ______________________ E-Mail Id: ______________________
Address: ______________________
______________________ Signature ______________________

ROUTE MAP TO THE VENUE OF THE AGM



as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the Company at Hotel Mandovi, D B Bandodkar Road, Panaji, Goa - 403 002 on Monday, 5th August 2019 at 3.00 pm. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Type of Resolution	For	Against
	Ordinary Business			
1.	To consider and adopt the standalone and consolidated audited financial statements of the Company for the financial year ended 31st March, 2019 and the Report of the Board of Directors and the Auditors' thereon	Ordinary		
2.	To declare Dividend.	Ordinary		
3.	To appoint a Director in place of Shri M M Dhanuka who retires by rotation and being eligible offers himself for re-appointment.	Ordinary		
	Special Business			
4.	To re-appoint Shri Nikunj Dhanuka as Managing Director & CEO	Special		
5.	To re-appoint Shri Rajesh Muni as an Independent Director	Special		
6.	To re-appoint Shri P H Ravikumar as an Independent Director	Special		
7.	To re-appoint Dr. A K A Rathi as an Independent Director	Special		
8.	To approve payment of remuneration to the Non- Executive Director	Special		
9.	To ratify payment of remuneration to Cost Auditor	Ordinary		

Signed this_______________day of ________________2019

Affix
Revenue
Stamp

Signature of the Member ____________________________

Signature of the proxy holder

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Corporate Information

Board of Directors

M M Dhanuka, Chairman
Nikunj Dhanuka, Managing Director & CEO
Rajesh Muni
Dr. A K A Rathi
P H Ravikumar
Dr. Vaijayanti Pandit
J K Saboo, Executive Director

Chief Financial Officer

R Chandrasekaran (upto 7th February, 2019)
Pramod Bhandari (w.e.f. from 7th February, 2019)

Company Secretary

Sudhir R Singh

Auditors

M/s ASA & Associates LLP
M/s Uday & Co.

Internal Auditors

M/s S M M P & Associates

Bankers

The Lakshmi Vilas Bank Ltd.
State Bank of India
Yes Bank Ltd.
The Cosmos Co-Operative Bank Ltd.
Andhra Bank
Central Bank of India

Registered Office

T-10, 3rd Floor, Jairam Complex,
Mala, Neugi Nagar
Panaji, Goa - 403 001
Tel.: 0832 - 2970973

Corporate Office

401- 404, Raheja Centre,
Free Press Journal Marg
214, Nariman Point, Mumbai - 400 021
Tel.: 022 - 30286100
Fax: 022 - 22040747
E-Mail: igpl@igpetro.com
Website: www.igpetro.com
CIN: L51496GA1988PLC000915

Executive Office

D/4, Jyothi Complex, 134/1, Infantry Road
Bengaluru - 560 001
Tel.: 080 - 22868372
Fax: 080 - 22868778

Factory

T-2, MIDC Industrial Area, Taloja - 410 208
Maharashtra
Tel.: 022 - 39289100/146
Fax: 022 - 27410192

Registrar & Transfer Agents

M/s Bigshare Services Pvt. Ltd.
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis
Makwana Road, Marol
Andheri (East), Mumbai - 400 059
Tel.: 022 - 62638200
Fax: 022 - 62638299
E-mail: investor@bigshareonline.com
Website: www.bigshareonline.com

I G PETROCHEMICALS LIMITED

Corporate Office

401 - 404, Raheja Centre, Free Press Journal Marg,
214, Nariman Point, Mumbai - 400 021, India.
Tel.: (91) 22 - 3028 6100 | **Fax**: (91) 22 - 2204 0747
E-mail: igpl@igpetro.com | **Website**: www.igpetro.com
CIN: L51496GA1988PLC000915

Registered Office

T-10, 3rd Floor, Jairam Complex, Mala,
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Goa - 403 001, India.
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