

- **BOARD OF DIRECTORS**
 - Sh. Nand Khemka**
(Chairman cum Managing Director)
 - Sh. P. R. Khanna**
 - Sh. R. Parameswar**
 - Ms. Bindu Saxena**
 - Sh. Shiv Khemka**
 - Sh. Uday Khemka**
 - Sh. K. K. Kapur**
(CEO & Whole-Time Director)
- **REGISTERED OFFICE**

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

State Bank of Bikaner & Jaipur
HDFC Bank
- **STATUTORY AUDITORS**

M/s. S. R. Batliboi & Co. LLP
Chartered Accountants
Office No. 601, 6th Floor,
World Mark 1, Aerocity, New Delhi – 110037
- **INTERNAL AUDITORS**

M/s. Khanna & Annadhanam
Chartered Accountants
706, Akash Deep Building, 26-A,
Barakhamba Road, New Delhi – 110001
- **COST AUDITORS**

M/s. Shome & Banerjee
Cost Accountants
Pocket – C, Siddhartha Extension,
New Delhi - 110014

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INDAG RUBBER LIMITED

CIN L74899DL1978PLC009038

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

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

NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY-SEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF INDAG RUBBER LIMITED WILL BE HELD ON FRIDAY, 27TH DAY OF MAY, 2016 AT 10:00 A.M. AT SAI INTERNATIONAL CENTRE, PRAGATI VIHAR, LODHI ROAD, NEW DELHI-110003 TO TRANSACT THE FOLLOWING BUSINESS:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt Balance Sheet as at 31st March, 2016 and the Statement of the Profit & Loss alongwith Cash Flow Statement and Notes to the Accounts for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. K.K.Kapur (DIN 00745117), who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare dividend and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to the recommendation of the Board of Directors, final dividend at the rate of Rs. 1.50/- per equity share of Rs. 2/- each (75%), in addition to the interim dividend of Rs. 0.90/- per equity share of Rs. 2/- each (45%) already paid, be and is hereby declared out of the current profits of the company and that the same be paid, to those Members whose names appear on the Company's register of members on 27 May, 2016.”

4. To ratify the appointment of Statutory Auditors of the Company, 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 139 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rule, 2014 the members of the company do hereby ratify the appointment of M/s. S. R. Batliboi & Co. LLP (Registration no.301003E) Chartered Accountants as Statutory Auditors of the Company to hold office upto the conclusion of 38th Annual General Meeting, who were appointed in the 35th Annual General Meeting (held on 25th July, 2014) to hold office for a period of 3 years until the conclusion of the 38th Annual General Meeting, on a remuneration plus reimbursement of out-of-pocket expenses, as may be mutually agreed to between the Board of Directors and the Auditors.”

AS SPECIAL BUSINESS:

5. **Fixation of the remuneration of the Cost Auditors of the company for the financial year 2016-17.**

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

“RESOLVED THAT pursuant to the provisions of section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 and on the recommendation of the Board of Directors, consent of the members be and is hereby accorded for the payment of remuneration of Rs. 1,00,000/- plus service tax and out of pocket expenses and on terms and conditions as may be mutually agreed between the Board of Directors and M/s. Shome & Banerjee, (Registration No. 000001) Cost Accountants, Cost Auditors of the Company for the financial year commencing from 1st April, 2016 till 31st March, 2017.”

6. **Appointment of Mr. Shiv Vikram Khemka (DIN - 01214671) as a Director of the Company.**

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 161 and any other applicable provisions of the Companies Act, 2013, Mr. Shiv Vikram Khemka (DIN-01214671) who was appointed as an additional director of the company and holds office upto the date of thirty-seventh Annual General Meeting is eligible for re-appointment and in respect of whom a notice under section 160 of the Companies Act, 2013, has been received from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the company, liable to retire by rotation.”

7. **Reappointment of Mr. K.K. Kapur (DIN- 00745117) as a Whole time director of the Company.**

To consider and if thought fit, to pass with or without modification the following resolution as a **SPECIAL RESOLUITION**

“RESOLVED THAT pursuant to the provision of Section 196, 197 and 203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act, consent of the members be and is hereby accorded for the re-appointment of Mr. K. K. Kapur (DIN-00745117) as Whole-time Director (Key Managerial Personnel designated as Chief Executive Officer) of the Company for a period of 3 years with effect from 1st June, 2016 who has attained the age of 78 years, upon the terms and conditions and remuneration as set out below, which may be altered, modified or varied by the Board of Directors.

(A) The Whole Time Director shall control day-to-day affairs of the Company and its business affairs subject to the ultimate supervision and control of Board of Directors.

(B) Period of Agreement: Three Years w.e.f. June 1, 2016

(C) REMUNERATION

1) Salary : Rs. 7,00,000 per month (Rupees Seven Lacs per month)

2) Bonus : The Whole Time Director (Chief Executive Officer) will also be entitled to bonus, which shall be computed as follows :-

Ceiling under Section 197 of the Companies Act, 2013 of 5% (Five percent) of the net profits computed in accordance with Section 198 of the Companies Act, 2013 reduced by the remuneration actually paid and perquisites (if any) actually reimbursed to him.

3) Perquisites :

a. Car with driver and telephone: The Company shall provide car(s) with driver(s) and telephone (s) for official and personal purposes.

b. Leave: Leave with full pay and allowance during the tenure and encashment of leave at the end of tenure shall be allowed as per the Company's rules.

c. Mediclaim Insurance and Personal Accident Insurance: Premium paid on Mediclaim Policy and Group Personal Accident Policy for self and spouse.

d. Liability Insurance: Premium paid on Director's and Officer's Liability policy taken by the company shall not be treated as part of the remuneration, unless he is proved guilty.

e. Provident Fund: Company's Contribution to Provident Fund.

f. Gratuity: Gratuity shall be payable in accordance with the Payment of Gratuity Act, 1972. For this purpose, he will be deemed to have been in continuance service of the company since 9th April, 2001.

All the above perquisites and other benefits would be subject to the applicable Company policy.

RESOLVED FURTHER THAT the above remuneration payable to Mr. K. K. Kapur is subject to the condition that the total remuneration including perquisites shall not exceed 5% of the net profits individually and 11% of the net profits collectively payable to all the Directors as calculated in accordance with Section 198 of the Companies Act, 2013 or any amendments thereto or any other provisions may be applicable.

RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of Mr. K. K. Kapur as Whole Time Director, the Company incurs losses or its profits are inadequate, the Company shall pay to Mr. K. K. Kapur, the above remuneration by way of fixed salary, perquisites, allowances and other benefits, subject to the limits, restrictions / requirements stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013 and related statutory regulations.

The Board is authorised to increase, vary or amend the remuneration including salary, allowances, perquisites and other benefits, minimum remuneration and other terms of appointment, from time to time, as deemed expedient or necessary.

Other Terms and conditions:

- 1) The Whole Time Director shall not become interested or otherwise concerned directly or through his wife and/ or children in any buying and selling agency of the Company in future without the prior approval of the Board of Directors or subject to such other approvals as may be considered necessary.
- 2) The Whole Time Director shall not be entitled to fees payable to Directors for attendance at Board Meetings and all other Committees appointed by the Board.
- 3) The Agreement may be terminated by either party by giving to the other three-month notice of such termination. The Whole Time Director will not be entitled to any compensation for loss of office due to termination under Section 202 of the Companies Act, 2013 or otherwise.
- 4) The Whole Time Director shall exercise such power and function and on such term as the Board of Directors of the company may prescribe from time to time, it being agreed and understood that the Board shall have the power to alter, modify, revoke or withdraw all or any of the powers so conferred.
- 5) The Whole Time Director shall be liable to retire by rotation”.

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

Manali D Bijlani
Company Secretary
F4704

Date : April 14, 2016
Place: New Delhi

NOTES

As Indag Rubber Limited, being a listed company and having more than 1000 shareholders, is compulsorily required to provide remote e-voting facility to members in terms of Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, voting by show of hands will not be available to the members at the 37th AGM in view of the further provisions of Section 107 read with Section 114 of the Act.

This notice is sent to all the members whose name appears as on April 22, 2016 in the Register of Members.

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A proxy appointed by a member holding more than 10 percent of the total share capital of the Company carrying voting rights shall not act as proxy for any other member.
3. Members/ Proxies should bring the attendance slips duly filled-in for attending the meeting and deliver the same at the entrance of the meeting place. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 20th May, 2016 to 27th May, 2016 (both days inclusive).
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
6. Final Dividend of Rs.1.50/- per equity share of Rs. 2/- each (75 %) has been recommended by the Board of Directors, subject to the approval of the shareholders at the ensuing Annual General Meeting for the year ended on 31st March, 2016 is proposed to be paid on and from June 10, 2016. Interim Dividend for the year 2015-2016 of Rs. 0.90/- on per equity share of Rs. 2/- each (45%), was declared on November 04, 2015 and paid on November 26, 2015.
7. Members holding the shares in electronic form are advised to get their bank mandate updated with their respective Depository Participant as the bank particulars registered against their respective depository accounts will be used by the Company for the payment of dividend. Members holding the shares in physical form are requested to write to the Company for the registration or change of bank mandates for the payment of Dividend.
8. Members who have not encashed their dividend warrants are advised to write to the Company immediately claiming dividends declared by the Company earlier.
9. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding the shares in physical form can submit their PAN details to the Company.
10. Members seeking further information about the accounts are requested to write atleast 7 days before the date of the meeting so that it may be convenient to get the information ready at the meeting.
11. Members are requested to inform the Company's Registrar and Share Transfer Agent i.e. Skyline Financial Services Private Limited, D-153/A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 about the changes, if any, in their registered address along with the Pin Code, quoting their Folio Number and DP ID. All correspondence relating to transfer of shares may be sent directly to the aforesaid Registrar and Share Transfer Agent of the Company.
12. Members are requested to bring their copies of Annual Report to the meeting, as the same will not be supplied again at the meeting as a measure of economy.
13. Members are requested to furnish or update their e-mail IDs with the Registrar for sending the soft copies of the Annual Report of the Company as required vide circular no. 17/2011 dated April 21, 2011 and circular no. 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs and to avail remote e-voting facility in respect of the resolutions which would be passed at the General Meetings of the Company.

14. Pursuant to the prohibition imposed vide Secretarial Standard on General Meetings (SS-2) issued by the ICSI and the MCA circular, no gifts/coupons shall be distributed at the Meeting.
15. Members may kindly note that bags, eatables, laptops, arms, ammunitions or any other harmful/dangerous objects are not allowed inside the Auditorium at the meeting venue.
16. Members may also note that the Notice of 37th Annual General Meeting and Annual Report for the year 2015-2016 is also available on the website of the Company www.indagrubber.com for their download.
17. **Voting through electronic means**
 - a) In compliance with provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide remote e-voting facility to the members of the Company to exercise their right to vote in respect of the resolutions to be passed at the 37th Annual General Meeting.
 - b) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on Friday, 20th May, 2016 (the “Cut-off Date”) only shall be entitled to vote through remote e-voting and at the AGM. The voting rights of members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut-off date.
 - c) At the venue of AGM, voting shall be done through ballot papers and the members attending AGM who have not casted their vote by remote e-voting shall be entitled to cast their vote through Ballot papers.
 - d) Instructions for remote e-voting are as under-**
 - i. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - ii. Click on Shareholder – Login
 - iii. Enter your User ID and existing password. The User –id is your Demat account number which is (DP-ID + CLIENT –ID)
 - iv. Click Login
 - v. Home page of “e-Voting” appears. Click on e-Voting-Active Voting Cycles
 - vi. Select E-Voting Event Number (EVEN) of Indag Rubber Limited for casting vote in favour or against the Item(s) of business. (Kindly note that vote once casted cannot be modified. For an EVEN, you can log-in any number of times on e-voting platform of NSDL till you have voted on the resolution or till the end date of voting period i.e up to close of 26th May, 2016, whichever is earlier).
 - vii. Now you are ready for ‘e-Voting’ as ‘Cast Vote’ page opens. Voting period commences on and from Tuesday, 24th May, 2016 at 9:00 am and ends on Thursday 26th May, 2016, 2016 at 5:00 pm.
 - viii. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - ix. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - x. Institutional shareholders (ie other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/ JPG format) of the relevant Board resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through email at scrutinizer@indagrubber.com with a copy marked to evoting@nsdl.co.in
 - e) The remote e-voting period shall commence on Tuesday, 24th May, 2016 (9:00 am) to Thursday 26th May, 2016 (5:00 pm). During this period the members of the Company, holding shares either in physical form or in dematerialized form, as on Friday, 20th May, 2016 (cut-off date) may cast their vote electronically. Thereafter, the portal shall be disabled by the NSDL for voting. Members may note that once the vote on a resolution is cast, it cannot be changed subsequently.
 - f) Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting and that the members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
 - g) Persons who have acquired shares and become members of the Company after dispatch of Notice of AGM but before cut-off date of 20th May, 2016 may obtain their USER ID and password for remote e-voting from Skyline Financial Services Pvt. Ltd., D-153/A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi-110020 or NSDL.

- h) In case of queries, you may refer the “Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members” available at the ‘downloads’ section of www.evoting.nsdl.com. For any further grievance related to the remote e-voting, members may contact NSDL at the following contact information: Phone No. +91 22 24994600/24994738, Toll Free no. 1800222990
- i) The Board of Directors has appointed Mr. Kanishk Arora of M/s. Kanishk Arora & Co., Practicing Company Secretary, as the Scrutinizer for conducting remote e-voting in a fair and transparent manner.
- j) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot papers and thereafter unblock the votes casted through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within 24 hours from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman or any other Key Managerial Personnel who shall countersign the same and declare the results of the voting within 48 hours of conclusion of Annual General Meeting.
- k) The results declared alongwith the report of Scrutinizer shall be placed on the website of the Company www.indagrubber.com and on the website of NSDL immediately after the declaration of results by the Chairman or any other Key Managerial Personnel. The results shall also be forwarded to the Stock Exchange within 48 hours of the conclusion of Annual General Meeting.

18. Pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the brief profile of Directors eligible for re-appointment vide item no. 2, 6 and 7 is as follows:

Particulars	Mr. K.K.Kapur	Mr. Shiv Vikram Khemka
Din	00745117	01214671
Date of Birth	15-10-1937	19-08-1962
Date of Appointment	09-04-2001	14-08-2015
Qualifications	Post-Graduate in Mathematics and Member of the Institute of Cost and Works Accountants of India.	Educated at Eton College, Brown University, and the Lauder program at The Wharton School, University of Pennsylvania.
Experience in specific functional areas	He retired as Chairman cum Managing Director of GAIL. He has served in various capacities with Steel Authority of India Limited, Markfed, Petrofils, GAIL and Enron India.	Mr. Khemka is Vice Chairman of the SUN Group. Mr. Khemka elected a ‘Global Leader for Tomorrow’ (GLT) at the World Economic Forum in Davos in 1997; Serves on the Board of Overseers of The Wharton School, on the President’s Leadership Council at Brown University, and on the International Advisory Board of the School of Oriental and African Studies (SOAS).
Directorship held in other listed entities	Nil	Nil
Membership/Chairmanship of Committees of listed entities (includes only Audit Committee and Stakeholders’ Relationship Committee)	Stakeholder Relationship Committee - Indag Rubber Limited	Nil
Number of shares held in the company	Nil	12,50,750 equity shares (jointly holding with Mrs. Urvashi Khemka)
Relationship with any Director(s) of the Company	Nil	Mr. Nand Khemka Mr. Uday Harsh Khemka

Explanatory Statement

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

Item No. 5: Fixation of remuneration of M/s. Shome & Banerjee, Cost Auditors.

M/s. Shome & Banerjee, Cost Accountants were appointed as Auditors of the Company by the Board at its meeting held on 14th April, 2016, for the financial year 2016-2017.

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

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

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

None of the Directors, key managerial personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

Your Directors recommend passing the above resolution.

Item No. 6: Appointment of Mr. Shiv Vikram Khemka (DIN 01214671) as a Director.

Mr. Shiv Vikram Khemka was appointed as additional director of the company with effect from August 14, 2015 who holds office upto the date of thirty seventh Annual General Meeting of the company.

Notice has been received from member proposing Mr. Shiv Vikram Khemka as candidate for the office of Director of the company.

Mr. Shiv Vikram Khemka is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director.

Brief resume of Mr. Shiv Vikram Khemka, nature of his expertise in specific functional area and names of companies in which he hold directorships and memberships/ chairmanships of Board Committees, are provided in this Notice.

Mr. Shiv Vikram Khemka does not hold Directorship in any other public company. Mr. Khemka is not the member /Chairman of any Committee of the Board of the Company.

Mr. Shiv Vikram Khemka attended two meetings out of three meetings of the Board of Directors held during his tenure, that is meetings held on August 14, 2015 and February 10, 2016.

Mr. Shiv Vikram Khemka jointly with Mrs. Urvashi Khemka holds 12,50,750 equity shares of the Company.

Mr. Shiv Vikram Khemka is interested in the resolution set out at item no. 6 of the Notice with regard to his appointment.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives except Mr. Nand Khemka and Mr. Uday Harsh Khemka (being relative of Mr. Shiv Vikram Khemka), is interested in the aforesaid resolution.

The Board recommends the Ordinary Resolution set out at Item no. 6 of the Notice for the approval of the shareholders.

Item No. 7: Appointment of Mr. K. K. Kapur (DIN – 00745117) as a Whole Time Director.

Mr. K. K. Kapur has been re-appointed as a Whole Time Director of the company by the Board of Directors with effect from June 1, 2016, for a period of three(3) years, pursuant to the provisions of the Companies Act, 2013.

Mr. K.K.Kapur was initially appointed as Whole Time Director on 9 April, 2001. Thereafter, his term of office was renewed in the year 2002, 2003, 2004, 2005, 2008 and 2011.

Mr. K. K. Kapur, aged 78 years, is a post- graduate in Mathematics and a Member of the Institute of Cost and Work Accountants of India. Mr. K. K. Kapur has an experience of over 55 years and has served in various capacities with Steel Authority of India Limited, Markfed, Petrofils, GAIL and Enron India.

The terms & conditions of appointment & remuneration of Mr. K. K. Kapur as Whole Time Director are outlined in the resolution placed before the members.

The Nomination and Remuneration Committee and the Board of Directors in their meetings held on 14th April, 2016 approved the terms of appointment and remuneration of Mr. K. K. Kapur.

Mr.K.K.Kapur does not hold Directorship in any other public company. Mr. Kapur is a member of the Stakeholder Relationship Committee of the Board of the Company.

Mr.K.K.Kapur attended all the five meetings of the Board of Directors which were held during the year, viz. on April 11, 2015, May 21, 2015, August 14, 2015, November 4, 2015 and February 10, 2016.

Mr.K.K.Kapur does not hold any share of the Company.

The Special resolution as set out in item no. 7 of the annexed notice is, therefore recommended for your approval. The Board considers that it would be in the interest of the Company to appoint Mr. K. K. Kapur as the Whole Time Director of the Company.

Except Mr. K. K. Kapur, no other Director and/or Key Managerial Personnel is interested in the proposed resolution.

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

Manali D Bijlani

Company Secretary

F4704

Date : April 14, 2016

Place: New Delhi

NOTICE FOR SHAREHOLDERS/INVESTORS FOR UNPAID DIVIDENDS

1. The Shareholders / Investors of Indag Rubber Limited are notified that in pursuance of the section 205A of the Companies Act, 1956 (the Act), the Company is required to transfer amount of Dividends that remain unclaimed / unpaid for a period of seven (7) years from the date on which they were declared, to the Investor Education and Protection Fund (IEPF) established under Section 205C of the Companies Act, 1956.
2. Dividends, including Interim Dividends declared during the following Financial Years shall fall due for transfer to IEPF on completion of a period of seven years from the respective date of declaration of Dividend / Interim Dividend respectively. A table containing the due dates for transfer to IEPF for various years is given below for the information of the Shareholders/Investors:

Financial Year	Dividend –Interim / Final	Due Dates for Transfer to IEPF
2007-08	Final	31 July,2015
2008-09	Final	23 July,2016
2009-10	Interim	14 October,2016
2009-10	Final	31 July,2017
2010-11	Interim	10 November,2017
2010-11	Final	10 August,2018
2011-12	Interim	11 October,2018
2011-12	Final	15 July,2019
2012-13	Interim	9 October,2019
2012-13	Final	20 July,2020
2013-14	Interim	30 October, 2020
2013-14	Final	26 July, 2021
2014-15	Interim	28 September, 2021
2014-15	Final	15 August, 2022
2015-16	Interim	5 November, 2022

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

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

4. Shareholders are advised to ensure that their claims for unpaid / unclaimed dividend are lodged timely so as to reach the same on or before the date indicated against each year in the table at Sr. No.2 above. The claims received after these dates shall not be entertained and the amount outstanding shall be transferred to IEPF within 30 days of this date as per the relevant provisions of law.
5. Shareholders are requested to note that after the transfer of the amount/s to IEPF, no claim for payment shall lie in respect thereof to the Bank and/or to the Fund.

Date: April 14, 2016



INDAG RUBBER LIMITED

CIN L74899DL1978PLC009038

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

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

DIRECTORS' REPORT

To
THE MEMBERS,

Your Directors are pleased to present the 37th Annual Report of the Company together with the Audited Statements of Accounts for the year ended March 31, 2016.

FINANCIAL RESULTS

Particulars	2015-16 (Rs. In lacs)	2014-15 (Rs. in lacs)
Sales and other Income	25787.81	24527.13
Profit before Finance Cost & Depreciation	5094.13	4424.26
Finance Cost	29.42	23.02
Profit before Depreciation	5064.71	4401.24
Depreciation	2758.70	196.29
Profit before tax	4788.84	4204.95
Profit after tax	3197.45	3258.86
Transfer to General Reserve	-	-
Interim Dividend	236.25	236.25
Proposed Final Dividend	393.75	393.75

PERFORMANCE REVIEW

During the year under review your Company has achieved gross revenue of Rs. 257.87 crore as against Rs. 245.27 crore in the previous year. The Profit before finance cost and depreciation amounted to Rs. 50.94 crore as against Rs. 44.24 crore in the previous year.

Profit before tax during the year worked out to Rs. 47.89 crore as compared to Rs. 42.05 crore in the previous year.

DIVIDEND

During the year the Board of Directors declared an Interim dividend of Rs. 0.90 per equity share of Rs. 2/- each (45%) on November 4, 2015 which has been paid.

The Directors are pleased to recommend a final dividend of Rs. 1.50 per equity share of Rs. 2/- each (75%) for the financial year 2015-2016 thus making a total dividend of 120%.

Subject to the approval of shareholders at the ensuing Annual General Meeting, the final dividend will be paid to those shareholders whose name appears on the register of members of the company as on May 27, 2016.

INVESTOR EDUCATION AND PROTECTION FUND

Dividend which was declared by the company for the year ended March 31, 2009 at the Annual General Meeting held on July 22, 2009 and remained unclaimed will be transferred to the Investor Education and Protection Fund of the Central Government on August 21, 2016 pursuant to the provisions of Companies Act, 2013. Thereafter no claim shall lie on

dividend for the year ended March, 2009 from the shareholders. Notice for unpaid dividend is attached with the Notice convening 37th Annual General Meeting.

TRANSFER TO RESERVES

The appropriations for the year are:-

Rupees in lacs

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
Reserve at the beginning of the year	1118.80	1118.80
Transfer to general Reserve	-	-
Reserve at the end of the year	1118.80	1118.80
Balance of Profit & Loss account at the year end	13588.37	10676.70

INDUSTRY EXPERIENCE

The tyre retreading industry gained some respite from a decline in the prices of crude oil and natural rubber, which are major raw materials for manufacturing of precured tread rubber.

However, the industry faced competition from cheap, single-life tyres in the marketplace from China. As these tyres are not suitable for retreading, eventually they cost more and end up as scrap, thereby adding to pollution and wastage.

OPPORTUNITIES AND THREATS

Government's focus on infrastructure development, investment in highways, and implementation of GST will give boost to retreading industry.

Radialization will get more tyres for retreading, as casing can be retreaded multiple times. However, cheap Chinese tyres will continue to be a threat to retreading industry, unless anti-dumping duty is levied.

RISK AND AREA OF CONCERN

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

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

MATERIAL CHANGES EFFECTING FINANCIAL POSITIONS OF THE COMPANY

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

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

INTERNAL CONTROL SYSTEM

The Company has adequate internal control systems and procedures designed to effectively control the operations at its Head Office, Plants and Depots. The internal control systems are designed to ensure that the financial and other records are reliable for the preparation of financial statements and for maintaining assets. The Company has well designed Standard Operating Procedures. Independent Internal Auditors conduct audit covering a wide range of operational matters and ensure compliance with specified standards. Planned periodic reviews are carried out by Internal Audit. The findings of Internal Audit are reviewed by the top management and by the Audit Committee of the Board of Directors.

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

On the recommendation of Nomination and Remuneration Committee, the Board appointed Sh.Shiv Khemka, as an Additional Director of the company with effect from August 14, 2015, who shall hold office upto the Annual General Meeting, and is eligible for appointment as Director as provided under the Articles of Association of the Company. The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidature of Sh.Shiv Khemka for the office of Director.

Pursuant to the terms of appointment, the office of Sh.K.K.Kapur as Whole time Director will expire on May 31, 2016. As recommended by the Nomination and Remuneration Committee, the Board reappointed Sh.K.K.Kapur as Whole time Director (Key Managerial Personnel) with effect from June 1, 2016 for a further period of 3 years, subject to the approval of the shareholders. We seek your approval for the appointment of Sh.K.K.Kapur as Whole time Director in the ensuing AGM.

As per the provisions of the Companies Act, 2013, Sh.K.K.Kapur will retire by rotation at the ensuing AGM and being eligible offered himself for re-appointment. The Board recommends his re-appointment.

Sh. K.M.S Ahluwalia, who was appointed as the Independent Director of the company on July 25, 2014 has resigned from the Board on February 10, 2016. The Board of Directors records their appreciation for the services rendered by Sh. K.M.S. Ahluwalia during his tenure.

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

INDEPENDENT DIRECTORS DECLARATION

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

BOARD MEETINGS

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

EVALUATION OF THE BOARD'S PERFORMANCE

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

REMUNERATION POLICY

The company follows a policy on remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board. More details on the same are given in the Corporate Governance Report.

STAKEHOLDER RELATIONSHIP COMMITTEE

Stakeholder Relationship Committee comprises of Sh.R.Parameswar as Chairman and Sh.Nand Khemka and Sh.K.K.Kapur as members. The details of term of reference of the Committee member, dates of meeting held and attendance of the Directors are given separately in the Corporate Governance Report.

AUDIT COMMITTEE

The Audit Committee comprises of Sh. R. Parameswar as Chairman and Sh. Nand Khemka and Sh. P.R.Khanna as members. The details of term of reference of the Audit Committee member, dates of meeting held and attendance of the Directors are given separately in the Corporate Governance Report.

VIGIL MECHANISM

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

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

CODE OF CONDUCT

Directors, Key Managerial Personnel and senior management of the Company have confirmed compliance with the Code of Conduct applicable to the Directors and employees of the Company and the declaration in this regard made by the CEO & Whole Time Director is attached as Annexure 'I' which forms a part of this Report of the Directors. The Code of Conduct is available on the Company's website www.indagrubber.com

HUMAN RESOURCE MANAGEMENT, HEALTH AND SAFETY

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

The Company believes in empowering its employees through greater knowledge, team spirit and developing greater sense of responsibility. On the job training as well as classroom training by way of seminars, conventions, functional and managerial programs for capability development and building technical expertise were attended by respective functions such as Sales & Marketing, Finance & Accounts, Procurement, Supply Chain, HR etc. The Company organized a diagnostic camp to monitor health as well as physical and emotional well-being of all employees and workers. There were 371 regular employees as at March 31, 2016.

DISCLOSURE AS PER THE SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

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

During the financial year 2015-16, no complaint was received under the policy.

PARTICULARS OF EMPLOYEES

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

COMMITMENT TO QUALITY AND ENVIRONMENT

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

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

CORPORATE SOCIAL RESPONSIBILITY

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

During the year we focused on improving the quality of life of the community in and around Nalagarh through health and sanitation, education and skill based training, sports and infrastructure development. Details about the CSR policy and initiatives taken by the Company during the year are available on your company's website www.indagrubber.com. The Report on CSR activities is given in Annexure 'III' forming part of this Report.

AUDITORS

M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, Statutory Auditors of the Company hold office upto the conclusion of 38th Annual General Meeting, who were appointed in the 35th AGM to hold office until the conclusion of 38th AGM. Your company seeks ratification of the appointment of Statutory Auditors at the ensuing Annual General Meeting.

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

SECRETARIAL AUDIT

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

COST AUDITORS

The Board of Directors has on the recommendation of Audit Committee, approved the appointment of M/s. Shome & Banerjee, Cost Accountants, as the Cost Auditors of the company for the year 2016-2017 at a remuneration of Rs. 1 lac plus out of pocket expenses. The proposed remuneration of the Cost Auditors would be approved by the members in the ensuing AGM.

The due date for filing the Cost Audit Report of the Company for the Financial Year ended 31st March, 2015 was 30th September, 2015 and the Cost Audit Report was filed in XBRL mode on 16th September, 2015.

LOANS, GUARANTEES OR INVESTMENT

In compliance with Section 186 of the Companies Act, 2013, loans to employees bear interest at applicable rates. The company has made investments in securities of other body corporate(s), the details of which are given in Note '9' to Financial Statements, which are within the limits prescribed under Section 186 of the Companies Act, 2013.

FIXED DEPOSIT

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

SUBSIDIARIES

The company has framed a Policy for determining Material Subsidiaries. However the company does not have any subsidiary within the meaning of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

All related party transactions are in the ordinary course of business and at arm's length basis, which are not material in nature. All related party transactions are with the approval of the Audit Committee and periodically placed before the Board for review.

EXTRACT OF ANNUAL RETURN

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

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

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

LISTING

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

DEMATERIALISATION OF SHARES

The shares of your Company are being traded in electronic form and the Company has established connectivity with

both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, Members are requested to avail the facility of dematerialization of shares with either of the Depositories as aforesaid. As on March 31, 2016, 97.30% of the share capital stands dematerialized.

CORPORATE GOVERNANCE

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

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report, as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are already dealt with in various sections of this Report.

ANNEXURES FORMING A PART OF DIRECTOR'S REPORT

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

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

CAUTIONARY STATEMENT

Statements in this report, describing the Company's objectives, expectations and/or anticipations may be forward looking within the meaning of applicable Securities Law and Regulations. Actual results may differ materially from those stated in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, availability of inputs and their prices, changes in the Government policies, regulations, tax laws, economic developments within the country and outside and other factors such as litigation and industrial relations.

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

DIRECTOR'S RESPONSIBILITY STATEMENT

Your Directors wish to inform Members that the Audited Accounts containing Financial Statements for the Financial Year 2015-16 are in conformity with the requirements of the Companies Act, 2013. They believe that the Financial Statements reflect fairly, the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operation.

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

- i) That in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial period and of profit or loss of the Company for that period; except for change in accounting policy for dividend, details of which are given in Note “2” to Financial Statements.
- iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That the Directors have prepared the annual accounts on a “going concern basis”.
- v) That the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi) That the Directors had devised proper system to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

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

APPRECIATIONS

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

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

P. R. Khanna
Director
DIN: 00048800

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

Date : April 14, 2016
Place : New Delhi

ANNEXURE-I

Annual Compliance with the Code of Conduct for the Financial Year 2015-2016

Pursuant to the Schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, I hereby confirm that the Company has received affirmations on compliance with the Code of Conduct for the financial year ended March 31, 2016 from all the Board Members and Senior Management Personnel.

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

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

Date : April 14, 2016
Place : New Delhi

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) AND SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Requirements of Rule 5(1)	Details																																												
(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	<table border="0"> <tr> <td>Mr. Nand Khemka</td> <td>-</td> <td>2129 : 20</td> <td>(10645%)</td> </tr> <tr> <td>Mr. K K Kapur</td> <td>-</td> <td>2129 : 20</td> <td>(10645%)</td> </tr> <tr> <td>Mr. P R Khanna</td> <td>-</td> <td>118 : 20</td> <td>(590%)</td> </tr> <tr> <td>Mr. R. Parameswar</td> <td>-</td> <td>118 : 20</td> <td>(590%)</td> </tr> <tr> <td>Ms. Bindu Saxena</td> <td>-</td> <td>118 : 20</td> <td>(590%)</td> </tr> <tr> <td>Mr. Uday Harsh Khemka</td> <td>-</td> <td>23 : 20</td> <td>(115%)</td> </tr> <tr> <td>Mr. Shiv Vikram Khemka</td> <td>-</td> <td>48 : 20</td> <td>(240%)</td> </tr> </table>	Mr. Nand Khemka	-	2129 : 20	(10645%)	Mr. K K Kapur	-	2129 : 20	(10645%)	Mr. P R Khanna	-	118 : 20	(590%)	Mr. R. Parameswar	-	118 : 20	(590%)	Ms. Bindu Saxena	-	118 : 20	(590%)	Mr. Uday Harsh Khemka	-	23 : 20	(115%)	Mr. Shiv Vikram Khemka	-	48 : 20	(240%)																
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(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	<table border="0"> <tr> <td colspan="4">Directors</td> </tr> <tr> <td>Mr. Nand Khemka</td> <td>-</td> <td>12.24%</td> <td></td> </tr> <tr> <td>Mr. K K Kapur</td> <td>-</td> <td>12.24%</td> <td></td> </tr> <tr> <td>Mr. P R Khanna</td> <td>-</td> <td>(5.33%)</td> <td></td> </tr> <tr> <td>Mr. R. Parameswar</td> <td>-</td> <td>(5.33%)</td> <td></td> </tr> <tr> <td>Ms. Bindu Saxena</td> <td>-</td> <td>174.13%</td> <td></td> </tr> <tr> <td>Mr. Uday Harsh Khemka</td> <td>-</td> <td>(45.94%)</td> <td></td> </tr> <tr> <td>Mr. Shiv Vikram Khemka</td> <td>-</td> <td>NA</td> <td></td> </tr> <tr> <td colspan="4">Key Managerial Personnel</td> </tr> <tr> <td>Mr. J.K Jain(CFO)</td> <td>-</td> <td>16%</td> <td></td> </tr> <tr> <td>Mrs. Manali D Bijlani (CS)</td> <td>-</td> <td>49%</td> <td></td> </tr> </table>	Directors				Mr. Nand Khemka	-	12.24%		Mr. K K Kapur	-	12.24%		Mr. P R Khanna	-	(5.33%)		Mr. R. Parameswar	-	(5.33%)		Ms. Bindu Saxena	-	174.13%		Mr. Uday Harsh Khemka	-	(45.94%)		Mr. Shiv Vikram Khemka	-	NA		Key Managerial Personnel				Mr. J.K Jain(CFO)	-	16%		Mrs. Manali D Bijlani (CS)	-	49%	
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Mrs. Manali D Bijlani (CS)	-	49%																																											
(iii) the percentage increase in the median remuneration of employees in the financial year;	: 23%																																												
(iv) the number of permanent employees on the rolls of company;	: 371 employees as on 31.03.2016																																												
(v) the explanation on the relationship between average increase in remuneration and company performance;	: Average increase in remuneration of all employees was 14.50% for the year 2016 which is partly based on the results of the Company for the year ended 31.03.2015 and partly on the individual employee's performance. Total Profit after Tax in year 2015 had increased by 18% over the previous year																																												
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	: Average increase in remuneration of key managerial personnel was 12.24 % for the year 2016 which is partly based on the results of the Company for the year ended 31.03.2015 and partly on the individual performance. Total Profit after Tax in year 2015 had increased by 18% over the previous year																																												
(vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	<table border="0"> <thead> <tr> <th></th> <th style="text-align: center;">As on 31.03.2015</th> <th style="text-align: center;">As on 31.03.2016</th> <th style="text-align: center;">% increase</th> </tr> </thead> <tbody> <tr> <td>Share price:</td> <td></td> <td></td> <td></td> </tr> <tr> <td>BSE</td> <td style="text-align: right;">Rs. 147.75</td> <td style="text-align: right;">Rs. 165.00</td> <td style="text-align: right;">11.68%</td> </tr> <tr> <td>P/E Ratio</td> <td style="text-align: right;">11.90</td> <td style="text-align: right;">13.55</td> <td style="text-align: right;">13.87%</td> </tr> </tbody> </table> <p>The Company has not made any Public Issue or Rights issue of securities in the last 30 years, so comparison have not been made of current share price with public offer price. The Company's shares are listed on Bombay Stock Exchange Pursuant to the approval of the members through postal ballot / e-voting on 20 March 2015 for sub-division of the equity shares of the Company, each equity share of nominal face value of Rs. 10/- each was sub-divided to equity share of nominal face value of Rs. 2/- each. The effective date of the said sub-division was 24 April 2015.</p>		As on 31.03.2015	As on 31.03.2016	% increase	Share price:				BSE	Rs. 147.75	Rs. 165.00	11.68%	P/E Ratio	11.90	13.55	13.87%																												
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P/E Ratio	11.90	13.55	13.87%																																										

(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	:	Average Salary increase of non-managerial employees is 14.50% Average Salary increase of managerial employees is 12.24% There are no exceptional circumstances in increase in managerial remuneration
(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;	:	Same as in (vi) above
(x) The key parameters for any variable component of remuneration availed by the directors;	:	All employees including Managing Director and Whole Time Director's entitlement to incentive has a variable component which is based on the individual's performance and Company's financial performance. Remuneration of all non-executive directors is limited to 1% of net profits of the Company for that financial year
(xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	:	The Managing Director & Whole time director are the highest paid directors. No employee received remuneration higher than Managing Director & Whole time director.
(xii) affirmation that the remuneration is as per the remuneration policy of the company.	:	Remuneration paid during the year ended March 31, 2016 is as per the Remuneration Policy of the Company

Details of employees under section 134(3)(g) of the Companies Act, 2013

Name	Designation	% of equity shares	Relationship with other Directors	Nature of Duties (Employment)	Gross Remuneration (Rs.)	Qualifications	Date of Commencement of Employment	Total Experience	Age in Years	Last Employment
Sh. Nand Khemka	Chairman & Managing Director	0.07	Relative of Sh. Shiv Khemka and Sh. Uday Khemka	Business Head (Contractual)	2,55,57,150	MS in Foreign Trade and Masters Degree in Business Administration from Columbia University, New York, U.S.A	1 April, 2010	Over 50 years	81	Promoter and Chairman of Indag Rubber Ltd. since incorporation.
Sh. K.K. Kapur	Whole-Time Director & CEO	Nil	Nil	Business Head (Contractual)	2,55,57,150	Masters in Mathematics, CMA	9 April, 2001	Over 50 years	78	Enron India Pvt. Ltd.

BRIEF OUTLINE OF THE COMPANY'S CSR POLICY

1. The objective of the company is to actively contribute to the social and economic development of the communities in which we operate, so as to promote sustained growth for the society and community and in particular take up the activities as included in Schedule VII of the Companies Act, 2013.
2. The CSR committee will facilitate the Annual CSR action plan containing the clear terms of reference outlining the key tasks, duration of assignment, allocation of budget for different projects, method of implementation and review. The CSR budget shall be according to Companies Act, 2013.
3. Money unutilized, if any, in the previous year will be carried forward and included in the budget for the next year. Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.
4. Project activities identified under CSR are to be implemented by specialized agencies, which would include- Voluntary Organizations (VOs) formal or informal Elected local bodies such as Panchayats, Instituites/Academics Institutions, Trusts, Self Help Groups, Govt./Semi Govt./Autonomous Organizations, Mahila Mandals, Professional Consultancy Organizations etc.
5. The Corporate Social Responsibility activities undertaken by the Company will be monitored by the Corporate Social Responsibility Committee duly constituted by the Board. The committee will be responsible to institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the company.

During the year 2015-2016, the Company with the support of Youthreach initiated its CSR programme in Nalagarh, Himachal Pradesh. [Project Chetna - Ek Nayi Sehar](#) was designed to focus on Sanitation and Health programme at Aduwal village, Bhogpur panchayat.

In order to promote habit of cleanliness and curtail open defecation, toilets were constructed at households, selected under the categories like below poverty line, elderly or women dominant family, widows or differently abled family.

To bring about behavioral changes in the areas of health, hygiene and sanitation, awareness talks in collaboration with health educators from Civil Hospital, Nalagarh, Aganwadi workers and volunteers were organized.

The Company also organized training for women at sewing training centre, tailoring course and beautician course to enhance vocational skills of women. The Company partnered with District Sports Association and local schools to promote sports, physical development and primary education.

REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	<p>CSR activities at Indag are carried out through-</p> <ol style="list-style-type: none"> 1. Directly by the Company for fulfilling its responsibilities towards various stakeholders 2. Contribution/donation made to such other Organization/ Institutions as may be permitted under the applicable laws from time to time 3. Through implementing agency Youthreach <p>The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is www.indagrubber.com/investors/policies.php.</p> <p>The details of the CSR activities undertaken at Indag can be accessed at www.indagrubber.com/investors.php.</p>
2	The Composition of the CSR Committee	<ol style="list-style-type: none"> 1. Mr. Nand Khemka (Chairman) 2. Mr. P.R. Khanna 3. Mr. K.K. Kapur
3	Average net profits of the company for last three financial years	Rs. 3536.51 lacs

4	Prescribed CSR Expenditure(two per cent of the amount as in item 3 above)(Amount in lacs)	Rs. 70.73 lacs
5	Amount unspent carried forward of the Financial Year 2014-2015	Rs. 38.72 lacs
6	Total CSR Budget for Financial year 2015-2016	Rs. 109.45 lacs
7	Details of CSR spent during the financial year. 1. Total amount spent for the Financial Year 2. Amount unspent, if any 3. Manner in which the amount spent during the financial year	Rs. 70.78 lacs Rs. 38.67 lacs The manner in which the amount is spent is detailed in the annexure.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR Project or activity identified	Projects or programs 1) Local Area or other 2) Specify the state and district where project or program was undertaken.	Sector in which the Project is covered	Amount outlay (budget) projects or programs wise	Amount Spent on the projects or programs 1) Direct Expenditure on projects or programs 2) Overhead (lacs)	Cumulative expenditure upto the reporting period.	Amount Spent: Direct or through implementing agency
1.	Integrated Rural Development around manufacturing unit at Nalagarh, Himachal Pradesh	Manufacturing unit of Indag Rubber Limited at Nalagarh, Himachal Pradesh	Social Economic Welfare Education and Vocational Training Rural Sports Social and Rural Development Empowering women and social economic welfare	Total budget of Rs. 109.45 lacs	59.36 5.02 1.00 1.26 4.14	Expenditure upto 31 March, 2016 is Rs. 70.78 lacs	1. Spent through the Youthreach Rs. 46.86 lacs 2. Amount directly spent by company Rs. 23.92 lacs
2.			Total	109.45 lacs	70.78	70.78 lacs	

- a) Reason for not spending the 2% of the average net profit of the last three financial years-
The Company has initiated long term CSR activities for the welfare of community members at Nalagarh, which would be continued during the financial year 2016-17. Accordingly, the carried forward unspent amount is expected to be spent in next financial year.
- b) The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and policy of the company.

K K Kapur Chief Executive Officer	Nand Khemka Chairman - CSR Committee
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Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Indag Rubber Limited

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016, 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 Indag Rubber Limited ("the Company") for the financial year ended on 31st March, 2016 according to the provisions of:

- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder by the Depositories with regard to dematerialization / rematerialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder.
- 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 which came into effect from 15th May, 2015.
 - (d) 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.
- VI. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say :
 1. Indian Boilers Act, 1923
 2. Indian Boiler Regulations, 1950

For the compliances of Labour Laws & other General Laws, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable General laws and Labour Laws.

We further report that during the period under review the company has complied with the Listing Agreement to the extent applicable entered into by the Company with the Bombay Stock Exchange Limited.

We have also examined compliances with the applicable clauses of Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India and it was noted that the Company has complied with the same to the extent possible, however the stricter applicability of the Secretarial Standards is to be observed by the company.

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

We further report that

As per the information furnished, adequate notice(s) were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The minutes of the Annual General Meeting, Board Meetings and Committee Meetings of the Board were duly signed by the Chairman. All the decisions of the Board were unanimously passed and no dissenting views have been recorded in the Minutes of the Board. Further, in the minutes of the Annual General Meeting, absence of Statutory Auditors & Secretarial Auditors of the Company at the meeting was required to be recorded.

As per the Annual Report of the Company, the Company has generally made all the disclosures as required by the Act and the Listing Agreement with the Stock Exchange, except providing the web link in the Annual Report for the familiarisation program as disclosed on the company's website.

As per the records, the Company generally filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies ('ROC') within the stipulated time. Further, the company is recommended to take utmost care while filling & filing the forms with MCA.

We further report that during the audit period the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above:-

- (i) The Company has sub-divided its equity shares of Rs. 10/- each into equity shares of Rs. 2/- each after obtaining the approval of Shareholders by way of postal ballot in March 2015. However, April 24, 2015 was fixed as the Record Date for aforesaid corporate action.
- (ii) The Board of Directors of the Company at its meeting held on November 04, 2015, declared an Interim Dividend of Rs. 0.90/- per equity share of Rs. 2/- each for the Financial Year 2015-2016 and November 20, 2015 was fixed as the Record Date for the purpose of the same.

For RMG & Associates
Company Secretaries

CS Manish Gupta

Partner

FCS : 5123; C.P. No.: 4095

Place : New Delhi

Date : April 14, 2016

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

ANNEXURE - I

The Members

Indag Rubber Limited

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 the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of 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 random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For RMG & Associates
Company Secretaries

CS Manish Gupta
Partner

FCS : 5123; C.P. No.: 4095

Place : New Delhi
Date : April 14, 2016

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

As on the financial year ended on 31 March, 2016

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN: -	L74899DL1978PLC009038
ii)	Registration Date:	June 2, 1978
iii)	Name of the Company:	Indag Rubber Limited
iv)	Category/Sub-Category of the Company:	Public Company/Limited by share
v)	Address of the registered office and contact details:	Indag Rubber Limited 11, Community Centre, Saket, New Delhi-110017 Website: www.indagrubber.com Ph. No. 011-26963172/73
vi)	Whether listed company:	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any:	Skyline Financial Services Pvt. Ltd. D-153/A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Phone : 011-26812682/83 Email : admin@skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Precured Tread Rubber	22191	86.07%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Khemka Aviation Pvt Ltd	U74899DL1966PTC004623	Associate	23.89	2(6)

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

Category of Shareholders	No. of Equity Shares of Rs.2/- each held at the beginning of the year				No. of Equity Shares of Rs.2/- each held at the end of the year				% Change during the year
	Demat	Phy.	Total	% of Total Shares	Demat	Phy.	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/HUF	11285010	-	11285010	42.99	11285010	-	11285010	42.99	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-

d) Bodies Corp.	7827990	-	7827990	29.82	7825428	-	7825428	29.81	(0.01)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	19113000	-	19113000	72.81	19110438	-	19110438	72.80	(0.01)
2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	513000	-	513000	1.95	513000	-	513000	1.95	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	513000	-	513000	1.95	513000	-	513000	1.95	-
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	19626000	-	19626000	74.77	19623438	-	19623438	74.76	(0.01)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	2250	2250	0.01	-	2250	2250	0.01	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	175980	-	175980	0.67	58355	-	58355	0.22	(0.45)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	175980	2250	178230	0.68	58355	2250	60605	0.23	(0.45)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	577535	30250	607785	2.32	800971	18250	819221	3.12	0.80
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2894410	820555	3714965	14.15	3187096	682335	3869431	14.74	0.59
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1721525	-	1721525	6.56	1366178	-	1366178	5.20	(1.36)
c) Others (specify)									
N.R.I.(REPT & NON-REPT)	233565	2000	235565	0.90	226813	1750	228563	0.87	(0.03)
Clearing House/Public Trust	-	-	-	-	1300	-	1300	0.00	0.00
Corporate Bodies - OCB	-	-	-	-	-	-	-	-	-

Intermediary/Other Depository A/c	-	-	-	-	-	-	-	-	-
Hindu Undivided Family	131300	-	131300	0.50	144212	5000	149212	0.57	0.07
Clearing Members	34630	-	34630	0.13	5730	-	5730	0.02	0.09
Qualified Foreign Investor -Individual	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor-Corporate	-	-	-	-	126322	-	126322	0.48	0.48
Sub-total (B)(2)	5592965	852805	6445770	24.56	5858622	707335	6565957	25.01	0.44
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5768945	855055	6624000	25.23	5916977	709585	6626562	25.24	0.01
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	25394945	855055	26250000	100.00	25540415	709585	26250000	100	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Equity Shares of Rs.2/- each	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Equity Shares of Rs.2/- each	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Jeet Nabha Khemka	8765005	33.39	Nil	8765005	33.39	Nil	NA
2	Khemka Aviation Pvt Ltd	6272325	23.89	Nil	6272325	23.89	Nil	NA
3.	Uday Harsh Khemka	1250750	4.76	Nil	1250750	4.76	Nil	NA
4.	Urvashi Rajya Laxmi Rana Khemka	1250750	4.76	Nil	1250750	4.76	Nil	NA
5	Unipatch Rubber Limited	1187415	4.52	Nil	1187415	4.52	Nil	NA
6.	Sun London Limited	376000	1.43	Nil	376000	1.43	Nil	NA
7.	Pankaj Dilip Private Limited	330500	1.26	Nil	330500	1.26	Nil	NA
8.	Sun Securities Limited	137000	0.52	Nil	137000	0.52	Nil	NA
9.	Khemka and Com Agencies Pvt Ltd	30250	0.12	Nil	27688	0.11	Nil	(0.01)
10.	Nand Lal Khemka	18505	0.07	Nil	18505	0.07	Nil	NA
11.	Khemka Instruments Pvt Ltd	5000	0.02	Nil	5000	0.02	Nil	NA
12.	Khemka Technical Services Pvt Ltd	2500	0.01	Nil	2500	0.01	Nil	NA

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of equity shares of Rs.2/- each	% of total shares of the company	No. of equity shares of Rs.2/- each	% of total shares of the company
	At the beginning of the year	1,96,26,000	74.77		
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus/ sweat equity etc):			Khemka and Com. Agencies Pvt. Limited one of the promoter of the company has sold the following equity shares of the company on below mentioned dates 1) 24.07.2015 : 2,062 2) 31.07.2015 : 500	0.01 0.00
	At the end of the year			1,96,23,438	74.76

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

Sl. No. and name of the shareholder	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of equity shares of Rs.2/- each	% of total shares of the company	No. of equity shares of Rs.2/- each	% of total shares of the company
i) Tejas B. Trivedi	At the beginning of the year	4,64,460	1.77		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat equity etc):			17.04.2015: Sale of 88,165 Shares 24.04.2015: Sale of 30,495 Shares 01.05.2015 Purchase of 20,000 Shares 06.11.2015 Sale of 20,000 Shares 04.03.2016 Sale of 1,20,000 Shares	0.34 0.12 0.08 0.08 0.46
	At the End of the year (or on the date of separation, if separated during the year)			2,25,800	1.13
(ii) Shivani T. Trivedi	At the beginning of the year	3,40,120	1.30		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer / bonus / sweat equity etc):			09.10.2015 Purchase of 31,500 Shares 06.11.2015 Purchase of 20,000 Shares 20.11.2015 Sale of 10001 Shares 04.12.2015 Sale of 24,359 Shares 11.12.2015 Sale of 31,600 Shares	0.12 0.08 0.04 0.09 0.12

				18.12.2015 Sale of 35,101 Shares	0.13
				25.12.2015 Sale of 46,483 Shares	0.18
				31.12.2015 Sale of 5,000 Shares	0.02
				08.01.2016 Sale of 10,000 Shares	0.04
				15.01.2016 Sale of 54,876 Shares	0.21
				12.02.2016 Sale of 3,200 Shares	0.01
	At the End of the year (or on the date of separation, if separated during the year)			1,71,000	0.65
iii) Priya Singh Aggarwal	At the beginning of the year	2,50,000	0.95		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat equity etc):			Nil	Nil
	At the End of the year (or on the date of separation, if separated during the year)			2,50,000	0.95
iv) Shashi Bala Garg	At the beginning of the year	1,25,000	0.48		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			NIL	NIL
	At the End of the year (or on the date of separation, if separated during the year)			1,25,000	0.48
v) S. Murugesan	At the beginning of the year	1,24,030	0.47		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			10.04.2016 Sale of 43,825 Shares	0.17
				17.04.2016 Sale of 4,655 Shares	0.02
	At the End of the year (or on the date of separation, if separated during the year)			75,550	0.29

vi) BJD Securities Pvt. Limited	At the beginning of the year	1,17,915	0.45		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat equity etc):			01.05.2015 Sale of 94,332 Shares	0.36
	At the End of the year (or on the date of separation, if separated during the year)			23,583	0.09
vii) Mukkaram Jan	At the beginning of the year	1,14,450	0.44		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			31.03.2016 Sale of 1,14,450 Shares	0.44
	At the End of the year (or on the date of separation, if separated during the year)			Date of separation- 31.03.2016 Shareholding - Nil	0
viii) Mukul Chadda	At the beginning of the year	97,715	0.37		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			17.04.2015 Sale of 2,715 Shares	0.01
	At the End of the year (or on the date of separation, if separated during the year)			95,000	0.36
ix) Bang Securities Private Limited	At the beginning of the year	89,500	0.34		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat equity etc):			NIL	NIL
	At the End of the year (or on the date of separation, if separated during the year)			89,500	0.34
x) Dilip Kumar Rungta	At the beginning of the year	8,5000	0.32		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			24.04.2015 Sale of 85,000 share	0.32
	At the End of the year (or on the date of separation, if separated during the year)			Date of separation- 24.08.2015 Shareholding - Nil	0

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of equity shares of Rs.2/- each	% of total shares of the company	No. of equity shares of Rs.2/- each	% of total shares of the company
1.	At the beginning of the year				
	i) Nand Khemka	18,505	0.07		
	ii) Uday Khemka	12,50,750	4.76		
	iii) Shiv Khemka (joint holding with Mrs. Urvashi Khemka)	12,50,750	4.76		
	iv) J K Jain	10	0.00003		
2.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	i) Nand Khemka			Nil	Nil
	ii) Uday Khemka			Nil	Nil
	iii) Shiv Khemka (joint holding with Mrs. Urvashi Khemka)			Nil	Nil
	iv) J K Jain			Nil	Nil
3.	At the End of the year				
	i) Nand Khemka			18,505	0.07
	ii) Uday Khemka			12,50,750	4.76
	iii) Shiv Khemka (joint holding with Mrs. Urvashi Khemka)			12,50,750	4.76
	iv) J K Jain			10	0.00003

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Nand Khemka	K. K. Kapur	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	96,00,000	64,70,459	1,60,70,459
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	1,23,396	1,23,396
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	1,59,57,150	1,83,16,249	3,42,73,399
5	Others, please specify -PF	-	6,47,046	6,47,046
	Total (A)	2,55,57,150	2,55,57,150	5,11,14,300
	Ceiling as per the Act	2,55,57,150	2,55,57,150	5,11,14,300

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (in Rs.)
		P R Khanna	R Parameswar	K M S Ahluwalia	Bindu Saxena	
1	Independent Directors					
	• Fee for attending board / committee meetings	2,90,000	2,70,000	Nil	1,50,000	7,10,000
	• Commission	14,20,000	14,20,000	Nil	14,20,000	42,60,000
	• Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	17,10,000	16,90,000	Nil	15,70,000	49,70,000
2	Other Non-Executive Directors	Shiv Khemka	Uday Khemka			
	• Fee for attending board / committee meetings	40,000	20,000			60,000
	• Commission	5,70,849	2,80,000			8,50,849
	• Others, please specify	Nil	Nil			Nil
	Total (2)	6,10,849	3,00,000			9,10,849
	Total (B)=(1+2)					58,80,849
	Total Managerial Remuneration					51,10,849
	Overall Ceiling as per the Act					51,10,849

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Company Secretary		CFO	Total
		Manali D. Bijlani	Avinash Kumar Singh	J. K. Jain	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,04,710	1,21,596	30,91,695	45,18,001
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,55,323	12,161	-	1,67,484
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission				
	- as % of profit	NIL	Nil	Nil	Nil
	- others, specify...	NIL	Nil	Nil	Nil
5	Others, please specify				
	PF	93,194	6039	2,28,700	3,27,933
	Incentive	70,000	-	16,00,000	16,70,000
	Bonus	14,497	2,348	16,800	33,645
	Total	16,37,724	1,42,144	49,37,195	67,17,063

*Mr. Avinash Kumar Singh has resigned from the position of Company Secretary w.e.f. May 21, 2015 and Mrs. Manali D. Bijlani was appointed as Company Secretary w.e.f. May 21, 2015.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

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

- Installation of Pet coke based at Nalagarh plant, has resulted in substantial saving in cost of production.
- All air conditioners, lights and computers are shut down after office hours (except at the time work commitments).
- There is an optimum ratio of glass windows to utilize natural daylight and proper insulation/ventilation to balance temperature and reduce heat.

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

The Company is using Pet Coke based Boiler at Nalagarh instead of Furnance Oil based Boiler.

(iii) Capital investment on energy conservation equipments:

During the current financial year, the company has incurred capital expenditure of Rs. 26.77 lacs on Solar Energy system.

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

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

C. Research and development (R&D):

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

Sl. No.	Particulars	Amount in Rs.lacs
1	Capital expenditure in R&D	43.99
2	Revenue expenditure in R&D	4.33
3	Expenditure on Salary with respect to R&D	54.49

D. Foreign Exchange Earning and Outgo

Activities relating to export, initiatives taken to increase export, development of new export market for products and services and export plans. Efforts continue to enlarge the product range and geographical reach on export market in order to maximize foreign exchange inflow and every effort made to minimize the foreign exchange outflow.

During the year the Company has exported retreading material of Rs. 775.69 lacs.

Total Foreign Exchange used and earned:

Particulars	2015-16 (Rs. in lacs)	2014-15 (Rs. in lacs)
Foreign Exchange earned	254.67	421.10
Foreign Exchange used	74.20	93.31

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015)

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

I. Company's Philosophy on Code of Governance

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

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

II. Board of Directors

(a) Composition of the Board

The Company's policy is to maintain optimum combination of Executive Directors, Non-Executive Directors and Independent Directors.

The Board comprises of seven directors, which include two executive directors and five non-executive directors as on March 31, 2016. The Board is in the process of appointing an Independent Director in place of Sh.K.M.S.Ahluwalia who had resigned w.e.f. February 10, 2016. The Board is primarily responsible for the overall management of the Company's business. The Directors on the Board are from varied fields with wide range of skills and experience. The non-executive directors including Independent Directors bring statutory and wider perspective in the Board's deliberations and decisions.

All the Independent Directors of the Company at the time of their first appointment to the Board and thereafter at the first meeting of the Board in every financial year give a declaration that they meet with the criteria of independence as provided under Companies Act, 2013 and Reg. 16 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The Composition of the Board of Directors as on March 31, 2016 with their attendance at the Board Meetings held during the year 2015-16 and at the last Annual General Meeting is given below:

DIN	Name of the Directors	Categories of Directors	Number of Board Meetings attended	Attendance at the last AGM held on August 14, 2015	No. of other Directorship(s) held in Public Companies*	No. of Membership(s)/ Chairmanship in Committees (including INDAG)**	Relationship with other Directors	Number of shares and convertible instruments held by non-Executive Directors
00211084	Sh. Nand Khemka (Chairman cum Managing Director)	Executive Promoter (Interested)	5 of 5	Yes	1	2	Relative of Mr. Shiv Khemka & Mr. Uday Khemka	-
00048800	Sh. P. R. Khanna	Non-Executive (Independent)	5 of 5	Yes	4	7 (including 4 as Chairman)	Nil	Nil
01879913	Sh. R. Parameswar	Non-Executive (Independent)	5 of 5	Yes	Nil	2 (both as Chairman)	Nil	Nil
00104762	Sh.K.M.S. Ahluwalia***	Non-Executive (Independent)	Nil	No	Nil	1	Nil	Nil
00167802	Ms. Bindu Saxena	Non-Executive (Independent)	5 of 5	Yes	1	1	Nil	Nil
00323609	Sh. Uday Khemka	Non-Executive (Interested)	1 of 5	No	Nil	Nil	Relative of Sh. Nand Khemka & Sh. Shiv Khemka	12,50,750

01214671	Sh. Shiv Khemka****	Non-Executive (Interested)	2 of 3	NA	Nil	Nil	Relative of Sh. Nand Khemka & Sh. Uday Khemka	12,50,750 (joint holding with Mrs. Urvashi Khemka)
00745117	Sh. K.K. Kapur (Whole-time Director)	Executive (Interested)	5 of 5	Yes	Nil	1	Nil	-

* It does not include Alternate Directorship, Directorship in foreign companies, companies registered under Section 8 of the Companies Act, 2013 and private limited companies.

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

*** ceased to be a director w.e.f. February 10, 2016.

**** appointed as Additional Director w.e.f. August 14, 2015.

(b) Board Meetings

Five meetings of the Board of Directors were held during the year, viz. on April 11, 2015, May 21, 2015, August 14, 2015, November 4, 2015 and February 10, 2016. Agenda papers were circulated to the Directors in advance for each meeting. All relevant information as required under Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 was placed before the Board from time to time.

(c) Separate Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing (Obligation and Disclosure Requirements) Regulation, 2015, a separate meeting of the Independent Directors of the Company was held on February 10, 2016 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties. The Independent Directors found the performance of Non-Independent Directors (including Chairman) and the Board as well as flow of information between the Management and the Board to be satisfactory. All independent directors were present in the meeting.

(d) Induction & Training of Board Members (Familiarisation programme for Independent Directors)

Letter of Appointment(s) are issued to Independent Directors setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Director is taken through a formal induction program including the presentation from the Chairman cum Managing Director and CEO & Whole Time Director on the Company's manufacturing, marketing, finance and other important aspects. The web link for the Familiarisation Programmes for Independent Directors is <http://indagrubber.com/demoversion/wp-content/uploads/Familiarization-Programme-for-Independent-Directors.pdf>.

(e) Evaluation of the Board's Performance

The Board has a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board based on the criteria laid down by Nomination and Remuneration Committee which included attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest, adherence to Code of Conduct and Business ethics, monitoring of regulatory compliance, risk assessment and review of Internal Control Systems etc.

III. Audit Committee

(a) The Audit Committee comprises of two non-executive (independent) directors and one executive director having financial management expertise. The Chairman of the committee is an independent director, elected by the Members of the Committee.

Sh. R. Parameswar, Chairman of the Audit Committee was present at the last Annual General Meeting.

Five meetings of the Audit Committee were held during the year viz. on April 11, 2015, May 21, 2015, August 14, 2015, November 4, 2015 and February 10, 2016 respectively. The composition of the Audit Committee and details of their attendance at the meetings are as follows:

Name of the Director	Position	Category	No. of meetings attended
Sh. R. Parameswar	Chairman	Non-Executive Independent Director	5 of 5
Sh. P. R. Khanna	Member	Non-Executive Independent Director	5 of 5
Sh. K. M. S. Ahluwalia*	Member	Non-Executive Independent Director	Nil
Sh. Nand Khemka	Member	Executive Promoter Director	5 of 5

* resigned as member w.e.f. February 10, 2016.

- (b) **Terms of reference:** The Audit Committee assists the Board in its responsibility of overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors including the Cost auditors, the performance of internal auditors and the Company's risk management policies. The terms of reference of Audit Committee cover the areas mentioned under Part C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 as well as Section 177 of the Companies Act, 2013.
- (c) The Audit Committee invites CEO & Whole Time Director, Chief Financial Officer, representative of Statutory Auditors and Internal Auditors for each meeting, to provide inputs on issues relating to accounts, taxation, internal audit finding, internal controls, risk managements etc.

IV. Nomination and Remuneration Committee

- (a) The Board has framed Nomination and Remuneration policy, which is generally in line with the existing industry practice and applicable laws. The policy has been displayed on the company's website viz., www.indagrubber.com.

Three meetings of the Nomination and Remuneration Committee were held during the year viz. on April 11, 2015, May 21, 2015, and August 14, 2015. The composition of the Nomination and Remuneration Committee and details of their attendance at the meetings are as follows:

Name of the Director	Position	Category	No. of meetings attended
Sh. P. R. Khanna	Chairman	Non-Executive Independent Director	3 of 3
Sh. K.M.S. Ahluwalia*	Member	Non-Executive Independent Director	Nil
Sh. R. Parameswar	Member	Non-Executive Independent Director	3 of 3
Ms. Bindu Saxena	Member	Non-Executive Independent Director	3 of 3
Sh. Nand Khemka	Member	Executive Promoter Director	3 of 3

* resigned as member w.e.f. February 10, 2016.

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

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

(c) Performance evaluation criteria for Independent Directors-

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors which are as under-

AREAS OF EVALUATION

- 1 Frequency of meetings attended
- 2 Timeliness of circulating Agenda for meetings and descriptiveness
- 3 Quality, quantity and timeliness of flow of information to the Board
- 4 Promptness with which Minutes of the meetings are drawn and circulated
- 5 Opportunity to discuss matters of critical importance, before decisions are made
- 6 Familiarity with the objects, operations and other functions of the company
- 7 Importance given to Internal Audit Reports, Management responses and steps towards improvement
- 8 Avoidance of conflict of interest
- 9 Exercise of fiscal oversight and monitoring financial performance
- 10 Level of monitoring of Corporate Governance Regulations and compliance
- 11 Adherence to Code of Conduct and Business ethics by directors individually and collectively
- 12 Monitoring of Regulatory compliances and risk assessment
- 13 Review of Internal Control Systems
- 14 Performance of the Chairperson of the company including leadership qualities.
- 15 Performance of the Whole time Director
- 16 Overall performance of the Board/ Committees.

V. Remuneration of Directors

(a) There was no pecuniary relationship or transaction between the Non-Executive Directors and the company during the financial year 2015-2016.

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

Overall remuneration (sitting fees and commission) decided by the Board is reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives).

- a) Remuneration / Commission:
The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.
- b) Sitting Fees:
The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- c) Commission:
Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.
- d) Stock Options:
An Independent Director shall not be entitled to any stock option of the Company.
Payment criteria of Non-Executive directors are the given in the Nomination and Remuneration Policy. The web link for the same is <http://indagrubber.com/demoversion/wp-content/uploads/NRC-policy.pdf>.

(c) Details of Remuneration to Directors: The Company has paid the following remuneration to Directors during the year under review, which is in accordance with the section 177(4) of the Companies Act, 2013.

(i) Non-Executive Directors

The remuneration of Non-Executive Directors of the Company is decided by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee. The Non-Executive Directors are paid remuneration by way of Commission and Sitting fee. In terms of approval of the members at the 34th Annual General Meeting of the Company held on July 19, 2013, Commission is paid at the rate not exceeding one percent of the net profits of the Company calculated in accordance with the provisions of section 197 and 198 of the Companies Act, 2013. The distribution of Commission amongst the Non-Executive Directors is determined by the Board broadly on the basis of contribution made at the Board meeting(s) as well as various Committee meeting(s) and the time spent on operational matters.

The Non-Executive Directors are paid sitting fee of Rs. 20,000/- per meeting for attending the meetings of Board and Audit Committee and Rs. 10,000/- per meeting for attending other Committee meetings. However, the Board has decided that no sitting shall be paid for attending the meeting of CSR Committee (w.e.f. 21st May, 2015) and Stakeholder Relationship Committee (w.e.f. 4th November, 2015).

Name of the Director	Relationship with other Directors	Sitting fee paid during 2015-16 (Rs.)*	Commission paid for the year (Rs.)		Number of shares and convertible instruments held
			2015-16	2014-15	
Sh. P. R. Khanna	Nil	2,90,000	14,20,000	15,00,000	Nil
Sh. R. Parameswar	Nil	2,70,000	14,20,000	15,00,000	Nil
Sh. K. M. S. Ahluwalia	Nil	Nil	Nil	5,18,000	Nil
Ms. Bindu Saxena	Nil	1,50,000	14,20,000	5,18,000	Nil
Sh. Shiv Khemka	Relative of Sh. Nand Khemka and Sh. Uday Khemka	40,000	5,70,849	Nil	12,50,750 (joint holding with Mrs. Urvashi Khemka)
Sh. Uday Khemka	Relative of Sh. Nand Khemka and Sh. Shiv Khemka	20,000	2,80,000	5,18,000 (relinquished)	12,50,750

*Sitting fee is exclusive of service tax as applicable.

No severance fee was paid to the non-executive directors of the Company.

(ii) Whole Time Director

Executive Director	Relationship with other Directors	Business relationship with the Company, if any	Remuneration paid during 2015-16 (Rs. in lacs)			
			All elements of remuneration package i.e. salary, benefits, bonuses, pension etc.	Fixed component & performance linked incentives, along with performance criteria	Service contracts, notice period, severance fee	Stock option details, if any
Sh. K. K. Kapur	Nil	CEO & Whole time Director	255.57	255.57	-	-

- Bonus for the year 2015-2016 amounted to Rs.183.16 lacs.
- The appointment is subject to termination by giving one month notice in writing on either side. Sh. K. K. Kapur is being re-appointed as the Whole Time Director w.e.f. June 1, 2016 for a period of three years.
- The Company does not have at present any scheme for grant of Stock Options to its Directors or Employees.

(iii) Managing Director

Executive Director	Relationship with other Directors	Business relationship with the Company, if any	Remuneration paid during 2015-16 (Rs. in lacs)			
			All elements of remuneration package i.e. salary, benefits, bonuses, pension etc.	Fixed component & performance linked incentives, along with performance criteria	Service contracts, notice period, severance fee	Stock option details, if any
Sh. Nand Khemka	Relative of Sh. Shiv Khemka and Uday Khemka	Chairman cum Managing Director	255.57	255.57	-	-

- Bonus for the year 2015-2016 amounted to Rs. 159.57 lacs.
- The appointment is subject to termination by giving three month notice in writing on either side. Sh. Nand Khemka has been re-appointed as the Managing Director w.e.f. April 1, 2015 for a period of five years.
- The Company does not have at present any scheme for grant of Stock Options to its Directors or Employees.

VI. Stakeholder Relationship Committee

- The Stakeholder Relationship Committee looks into shareholders' and investors' grievances. Sh. R. Parameswar, Non-Executive Independent Director is the Chairman of the Committee. The Board has designated Mrs. Manali D. Bijlani, Company Secretary as the Compliance Officer.
- The details of the meetings held during the year as under-

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

- No. of investors' complaints received by the RTA/ Company during the year: 1
No. of complaints not solved to the satisfaction of shareholders during the year: Nil
No. of complaints pending as at 31st March, 2016: Nil

Warning against Insider Trading

Comprehensive guidelines advising and cautioning the management, staff and other relevant business associates on the procedure to be followed while dealing with the securities of the company have been issued and implemented.

VI. General Body Meetings

The details of the last three Annual General Meetings held are as under:

AGM	Day	Date	Time	Venue	Whether Special Resolution passed
34 th	Friday	19 th July, 2013	10.00 A.M.	Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110003	Yes
35 th	Friday	25 th July, 2014	10.00 A.M.	Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110003	Yes
36 th	Friday	14 th August, 2015	10.00 A.M.	Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110003	No

The details of Special Resolution(s) passed through Postal Ballot are as under: No special resolution was passed in the year 2015-2016 through Postal Ballot.

VII. Means of Communication

Quarterly, half-yearly and annual financial results are communicated to the Bombay Stock Exchange at Mumbai immediately after these are considered and approved by the Board; and thereafter regularly published in the prominent newspapers like Business Standard (both English & Hindi), Financial Express etc. as required. Quarterly and annual financial statements, along with presentation on financial results and official news releases, are posted on our website: www.indagrubber.com. Further, all other price sensitive and other information is sent to the Stock Exchange where shares of the Company are listed, enabling them to display the same on their website.

VIII. General Shareholders' Information

(i) Annual General Meeting to be held:

Day	: Friday
Date	: 27 th May, 2016
Time	: 10:00 A.M.
Venue	: Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi

(ii) Financial Year : 1st April, 2015 to 31st March, 2016

(iii) Dividend Payment Date : June 10, 2016

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

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

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

(v) Stock Code:

ISIN under depository system	INE802D01023
The Stock Exchange, Mumbai	509162

(vi) Market Price Data: High/Low during each month during the financial year 2015-2016:

The details of Monthly High and Low price(s) on the Stock Exchange, Mumbai, for the Financial Year 2015-2016 are as under:

Month	Monthly High	Monthly Low	S&P BSE SENSEX Monthly High	S&P BSE SENSEX Monthly Low
April, 2015	229.00	174.00	29,094.61	26,897.54
May, 2015	194.50	155.00	28,071.16	26,423.99
June, 2015	187.20	148.10	27,968.75	26,307.07
July, 2015	209.70	173.50	28,578.33	27,416.39
August, 2015	216.80	163.10	28,417.59	25,298.42
September, 2015	188.50	165.00	26,471.82	24,833.54
October, 2015	210.80	173.10	27,618.14	26,168.71
November, 2015	231.00	180.00	26,824.30	25,451.42
December, 2015	237.00	200.10	26,256.42	24,867.73
January, 2016	226.00	164.00	26,197.27	23,839.76
February, 2016	184.70	145.60	25,002.32	22,494.61
March, 2016	174.90	151.30	25,479.62	23,133.18

(vii) Registrar & Share Transfer Agent:

Skyline Financial Services (P) Limited, D-153/A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020.

(viii) Share Transfer System:

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

(ix) Distribution of Shareholding as on March 31, 2016:

No. of equity shares held	Shareholders		% of Shareholding	
	Number	% to total	Total shares	% in total
Up to 500	6512	83.21	11,19,545	4.26
501 to 1000	635	8.11	5,14,907	1.96
1001 to 2000	288	3.68	4,34,698	1.66
2001 to 3000	120	1.53	3,01,185	1.15
3001 to 4000	58	0.74	2,06,793	0.79
4001 to 5000	59	0.75	2,83,263	1.08
5001 to 10000	72	0.92	5,44,013	2.07
10001 and above	82	1.05	2,28,45,596	87.03
Total	7826	100	2,62,50,000	100

(x) Categories of Shareholding as on March 31, 2016:

Category	No. of Shares held	% of Shareholding
Indian Promoters	78,25,428	29.81
Foreign Promoters	5,13,000	1.95
Directors & their relatives	1,12,85,010	42.99
UTI/Financial Institutions & Banks	2,250	0.01
Body Corporate	8,19,221	3.12
NRI/ OCB/ Clearing House/ Public Trust	2,35,593	0.90
Foreign Institutional Investors	58,355	0.22
Indian Public	55,11,143	20.99
Total	2,62,50,000	100

(xi) Dematerialization of shares:

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

As on March 31, 2016, a total of 2,55,40,415 equity shares which form 97.30% of the share capital stand dematerialized.

(xii) Outstanding GDRs/ ADRs/ Warrants/ Convertible instruments

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

(xiii) Commodity Price Risk/ Foreign Exchange Risk and Hedging

The Company did not engage in hedging activities.

(xiii) Plant Location :

- (a) Plot No. 86, Industrial Area, Bhiwadi – 301019, Dist.Alwar, Rajasthan (India) – (DORMANT)
- (b) Village Jhiriwala, Hadbast No. 73, Nalagarh, District Solan, (Himachal Pradesh)

(xiv) Address for Correspondence:

- (a) For Transfer of physical shares, request for dematerialization of shares, change of mandates/ address or any other query : Skyline Financial Services (P) Limited
D-153/A, 1st Floor, Okhla Industrial Area,
Phase-1, New Delhi-110020
grievances@skylinerta.com
- (b) For any investor grievance : The Company Secretary
Indag Rubber Limited
11, Community Centre, Saket, New Delhi – 110 017
Phone no.: (011) 26963172, 26963173
info@indagrubber.com

X. Disclosures

- (i) During the financial year ended 31st March, 2016 there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large.
- (ii) Neither were any penalties imposed, nor were any strictures passed by Stock Exchange or SEBI or any statutory authority on any capital market related matters during the last three years.

- (iii) The Company has announced Whistle Blower policy. All the personnel of the company have the access to the Audit Committee.
- (iv) The Company has complied with the mandatory requirements of the Listing Regulation. The Company has adopted various non-mandatory requirements as well, as discussed under relevant headings.
- (v) The Company has framed a Material Subsidiary Policy and the same is placed on the Company's website and the web link for the same is <http://indagrubber.com/demoversion/wp-content/uploads/Policy-for-determining-Material-Subsidiary.pdf>.
- (vi) The company has framed Related Party Transaction Policy and is placed on the Company's website and the web link for the same is <http://indagrubber.com/demoversion/wp-content/uploads/Policy-on-materiality-of-Related-Party-Transaction.pdf>.
- (vii) During the financial year ended 31st March, 2016 the company did not engage in commodity hedging activities.

XI. There has been no instance of non-compliance of any requirement of Corporate Governance Report.

XII. ADOPTION OF NON-MANDATORY REQUIREMENTS

I. The Board

Since the Company does not have a Non-Executive Chairman, it does not maintain such office.

II. Shareholder Rights

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

III. Audit Qualifications

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

IV. Separate posts of Chairman and CEO

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

V. Reporting of Internal Auditor

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

XII. The Company has fully complied with the applicable requirement specified in Reg. 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46.

Disclosure of Accounting Treatment

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

Demat Suspense Account/Unclaimed Suspense Account

Pursuant to Regulation 39 (4) read with Schedule VI of the Listing Regulations, 2015, the company is required to send at least three reminders at the last available address as per the records to the shareholders whose certificates were undelivered and returned to the Company.

The Company has sent first reminder to the shareholders on 29 January, 2016 whose physical share certificates, after split, were undelivered and returned to the Company. Second reminder will be sent in April/ May 2016 and last reminder will be sent in July/ August 2016.

Thereafter, in case of non-receipt of response to the reminders, unclaimed physical shares will be dematerialized and will be held in "Unclaimed Suspense Account", with details of shareholding of each individual allottee whose shares are credited to such unclaimed suspense account. All corporate benefits shall also be credited to such suspense account for a period of 7 years and thereafter shall be transferred to IEPF.

COMPLIANCE CERTIFICATE

To

The Members
Indag Rubber Limited

We have examined the compliance of conditions of Corporate Governance by Indag Rubber Limited ('the Company'), for the year ended on 31st March, 2016, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with the Bombay Stock Exchange Limited.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with the Bombay Stock Exchange Limited.

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

For RMG & Associates
Company Secretaries

Date : April 14, 2016
Place : New Delhi

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



Indag Rubber Limited

CIN L74899DL1978PLC009038

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

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

ECS MANDATE FORM

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

Subject: ECS Mandate for Dividend Payment

Dear Sir,
Unit-Indag Rubber Limited

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

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

1. First Shareholder's Name :
2. No. of Shares held :
3. Particulars of bank :
4. Bank Name :
5. Branch and city :
6. Address :
7. Account No. (As appearing in Cheque Book) :
8. Account Type :
9. 9 digits MICR No. as appearing on the Cheque :
(Please enclose cancelled / photocopy of cheque)

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

Place :
Date : (Signature of the First Holder)

Certification by the Bank

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

Date : Signature of authorized official of the Bank

Place : Bank Stamp with Official Address:

S.R. BATLIBOI & CO. LLP

Chartered Accountants

Office No.-601, 6th Floor
World mark-1, Aerocity,
New Delhi - 110037
Tel : +91-11-66718000
Fax : +91-11-66719999

REPORT OF THE INDEPENDENT AUDITOR ON THE ABRIDGED FINANCIAL STATEMENTS

To the Board of Directors of Indag Rubber Limited

The accompanying abridged financial statements, which comprise the abridged balance sheet as at March 31, 2016, the abridged statement of profit and loss and abridged cash flow statement for the year then ended, and related notes, are derived from the audited financial statements of Indag Rubber Limited ('the Company') as at and for the year ended March 31, 2016. We expressed an unmodified audit opinion on those financial statements in our report dated April 14, 2016.

The abridged financial statements do not contain all the disclosures required by the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. Reading the abridged financial statements, therefore, is not a substitute for reading the audited financial statements of the Company.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements in accordance with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 and accounting principles generally accepted in India.

Auditor's Responsibility

Our responsibility is to express an opinion on the abridged financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the abridged financial statements derived from the audited financial statements of the Company as at and for the year ended March 31, 2016 are a fair summary of those financial statements, in accordance with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 and accounting principles generally accepted in India.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm's Registration Number: 301003E

per Anil Gupta

Partner

Membership Number: 87921

Place : New Delhi

Date : April 14, 2016

S.R. BATLIBOI & CO. LLP

Chartered Accountants

Office No.-601, 6th Floor
World mark-1, Aerocity,
New Delhi - 110037
Tel : +91-11-66718000
Fax : +91-11-66719999

INDEPENDENT AUDITOR'S REPORT

To the Members of Indag Rubber Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Indag Rubber Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 31 March 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by the 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
 - (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 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 A".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E

per Anil Gupta

Partner

Membership Number: 87921

Place : New Delhi

Date : April 14, 2016

**Annexure referred to in paragraph ‘Report on Other Legal and Regulatory Requirements’ of our report of even date
Re: Indag Rubber Limited (‘the Company’)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, guarantees, and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the Company has complied with provisions of Section 186 of the Companies Act 2013 in respect of investments made during the year.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the manufacture of products, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.in lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax demand	139.15	A.Y.1998-99	Delhi High Court
Income Tax Act, 1961	Income Tax demand	8.93	A.Y.2013-14	CIT (Appeals), New Delhi
Himachal Pradesh Tax on entry of Goods into Local Area Act, 2010	Entry Tax	739.59	March 2011, 2011-12, 2012-13, 2013-14, 2014-15 & 2015-16	Supreme Court

Name of the statute	Nature of dues	Amount (Rs.in lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	6.90	April 2006 to March 2009	Commissioner (Appeals), Central Excise & Service Tax, Chandigarh-II
Gujarat Sales Tax Act, 1969	Non-submission of C-forms	23.30	F.Y. 2002-03	Deputy Commissioner, Vadodara

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

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E

per Anil Gupta

Partner

Membership Number: 87921

Place : New Delhi

Date : April 14, 2016

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INDAG RUBBER LIMITED

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

To the Members of Indag Rubber Limited

We have audited the internal financial controls over financial reporting of Indag Rubber Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 as specified 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods

are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of Company, which comprise the Balance Sheet as at March 31, 2016, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated April 14, 2016 expressed an unqualified opinion thereon.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E

per Anil Gupta

Partner

Membership Number: 87921

Place : New Delhi

Date : April 14, 2016

Abridged balance sheet as at 31 March 2016

	As at 31 March 2016 (Rs. in lacs)	As at 31 March 2015 (Rs. in lacs)
Equity and liabilities		
Shareholder's funds		
Paid up share capital		
Equity share capital	525.00	525.00
Reserves and surplus		
Capital reserve	30.29	30.29
Securities premium account	450.00	450.00
General reserve	1,118.80	1,118.80
Surplus in the statement of profit and loss	13,588.37	10,676.70
	15,712.46	12,800.79
Non-current liabilities		
Deferred tax liabilities (net)	261.97	28.39
Long-term provisions	-	11.26
	261.97	39.65
Current liabilities		
Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises	6.27	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,078.82	1,882.72
Other current liabilities	1,494.47	1,171.12
Short-term provisions	116.15	607.19
	2,695.71	3,661.03
	18,670.14	16,501.47
TOTAL		
Assets		
Non-current assets		
Fixed assets		
Property, Plant and Equipment (original cost less depreciation)	2,744.59	2,219.01
Intangible assets (original cost less amortisation)	6.38	9.22
Capital work-in-progress	428.75	436.31
Loans and advances	122.96	163.34
Non-current investments	5,370.23	1,397.24
Other non-current assets	4.01	11.89
	8,676.92	4,237.02
Current assets		
Current investments	2,969.40	4,950.24
Inventories	2,935.06	3,040.50
Trade receivables	3,011.70	3,380.38
Cash and bank balances	431.27	424.10
Loans and advances	610.41	425.18
Other current assets	35.38	44.05
	9,993.22	12,264.45
	18,670.14	16,501.47
TOTAL		

The accompanying notes forms an integral part of the abridged financial statement.

As per our report on the abridged financial statement of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.: 301003E

For and on behalf of the Board of Directors

per **Anil Gupta**
Partner
Membership no.: 87921

K. K. Kapur
CEO and Whole Time Director

P. R. Khanna
Director

Place : New Delhi
Date : April 14, 2016

Manali D Bijlani
Company Secretary

J. K. Jain
Chief Financial Officer

Abridged statement of profit and loss for the year ended 31 March 2016

	31 March 2016 (Rs. in lacs)	31 March 2015 (Rs. in lacs)
Revenue		
Revenue from operations (gross) (refer details given in note 8)	25,473.36	24,188.54
Less: Excise duty	193.14	-
Revenue from operations (net)	25,280.22	24,188.54
Other income	507.59	338.59
Total revenue (I)	25,787.81	24,527.13
Expenses		
Cost of raw materials consumed	15,034.84	15,596.47
Purchase of traded goods	23.36	27.70
Decrease in inventories	10.95	39.19
Employee benefits expense	2,101.66	1,744.18
Finance costs	29.42	23.02
Depreciation and amortisation expense	275.87	196.29
Other expenses	3,522.87	2,695.33
Total expenses (II)	20,998.97	20,322.18
Profit before tax (I-II)	4,788.84	4,204.95
Tax expenses		
Current tax	1,358.29	1,069.53
Deferred tax charge/(credit)	233.58	(106.86)
Income tax adjustment for earlier years	(0.48)	(16.58)
Total tax expense	1,591.39	946.09
Profit for the year	3,197.45	3,258.86
Earnings per equity share		
Basic and diluted (Rs.) [Nominal value of share Rs.2/- (Previous year Rs.10/- but restated at Rs.2/- for comparison purpose)]	12.18	12.41

The accompanying notes forms an integral part of the abridged financial statement.

As per our report on the abridged financial statement of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.: 301003E

For and on behalf of the Board of Directors

per **Anil Gupta**
Partner
Membership no.: 87921

K. K. Kapur
CEO and Whole Time Director

P. R. Khanna
Director

Place : New Delhi
Date : April 14, 2016

Manali D Bijlani
Company Secretary

J. K. Jain
Chief Financial Officer

Abridged Cash flow statement for the year ended 31 March 2016

	31 March 2016 (Rs. in lacs)	31 March 2015 (Rs. in lacs)
A. Cash flow from operating activities	2,984.60	3,077.73
B. Cash (used in) investing activities	(2,276.09)	(2,323.00)
C. Cash (used in) financing activities	(773.73)	(683.04)
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(65.22)	71.69
Cash and cash equivalents at the beginning of the year *	352.19	280.50
Cash and cash equivalents at the end of the year *	286.98	352.19

* refer details given in note 10

Notes:

1. The above abridged cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard- 3 on Cash Flow Statements.
2. Cash flow from operating activities for the year ended March 31, 2016 is after considering CSR expenditure of Rs. 70.79 lacs (previous year Rs. 23.93 lacs).

As per our report on the abridged financial statement of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.: 301003E

For and on behalf of the Board of Directors

per **Anil Gupta**
Partner
Membership no.: 87921

K. K. Kapur
CEO and Whole Time Director

P. R. Khanna
Director

Place : New Delhi
Date : April 14, 2016

Manali D Bijlani
Company Secretary

J. K. Jain
Chief Financial Officer

Notes to the abridged financial statements for the year ended 31 March 2016

(The note numbers appearing in the brackets “[]” are as they appear in the Complete Set of Financial Statements)

1. Basis of preparation

These abridged financial statements have been prepared in accordance with the requirements of Rule 10 of the Companies (Accounts) Rules, 2014. These abridged financial statements have been prepared on the basis of the complete set of financial statements for the year ended March 31, 2016.

2. Change in Accounting policy

Accounting for proposed dividend

As per the requirements of pre-revised Accounting Standard- 4, the Company used to create a liability for dividend proposed after the balance sheet date if dividend related to periods covered by the financial statements. Going forward, as per Accounting Standard- 4(Revised), the Company cannot create provision for dividend proposed after the balance sheet date unless a statute requires otherwise. Rather, Company will need to disclose the same in notes to the financial statements. Accordingly, the Company has disclosed dividend proposed by board of directors after the balance sheet date in the notes to the financial statements.

Had the Company continued with creation of provision for proposed dividend, its surplus in the statement of profit and loss would have been lower by Rs.473.91 lacs and current provision would have been higher by Rs.473.91 lacs (including dividend distribution tax of Rs.80.16 lacs).

3.[26] Segment Information

The Company is engaged in the manufacturing of the Precured Tread Rubber, Bonding Repair and Extrusion Gum and Rubber Cement, which are used for retreading of tyres. These products do not have any different risk and returns and thus the Company has only one business segment.

Segment Information

Geographical Segments

The Company has organized its manufacturing operations into two major geographical segments : Domestic (in India) and Overseas (Outside India).

The analysis of geographical segments is based on the geographical location of the customers.

The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

The following table shows the distribution of the Company’s consolidated revenue and trade receivables by geographical market, regardless of where the goods were produced:

Revenue by Geographical Market

	31 March 2016 (Rs. in lacs)	31 March 2015 (Rs. in lacs)
Domestic	24,504.53	23,142.96
Overseas	775.69	1,045.58
Total	25,280.22	24,188.54

Carrying amount of Segment Trade receivables by Geographical Market

	31 March 2016 (Rs. in lacs)	31 March 2015 (Rs. in lacs)
Domestic	2,799.77	3,082.69
Overseas	211.93	297.69
Total	3,011.70	3,380.38

The Company has common fixed assets in India for producing goods/providing services to domestic as well as overseas market. Hence, separate figures for fixed assets/ addition to fixed assets have not been furnished.

4. [27] Related party disclosures

The Company has the following related parties in accordance with Accounting Standard- 18 "Related Party Disclosures" notified under Section 133 of the Companies Act, 2013.

Names of related parties and their relationships

(a) Key management personnel

- Mr. Nand Khemka (Chairman cum Managing Director)
- Mr. K.K. Kapur (Whole Time Director)

(b) Relatives of key management personnel

- Mr. Shyam Lal Khemka, brother of Mr. Nand Khemka
- Mrs. Jeet Khemka, wife of Mr. Nand Khemka
- Mr. Shiv Vikram Khemka, son of Mr. Nand Khemka
- Mr. Uday Harsh Khemka, son of Mr. Nand Khemka
- Mrs. Urvashi Khemka, daughter-in-law of Mr. Nand Khemka
- Mrs. Nitya Mohan Khemka, daughter-in-law of Mr. Nand Khemka

(c) Enterprises owned or significantly influenced by key management personnel or their relatives (either individually or with others)

- Unipatch Rubber Limited
- Khemka Aviation Private Limited
- Nand and Jeet Khemka Foundation
- Khemka & Co. Pvt. Ltd.
- Pankaj Dilip Pvt. Ltd.
- Sun Securities Ltd.
- Sun London Limited
- Khemka Technical Services Pvt. Ltd.
- Khemka Instruments Pvt. Ltd.
- Youth Reach

No amount has been provided as doubtful debt or advance written off or written back in the year in respect of debts due from/to above related parties.

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

	Enterprises owned or significantly influenced by key management personnel or their relatives (either individually or with others)		Relative of Key Management Personnel		Key Management Personnel		Total
	31 March 2016 (Rs. in lacs)	31 March 2015 (Rs. in lacs)	31 March 2016 (Rs. in lacs)	31 March 2015 (Rs. in lacs)	31 March 2016 (Rs. in lacs)	31 March 2015 (Rs. in lacs)	
Transactions for the year:							
Sale of fixed assets							
- Unipatch Rubber Limited	-	4.67	-	-	-	-	4.67
Sale of finished goods							
- Unipatch Rubber Limited	60.81	11.67	-	-	-	60.81	11.67
Rent paid							
- Khemka Aviation Pvt. Ltd.	75.18	76.11	-	-	-	75.18	76.11
- Mrs. Jeet Khemka	-	-	-	18.00	-	-	18.00
Remuneration							
- Mr. Nand Khemka	-	-	-	-	255.57	209.70	209.70
- Mr. K.K. Kapur	-	-	-	-	255.57	227.70	227.70
- Mr. Shiv Vikram Khemka	-	-	5.71	-	-	-	-
- Mr. Uday Harsh Khemka	-	-	2.80	5.18	-	2.80	5.18
Sitting fees							
- Mr. Shyam Lal Khemka	-	-	-	0.20	-	-	0.20
- Mr. Shiv Vikram Khemka	-	-	0.40	-	-	0.40	-
- Mr. Uday Harsh Khemka	-	-	0.20	0.20	-	0.20	0.20
Reimbursement of expenses received							
- Unipatch Rubber Limited	0.83	10.37	-	-	-	0.83	10.37
- Khemka Aviation Pvt. Ltd.	0.83	0.68	-	-	-	0.83	0.68
- Nand and Jeet Khemka Foundation	1.68	1.91	-	-	-	1.68	1.91
- Youth Reach	0.94	0.74	-	-	-	0.94	0.74
Dividend paid							
- Mr. Nand Khemka	-	-	-	-	0.44	0.41	0.41

	Enterprises owned or significantly influenced by key management personnel or their relatives (either individually or with others)		Relative of Key Management Personnel		Key Management Personnel		Total
	31 March 2016 (Rs. in lacs)	31 March 2015 (Rs. in lacs)	31 March 2016 (Rs. in lacs)	31 March 2015 (Rs. in lacs)	31 March 2016 (Rs. in lacs)	31 March 2015 (Rs. in lacs)	
- Mrs. Jeet Khemka	-	-	210.36	203.83	-	-	203.83
- Khemka Aviation Pvt. Ltd.	150.54	137.99	-	-	-	-	137.99
- Unipatch Rubber Limited	28.50	15.12	-	-	-	-	15.12
- Mrs. Urvashi Khemka (Joint holder with Mr. Shiv Vikram Khemka)	-	-	30.02	27.52	-	-	27.52
- Mr. Uday Harsh Khemka (Joint holder with Mrs. Nitya Mohan Khemka)	-	-	30.02	27.52	-	-	27.52
- Others	21.09	19.39	-	-	-	-	19.39
CSR expenditure							
- Youth Reach	46.86	15.39	-	-	-	-	15.39
Security Deposit Taken							
- Khemka Aviation Pvt. Ltd.	2.00	3.00	-	-	-	-	3.00
Security Deposit Refunded							
- Khemka Aviation Pvt. Ltd.	2.00	3.00	-	-	-	-	3.00
Balances at the year end:							
Loans and advances							
- Unipatch Rubber Limited	-	0.41	-	-	-	-	0.41
- Youth Reach	-	0.86	-	-	-	-	0.86
Trade payables							
- Mr. Nand Khemka	-	-	-	-	104.35	173.70	173.70
- Mr. K.K. Kapur	-	-	-	-	120.54	162.09	162.09
- Khemka Aviation Pvt. Ltd.	-	0.04	-	-	-	-	0.04
- Mr. Shiv Vikram Khemka	-	-	5.71	-	-	-	-
- Mr. Uday Harsh Khemka	-	-	2.80	5.18	-	-	5.18

Notes: (1) The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

(2) Other liabilities amounting to Rs 5.18 lacs towards Mr. Uday Harsh Khemka has been written back during the year

(3) Remuneration to the Whole Time Director includes value of perquisites based on actual payment or evaluated as per Income Tax Rules, 1962.

5. [28] Capital and other commitments

	31 March 2016 (Rs. in lacs)	31 March 2015 (Rs. in lacs)
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of Rs. 46.10 lacs, previous year Rs. 89.14 lacs)	54.52	118.62
b) Other Commitments		
i) Estimated future investments in Capital Venture Fund in terms of agreement with the fund	20.00	-
ii) Estimated future investments in ICICI Prudential Real Estate AIF-1 Fund in terms of agreement with the fund	70.00	-
iii) Estimated future investments in India Whizdom Fund in terms of agreement with the fund	160.00	-

6. [29] Contingent liabilities (not provided for) in respect of:

	31 March 2016 (Rs. in lacs)	31 March 2015 (Rs. in lacs)
a) The Company is under litigation with the revenue authorities regarding an expenditure claimed by the Company arising out of an arbitration award. As per the Company, the expenditure should be allowed to them in the year the arbitrator has passed the award. The department is of the view that the liability is not accrued till the award becomes a rule of court and has therefore disallowed the expenditure in the AY 1998-99 (the year in which the Company claimed the expenditure). During the financial year 2006-2007, the Company has received a demand notice from Income tax authorities pursuant to the order by Income Tax Appellate Tribunal, Delhi. The Company is presently in appeal before the Hon'ble High Court. The Company has deposited Rs. 20.00 lacs against the above demand which is included in the 'Advance Tax' under note no. 10 of complete set of financial statements.	159.15*	159.15*
b) Pending Labour cases (i) in case of one employee (ii) in case of others	5.31* Liability not ascertainable	5.31* -
c) Demand raised by the Excise Authorities, being disputed by the Company.	6.90*	6.90*
d) Claims against the Company not acknowledged as debts. The Company had deposited Rs. 4.23 lacs against the aforesaid claim which was included in the 'Deposits' under note no. 10 of complete set of financial statements.	-	4.78*
e) Demand raised by the Sales Tax Authorities, being disputed by the Company.	25.80*	1.66*
f) Entry tax demand being disputed by the Company (excluding the amount of interest and penalty, if any, which can't be determined at this stage) #	1,083.43*	793.85*

g)	Differential amount of custom duty payable by the Company in case of non-fulfillment of export obligation excluding interest thereon against the import of capital goods made at concessional rate of duty.	35.36*	-
h)	Demand raised by Income Tax Authorities, being disputed by the Company for A.Y. 2013-14	8.93*	-
	Total	1324.88	971.65

The Company had obtained a stay of the Himachal Pradesh Government order levying entry tax @ 2% on all goods entering the state with effect from 24th January, 2011. The same has been reduced to 1% w.e.f. July 13, 2011 and again increased to 2% w.e.f. March 01, 2014. The Hon'ble High Court, Shimla while staying the levy in an interim order, directed the Company to deposit 1/3rd of the assessed amount as "deposit" with the state government and furnish a bank guarantee for the balance 2/3rd amount to them. Since the cash payment as per court order is in the nature of deposits, no amount has been expensed off in the financial statements as entry tax. However, the cash deposited so far is Rs.343.84 lacs (previous year Rs.238.08 lacs) and bank guarantee furnished is for an amount of Rs.702.99 lacs (previous year Rs. 476.16 lacs). The Hon'ble High Court, Shimla had disposed off the writ petition on August 05, 2014 by providing that the writ petition shall be abide by the judgement of Supreme Court in the case of State of Orissa & others versus M/s Reliance Industries Ltd. & others.

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

7 [31] Details of dues to micro and small enterprises as defined under the MSME Act, 2006

	Particulars	31 March 2016 (Rs. in lacs)	31 March 2015 (Rs. in lacs)
1	Principal amount remaining unpaid to any supplier as at the end of each accounting year (including Rs. 21.92 lacs (previous year Nil) payable to capital creditors)	28.19	Nil
2	Interest due on above	Nil	Nil
	Total of (i) & (ii)	28.19	Nil
3	Amount of interest paid by the Company to the suppliers in terms of Section 16 of the Act.	Nil	Nil
4	Amount paid to the suppliers beyond the respective due date.	Nil	Nil
5	Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	Nil	Nil
6	Amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
7	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of this Act.	Nil	Nil

8. [17] Revenue from operations (gross)

	31 March 2016 (Rs. in lacs)	31 March 2015 (Rs. in lacs)
Sale of products manufactured	25,296.86	23,978.26
Sale of goods traded	39.31	27.58
Sale of services	59.52	87.14
Other operational revenue	77.67	95.56
	<u>25,473.36</u>	<u>24,188.54</u>

9. [11] Book value and Market value of Quoted investments

Non-current investments

As of 31 March 2016 and 31 March 2015, the book value of quoted investments is Rs. 914.29 lacs and Rs. 438.74 lacs respectively.

As of 31 March 2016 and 31 March 2015, the market value of quoted investments is Rs. 808.28 lacs and Rs. 461.49 lacs respectively.

Note:- In the opinion of the management, decline in market value of quoted investments in the shares of certain equity instruments aggregating to Rs. 137.43 lacs (previous year Rs. 10.85 lacs) at the year end is temporary and hence does not call for any provision there against.

10. Cash and cash equivalents

	31 March 2016 (Rs. in lacs)	31 March 2015 (Rs. in lacs)
Components of cash and cash equivalents		
Cash on hand	2.12	2.02
Balances with banks:		
on current accounts	142.58	257.37
on cash credit accounts	101.89	58.16
Deposits with maturity less than 3 months	-	1.54
on unclaimed dividend accounts *	40.39	33.10
Total cash and cash equivalents	<u>286.98</u>	<u>352.19</u>

*These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.

11. Amounts disclosed under abridged financial statements are same as that shown in the corresponding aggregated heads in the financial statement prepared in accordance with Schedule III to the Companies Act, 2013 or as near thereto as possible.
12. Previous year's figures have been regrouped wherever necessary to conform to this year's classification.

As per our report on the abridged financial statement of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.: 301003E

For and on behalf of the Board of Directors

per **Anil Gupta**
Partner
Membership no.: 87921

K. K. Kapur
CEO and Whole Time Director

P. R. Khanna
Director

Place : New Delhi
Date : April 14, 2016

Manali D Bijlani
Company Secretary

J. K. Jain
Chief Financial Officer

Notes

Indag Rubber Limited

CIN L74899DL1978PLC009038

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

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

Attendance Slip

DP Id.		Name & Address of the registered Shareholder
Client Id/ Regd.Folio No.		
No.of Shares held		

I certify that I am a registered shareholder/ proxy for the registered shareholder of the Company. I hereby record my presence at the 37th Annual General Meeting of the company on Friday, the 27th of May, 2016 at 10:00 a.m. Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110003 and at adjournment(s) thereof.

(Signature of Member/Proxy Present)

Note : * Please handover this attendance slip duly signed as a Member or Proxy, as the case may be, at the attendance registration counter at the meeting.

Indag Rubber Limited

CIN L74899DL1978PLC009038

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

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

Entry Pass

Folio No./DP ID & Client ID : _____

Name of the Member : _____

(Signature at Attendance Counter)

(Signature at Entry Counter)

(Authorized Signature with Rubber Stamp)

Note :* Members may please note that Entry Pass will be issued only after verification of signature of the member/proxy as recorded with the Company at the computerized attendance registration counter at the meeting.

Indag Rubber Limited

CIN L74899DL1978PLC009038

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

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

PROXY FORM

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

CIN	L74899DL1978PLC009038
Name of the company	INDAG RUBBER LIMITED
Registered Office	11, COMMUNITY CENTRE, SAKET, NEW DELHI-110017
Name of the member (s)	
Registered Address	
Email Id	
Folio no./ Client Id/ DP Id	

I/we being the member(s) of _____ shares of the above named company, hereby appoint:

- (1) Name : _____ Address : _____
E-mail Id : _____ Signature : _____ or failing him;
- (2) Name : _____ Address : _____
E-mail Id : _____ Signature : _____ or failing him;
- (3) Name : _____ Address : _____
E-mail Id : _____ Signature : _____ or failing him;

as my/our proxy to attend and vote (on a poll) for my/our and on my/our behalf at the 37th Annual General meeting of the Company, to be held on Friday, 27th day of May, 2016 at 10.00 a.m. at Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Number	Resolutions
Ordinary Business	
1	Adoption of Audited Financial Statements for the year ended 31st March, 2016 together with reports of the Auditors and Board of Directors thereon
3	Re-appointment of Sh. K K Kapur, who retires by rotation.
2	Declaration of Final Dividend for the year 2015-16
4	Ratification of the appointment of M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors
Special Business	
5	Fixation of remuneration of M/s Shome & Banerjee, Cost Auditors.
6	Appointment of Mr. Shiv Vikram Khemka (DIN no. 01214671) as a Non-Executive Director of the company
7	Re-appointment of Mr.K.K.Kapur (DIN no. 00745117) a Whole Time Director (designated as Chief Executive Officer) for a period of 3 years w.e.f. June 1, 2016.

Signed this _____ day of _____ 2016

Signature of the Member: _____ Signature of Proxy holder: _____

Affix
Revenue
Stamp of
Re. 1/-

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 aforesaid Meeting.

