

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

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

State Bank of Bikaner & Jaipur  
Kotak Mahindra Bank
- **STATUTORY AUDITORS**

M/s. S. R. Batliboi & Co. LLP  
Chartered Accountants  
Office No. - 601, 6th Floor, World Mark 1,  
Aero City, 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.in

### NOTICE

**NOTICE IS HEREBY GIVEN THAT THE THIRTY-EIGHTH ANNUAL GENERAL MEETING OF THE MEMBERS OF INDAG RUBBER LIMITED WILL BE HELD ON MONDAY, JUNE 19, 2017 AT 10:00 A.M. AT SAI INTERNATIONAL CENTRE, LODHI ROAD, NEW DELHI-110003 TO TRANSACT THE FOLLOWING BUSINESS:**

#### **AS ORDINARY BUSINESS:**

1. To receive, consider and adopt the financial statements of the company, and, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:
  - a) Audited standalone financial statements of the company for the financial year ended March 31, 2017.

“RESOLVED THAT the audited standalone financial statements of the Company including the balance sheet as at March 31, 2017, the statement of profit and loss, the cash flow statement for the year ended on that date and the reports of the Board of Directors and Auditors, thereon be and are hereby received, considered and adopted.”
  - b) Audited consolidated financial statements of the company for the financial year ended March 31, 2017.

“RESOLVED THAT the audited consolidated financial statements of the Company including the balance sheet as on March 31, 2017, the statement of profit and loss, the cash flow statement for the year ended on that date and the report of the Auditors thereon be and are hereby received, considered and adopted.”
2. To appoint a Director in place of Mr. Uday Harsh Khemka (DIN-00323609) who retires by rotation and being eligible, offers himself for re-appointment, and, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Uday Harsh Khemka (DIN-00323609), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”
3. To declare dividend and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the recommendation of the Board of Directors, final dividend at the rate of Rs. 1.50/- per equity share of 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 name appears on the company's register of members as on the close of business hours on June 19, 2017 (if shares are held in physical form) and to those beneficial owners whose names are furnished by NSDL and CDSL as on June 12, 2017.”
4. To appoint the 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 provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. Khanna & Annadhanam, Chartered Accountants, (Firm Registration No. 001297N) be and are hereby appointed as the Statutory Auditors of the Company in place of M/s.S.R. Batliboi & Co.LLP, Chartered Accountants, (Firm Registration No. 301003E) the retiring Statutory Auditors and to hold office for a period of 5 years from the conclusion of 38<sup>th</sup> Annual General Meeting till the conclusion of 43<sup>rd</sup> Annual General Meeting of the Company, subject to ratification by the members at every Annual General Meeting, on a remuneration as may be mutually agreed between the Board of Directors and the Auditors plus applicable service tax and reimbursement of out of pocket expenses.”

## AS SPECIAL BUSINESS:

### 5. Fixation of the remuneration of the Cost Auditors of the company for the financial year 2017-18.

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

“RESOLVED THAT pursuant to the provisions of section 148(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 April 1, 2017 till March 31, 2018.”

### 6. Appointment of Mr. Harjiv Singh (DIN-00507695) as an Independent 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 149, 152 and 161(4) of the Companies Act, 2013 and other applicable provisions (including any modification or re-enactment thereof), if any, consent of the members be and is hereby accorded for the appointment of Mr. Harjiv Singh (DIN-00507695), as an Independent Director who was appointed by the Board of Directors on August 09, 2016, to fill up the casual vacancy caused due to resignation of Mr. K.M.S.Ahluwalia (DIN-00104762) before the expiry of his term of office.”

“RESOLVED FURTHER THAT Mr. Harjiv Singh (DIN-00507695) being eligible for appointment and in respect of whom the company has received a notice in writing proposing his candidature by a member under section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director to hold office till March 31, 2019 being the date till Mr.K.M.S.Ahluwalia would have held office and Mr.Harjiv Singh is not liable to retire by rotation.”

### 7. To maintain and keep the Company's registers and copies of annual returns or any one or more of them, at a place other than Company's Registered Office.

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

“RESOLVED THAT pursuant to the provisions of Section 94(1) and other applicable provisions of the Companies Act, 2013 read with rule 5 (2) of the Companies (Management and Administration) Rules, 2014, consent of the members of the Company be and is hereby accorded to maintain and keep the Company's registers required to be maintained under Section 88 of the Companies Act, 2013 and copies of annual returns filed under Section 92 of the Companies Act, 2013 or any one or more of them, at the office of Company's Registrar and Share Transfer Agent, viz., M/s. Skyline Financial Services Private Limited, at D-153/A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 or at such other place as the Board may from time to time decide instead of and/or in addition to the said registers or copy of returns being kept and maintained at the Registered Office of the Company and that any of the Key Managerial Personnel of the company be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution.”

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

Date : May 5, 2017  
Place: New Delhi

**Manali D Bijlani**  
Company Secretary  
F4704

## NOTES

As Indag Rubber Limited, being a listed company and having more than 1000 shareholders, is compulsorily required to provide remote e-voting facility or postal ballot to members in terms of Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, voting by show of hands will not be available to the members at the 38th 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 May 19, 2017 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 June 13, 2017 to June 19, 2017 (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 March 31, 2017 is proposed to be paid on and from June 26, 2017. Interim Dividend for the year 2016-2017 of Rs. 0.90/- on per equity share of Rs. 2/- each (45%), was declared on October 24, 2016 and paid on November 16, 2016.
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.
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 are advised not to carry their personal belongings such as bags, eatables, laptops, mobile phones, arms, ammunitions or any other harmful/dangerous objects to the meeting venue.
16. Members may also note that the Notice of 38<sup>th</sup> Annual General Meeting and Annual Report for the year 2016-2017 is also available on the website of the Company [www.indagrubber.in](http://www.indagrubber.in) 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 38<sup>th</sup> Annual General Meeting.
  - b) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on Friday, June 9, 2017 (the "Cut-off Date") only shall be entitled to vote through remote e-voting and at the AGM. The voting rights of members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut-off date.
  - c) At the venue of AGM, voting shall be done through ballot papers and the members attending AGM who have not cast their vote by remote e-voting shall be entitled to cast their vote through Ballot papers.
  - d) Instructions for e-voting are as under-
    - i. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
    - ii. Click on Shareholder – Login
    - iii. Enter your User ID and existing password. The User –id is your Demat account number which is (DP-ID + CLIENT –ID)
    - iv. Click Login
    - v. Home page of "e-Voting" appears. Click on e-Voting-Active Voting Cycles
    - vi. Select E-Voting Event Number (EVEN) of Indag Rubber Limited for casting vote in favour or against the Item(s) of business. (Kindly note that vote once cast cannot be modified. For an EVEN, you can log-in any number of times on e-voting platform of NSDL till you have voted on the resolution or till the end date of voting period i.e up to close of June 18, 2017, whichever is earlier).
    - vii. Now you are ready for 'e-Voting' as 'Cast Vote' page opens. Voting period commences on and from June 16, 2017 at 9:00 am and ends on June 18, 2017, at 5:00 pm.
    - viii. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - ix. Once you have voted on the resolution, you will not be allowed to modify your vote.
    - x. Institutional shareholders (ie other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/ JPG format) of the relevant Board resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email at [scrutinizer@indagrubber.com](mailto:scrutinizer@indagrubber.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
  - e) The remote e-voting period shall commence on Friday, June 16, 2017 (9:00 am) to Sunday June 18, 2017 (5:00 pm). During this period the members of the Company, holding shares either in physical form or in dematerialized form, as on Friday, June 9, 2017 (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 June 9, 2017 may obtain their USER ID and password for remote e-voting from Skyline Financial Services Pvt. Ltd., D-153/A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase – I, New Delhi-110020 or NSDL.
  - h) In case of queries, you may refer the "Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members" available at the 'downloads' section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com). For any further grievance related to the remote e-voting, members may contact NSDL at the following contact information: Phone No. +91 22 24994600/24994738, Toll Free no. 1800222990

- i) The Board of Directors has appointed Mr. Kanishk Arora of M/s. Kanishk Arora & Co., Practicing Company Secretary, as the Scrutinizer for conducting remote e-voting in a fair and transparent manner.
- j) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot papers and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within 24 hours from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman or any other Key Managerial Personnel who shall countersign the same and declare the results of the voting within 48 hours of conclusion of Annual General Meeting.
- k) The results declared alongwith the report of Scrutinizer shall be placed on the website of the Company [www.indagrubber.in](http://www.indagrubber.in) and on the website of NSDL immediately after the declaration of results by the Chairman or any other Key Managerial Personnel. The results shall also be forwarded to the Stock Exchange within 48 hours of the conclusion of Annual General Meeting.

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

Item No.	2	6
<b>Particulars</b>	<b>Mr. Uday Harsh Khemka</b>	<b>Mr. Harjiv Singh</b>
Din	00323609	00507695
Date of Birth	11-07-1965	22-08-1970
Date of Appointment	08-10-2014	09-08-2016
Qualifications	Educated at Eton College, he received his undergraduate and Master's degrees at Cambridge University and received an MBA with distinction from Harvard Business School (Baker Scholar)	Masters in International Affairs in Economic Policy Management from Columbia University's School of International and Public Affairs. He has also done MBA in Marketing and Bachelor in Finance from the New York Institute of Technology.
Experience in specific functional areas	Mr.Uday Khemka is Vice-Chairman of the SUN group of companies and has more than 24 years of investment, investment banking and entrepreneurial experience. He serves on the Board of various companies and has been elected a young global leader at the World Economic Forum in Davos.	Mr. Harjiv Singh is the co-founder and co-CEO of Gutenberg Communications, a global strategic communications firm with offices in the U.S., U.K. and India, where he works extensively with clients across a diverse range of industries like technology, real estate, investment management, academic and the non-profit sectors. He has advised clients like U.S.-India Business Council, UK Trade & Investment, GE, HSBC, New York City Economic Development Corporation (NYCEDC) and Quest Diagnostics.
Directorship held in other listed entities	Nil	Healthfore Technologies Ltd
Membership / Chairmanship of Committees of listed entities (includes only Audit Committee and Stakeholders' Relationship Committee)	Nil	Nil
Number of shares held in the company	12,50,750	Nil
Relationship with any Director(s) of the Company	Mr.Nand Khemka Mr.Shiv Khemka	Nil

## 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 Cost Auditors of the Company by the Board at its meeting held on May 5, 2017, for the financial year 2017-2018, as recommended by the Audit Committee.

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 Mr. 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, financially or otherwise, in the resolution set out in the notice.

Your Directors recommend passing the above resolution.

### Item No. 6: Appointment of Mr. Harjiv Singh (DIN-00507695) as an Independent Director.

Based on the recommendation of Nomination and Remuneration Committee and subject to the approval of the members, the Board appointed Mr. Harjiv Singh as an Independent Director of the company with effect from August 9, 2016 to fill up the casual vacancy caused due to resignation of Mr.K.M.S.Ahluwalia.

Notice has been received from member proposing the candidature of Mr. Harjiv Singh as an Independent Director of the company.

Mr. Harjiv Singh 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.

The Company has received declaration from Mr. Harjiv Singh that he meets with the criteria of independence as prescribed both under Section 149 of the Companies Act, 2013 and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. Harjiv Singh fulfills the conditions for appointment as Independent Director, who would hold office till March 31, 2019.

Brief resume of Mr. Harjiv Singh, 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. Harjiv Singh attended four meetings out of seven meetings of the Board of Directors held during his tenure, that is meeting held on August 9, 2016, October 24, 2016, January 12, 2017 and March 30, 2017.

None of the Director except Mr.Harjiv Singh and/or Key Managerial Personnel of the Company and their relatives is interested in the aforesaid resolution.

Board recommends the Ordinary Resolution set out in the Notice for the approval of the members

### Item No.7: To maintain and keep the Company's registers and copies of annual returns or any one or more of them, at a place other than Company's Registered Office.

Pursuant to the provisions of Section 94 of the Companies Act, 2013 and Rules made thereunder, the Register of Members, Index of Members and certain other registers, certificates, documents etc. and copies of the annual return filed by the company are required to be kept and maintained at the registered office of the Company. However, these documents can be kept at any other place in India in which more than one-tenth of the total number of members entered in the register of members resides, if approved by a special resolution passed at a general meeting of the company and the Registrar has been given a copy of the proposed special resolution in advance.

Accordingly, approval of the members is being sought in terms of Section 94(1) of the Companies Act, 2013, for keeping the aforesaid registers and documents at the office of the Company's Registrar and Share Transfer Agent, viz., M/s. Skyline Financial Services Private Limited, at D-153/A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 or at such other place as the Board may from time to time decide.

The Directors recommend the said resolution proposed to be passed as Special Resolution by the members.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out in the Notice.

By Order of the Board of Directors  
For **Indag Rubber Limited**  
**Manali D Bijlani**  
Company Secretary  
F4704

Date : May 5, 2017  
Place: New Delhi



## NOTICE TO SHAREHOLDERS/INVESTORS FOR UNPAID DIVIDENDS

1. The Shareholders / Investors of Indag Rubber Limited are notified that in pursuance of the section 124 of the Companies Act, 2013 (the Act), the Company is required to transfer amount of Dividends that remain unclaimed / unpaid for a period of seven (7) years from the date on which they were declared, to the Investor Education and Protection Fund (IEPF) established under Section 125 of the Companies Act, 2013.
2. Dividends, including Interim Dividends declared during the following Financial Years shall fall due for transfer to IEPF on completion of a period of seven years from the date of transfer of Final Dividend / Interim Dividend to Unpaid Dividend Account. A table containing the due dates for transfer to IEPF for various years is given below for the information of the Shareholders/Investors:

Financial Year	Dividend –Interim / Final	Due Dates for Transfer to IEPF
2009-10	Final	September 5, 2017
2010-11	Interim	December 15, 2017
2010-11	Final	September 15, 2018
2011-12	Interim	November 16, 2018
2011-12	Final	August 20, 2019
2012-13	Interim	November 14, 2019
2012-13	Final	August 25, 2020
2013-14	Interim	December 4, 2020
2013-14	Final	August 31, 2021
2014-15	Interim	November 3, 2021
2014-15	Final	September 20, 2022
2015-16	Interim	December 10, 2022
2015-16	Final	July 2, 2023
2016-17	Interim	November 30, 2023

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 : May 5, 2017  
Place : New Delhi



## 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.in

### DIRECTORS' REPORT

#### TO THE MEMBERS,

Your Directors are pleased to present the 38th Annual Report of the Company together with the standalone and consolidated Audited Statements of Accounts for the year ended March 31, 2017.

#### FINANCIAL RESULTS

Particulars	Standalone		Consolidated
	2016-17 (Rs. In lacs)	2015-16 (Rs. in lacs)	2016-17 (Rs. In lacs)
Sales and other Income	18998.55	25787.81	19143.95
Profit before Finance Cost & Depreciation	3504.01	5094.13	3582.12
Finance Cost	30.75	29.42	81.37
Profit before Depreciation	3473.26	5064.71	3500.75
Depreciation	296.30	275.87	316.95
Profit before tax	3176.96	4788.84	3183.80
Profit after tax (before minority)	2204.42	3197.45	2206.56
Profit after tax (after minority)	2204.42	3197.45	2201.78
Transfer to General Reserve	-	-	-
Interim Dividend	236.25	236.25	-
Proposed Final Dividend	393.75	393.75	-

#### PERFORMANCE REVIEW

During the year under review your Company had net revenue of Rs. 189.99 crores as against Rs. 257.88 crores in the previous year. The Profit before finance cost and depreciation amounted to Rs. 35.04 crores as against Rs. 50.94 crores in the previous year.

Profit before tax during the year worked out to Rs. 31.77 crores as compared to Rs. 47.89 crores 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 October 24, 2016 which has been paid to the members on November 16, 2016.

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 2016-2017 thus making a total dividend of Rs.2.40/-per equity share of Rs. 2/- each (120%).

Subject to the approval of shareholders at the ensuing Annual General Meeting, the final dividend will be paid to those shareholders whose name appears on the Register of Members of the company as on close of business hours on June 19, 2017 (if shares are held in physical form); in respect of shares held in dematerialized form it will be paid to those members whose names are furnished by NSDL and CDSL, as beneficial owners as on June 12, 2017.

#### INVESTOR EDUCATION AND PROTECTION FUND

Dividend which was declared by the company for the year ended March 31, 2010 at the Annual General Meeting held on July 30, 2010 and remained unclaimed will be transferred to the Investor Education and Protection Fund (IEPF) of the

Central Government on September 05, 2017 pursuant to the provisions of Companies Act, 2013. Thereafter no claim shall lie on dividend for the year ended March 31, 2010 from the shareholders. Notice for unpaid dividend is attached with this annual report.

Dividend remitted to IEPF during the last three years:

Year	Type	Amount transferred to IEPF
2007-08	Final	1,92,820/-
2008-09	Final	1,91,546/-
2009-10	Interim	1,15,182/-

The Company is required to transfer the shares in respect of which the dividend remained unpaid or unclaimed for a period of seven consecutive years to IEPF account. All future benefits on such shares would also be transferred to IEPF.

### TRANSFER TO RESERVES

There was no transfer to General Reserves during the financial year 2016-2017.

The appropriations for the year are:-

Rupees in lacs

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Reserve at the beginning of the year	1,118.80	1,118.80
Transfer to general Reserve	-	-
Reserve at the end of the year	1,118.80	1,118.80
Balance of Profit & Loss account at the year end	15,034.54	13,588.37

### INDUSTRY EXPERIENCE

During the year, prices of natural and synthetic rubber witnessed a sharp increase after declining for two consecutive years.

Industry faced competition from tyre manufacturers engaged in retreading and also from import of cheap tyres from China. Tyre import has come down significantly after demonetisation. There has been overall shrinkage in the market size of the retreading industry.

### OPPORTUNITIES AND THREATS

The implementation of GST during first quarter of financial year 2017-2018 is anticipated to improve performance of organized retreading sector. GST would hit unorganized retreading sector, who are able to take benefit in the current scenario, which would not be possible under the GST regime.

Underscoring a major need for skill training in tyre sector and rubber technology, the Government proposes to set up a national institute which would help the industry in employing skilled people.

Government is taking every possible initiative to boost the infrastructure sector, urban development and implementation of National Highway Building project in different phases. All these initiatives would revive the transport industry which will bring growth in coming years.

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 various risks. The Audit Committee and the Board periodically review the risks and suggest steps to be taken to manage/ mitigate the same through a properly defined framework.

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

## **MATERIAL CHANGES AFFECTING FINANCIAL POSITIONS OF THE COMPANY**

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

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

## **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 Mr. Harjiv Singh, as an Independent Director of the company with effect from August 9, 2016, to fill up the casual vacancy caused due to resignation of Mr.K.M.S.Ahluwalia w.e.f. February 10, 2016. The Company has received requisite notice under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidature of Mr. Harjiv Singh as Independent Director who would hold office till March 31, 2019, not liable to retire by rotation.

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

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

## **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 Mr. R.Parameswar as Chairman and Mr. Nand Khemka and Mr. 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 Mr. R. Parameswar as Chairman and Mr. Nand Khemka, Mr. 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.in](http://www.indagrubber.in).

## 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. The company has taken steps for safety of employees and implemented regular safety audit, imparted machine safety training, wearing protective equipments etc.

The Company believes in empowering its employees through greater knowledge, team spirit and developing greater sense of responsibility. On the job training as well as classroom training by way of seminars, conventions, functional and managerial programs for capability development and building technical expertise were attended by respective functions such as Sales & Marketing, Finance & Accounts, Procurement, Supply Chain, HR etc. The Company organized a diagnostic camp to monitor health as well as physical and emotional well-being of all employees and workers. There were 345 regular employees as at March 31, 2017.

## 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 therewith or incidental thereto covering all the aspects as contained under "The Sexual Harassment of women at workplace (Prohibition, Prevention and Redressal) Act, 2013".

During the financial year 2016-17, no complaint was received under the policy.

## PARTICULARS OF EMPLOYEES

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

## COMMITMENT TO QUALITY AND ENVIRONMENT

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

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

## CORPORATE SOCIAL RESPONSIBILITY

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

During the year we 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.in](http://www.indagrubber.in).

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 were appointed in the 35th Annual General Meeting to hold office until the conclusion of 38th Annual General Meeting.

As per Companies Act, 2013, M/s S.R.Batliboi & Co.LLP have completed their term and are not eligible for re-appointment. Based on the recommendation of Audit Committee, your company seeks approval for the appointment of M/s. Khanna & Annandhanam, Chartered Accountants as our Statutory Auditors to hold office from the conclusion of 38<sup>th</sup> Annual General Meeting upto the conclusion of 43<sup>rd</sup> 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 2017-2018 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 March 31, 2016 was September 30, 2016 and the Cost Audit report was filed in XBRL mode on September 8, 2016.

## 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) and given guarantees in the ordinary course of its business, the details of which are given in Note '11' to Financial Statements, which are within the limits prescribed under Section 186 of the Companies Act, 2013.

## FIXED DEPOSIT

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

## SUBSIDIARIES

The Company had made investment of 75.84% in the equity of SUN-AMP Solar India Pvt. Ltd which has become subsidiary on October 13, 2016. SUN-AMP Solar India Pvt. Ltd holds 74% equity in Samyama Jyothi Solar Energy Private Limited (step-down subsidiary).

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

The company has framed a Policy for determining Material Subsidiary.

## RELATED PARTY TRANSACTIONS

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

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

## EXTRACT OF ANNUAL RETURN

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

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

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

## LISTING

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

## DEMATERIALIZATION OF SHARES

The shares of your Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, Members are requested to avail the facility of dematerialization of shares with either of the Depositories as aforesaid. As on March 31, 2017, 98.37% of the share capital stands dematerialized.

## CORPORATE GOVERNANCE

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

## 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 Requirements) Regulations, 2015 on compliance of Code of Conduct
II	Particulars of Employees under Section 134(3)(q) and Section 197(12) of the Companies Act, 2013
III	Report on Corporate Social Responsibility
IV	Secretarial Audit Report
V	Form AOC-1
VI	Extract of the Annual Return in Form MGT-9
VII	Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange and Outgo
VIII	Corporate Governance Report
IX	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 2016-17 are in conformity with the requirements of the Companies Act, 2013. They believe that the Financial Statements reflect fairly, the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operation.

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

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

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

## APPRECIATIONS

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

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

**P. R. Khanna**  
Director  
DIN: 00048800

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

Date : May 5, 2017  
Place : New Delhi

## ANNEXURE-I

### Annual Compliance with the Code of Conduct for the Financial Year 2016-2017

Pursuant to the Schedule V (Part D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr.K.K.Kapur, CEO and Whole Time Director confirmed that the Company has received affirmations on compliance with the Code of Conduct for the financial year ended March 31, 2017 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 : May 5, 2017  
Place : New Delhi



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

Requirements of Rule 5(1)	Details																																																
(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	<table border="0"> <tr> <td>Mr. Nand Khemka</td> <td>-</td> <td>1331 : 21</td> <td>(6338%)</td> </tr> <tr> <td>Mr. K K Kapur</td> <td>-</td> <td>1331 : 21</td> <td>(6338%)</td> </tr> <tr> <td>Mr. P R Khanna</td> <td>-</td> <td>73 : 21</td> <td>(348%)</td> </tr> <tr> <td>Mr. R. Parameswar</td> <td>-</td> <td>73 : 21</td> <td>(348%)</td> </tr> <tr> <td>Ms. Bindu Saxena</td> <td>-</td> <td>37 : 21</td> <td>(176%)</td> </tr> <tr> <td>Mr. Uday Harsh Khemka</td> <td>-</td> <td>9 : 21</td> <td>(73%)</td> </tr> <tr> <td>Mr. Shiv Vikram Khemka</td> <td>-</td> <td>37 : 21</td> <td>(176%)</td> </tr> <tr> <td>Mr. Harjiv Singh</td> <td>-</td> <td>37 : 21</td> <td>(176%)</td> </tr> </table>	Mr. Nand Khemka	-	1331 : 21	(6338%)	Mr. K K Kapur	-	1331 : 21	(6338%)	Mr. P R Khanna	-	73 : 21	(348%)	Mr. R. Parameswar	-	73 : 21	(348%)	Ms. Bindu Saxena	-	37 : 21	(176%)	Mr. Uday Harsh Khemka	-	9 : 21	(73%)	Mr. Shiv Vikram Khemka	-	37 : 21	(176%)	Mr. Harjiv Singh	-	37 : 21	(176%)																
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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"><b>Directors</b></td> </tr> <tr> <td>Mr. Nand Khemka</td> <td>-</td> <td>(37.52%)</td> <td></td> </tr> <tr> <td>Mr. K K Kapur</td> <td>-</td> <td>(37.52%)</td> <td></td> </tr> <tr> <td>Mr. P R Khanna</td> <td>-</td> <td>(38.38%)</td> <td></td> </tr> <tr> <td>Mr. R. Parameswar</td> <td>-</td> <td>(38.38%)</td> <td></td> </tr> <tr> <td>Ms. Bindu Saxena</td> <td>-</td> <td>(68.87%)</td> <td></td> </tr> <tr> <td>Mr. Uday Harsh Khemka</td> <td>-</td> <td>(63.57%)</td> <td></td> </tr> <tr> <td>Mr. Shiv Vikram Khemka</td> <td>-</td> <td>(22.59%)</td> <td></td> </tr> <tr> <td>Mr. Harjiv Singh</td> <td>-</td> <td>NA</td> <td></td> </tr> <tr> <td colspan="4"><b>Key Managerial Personnel</b></td> </tr> <tr> <td>Mr. J.K Jain(CFO)</td> <td>-</td> <td>14%</td> <td></td> </tr> <tr> <td>Mrs. Manali D Bijlani (CS)</td> <td>-</td> <td>22%</td> <td></td> </tr> </table>	<b>Directors</b>				Mr. Nand Khemka	-	(37.52%)		Mr. K K Kapur	-	(37.52%)		Mr. P R Khanna	-	(38.38%)		Mr. R. Parameswar	-	(38.38%)		Ms. Bindu Saxena	-	(68.87%)		Mr. Uday Harsh Khemka	-	(63.57%)		Mr. Shiv Vikram Khemka	-	(22.59%)		Mr. Harjiv Singh	-	NA		<b>Key Managerial Personnel</b>				Mr. J.K Jain(CFO)	-	14%		Mrs. Manali D Bijlani (CS)	-	22%	
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(iii) the percentage increase in the median remuneration of employees in the financial year;	3%																																																
(iv) the number of permanent employees on the rolls of company;	345 employees as on 31.03.2017																																																
(v) the explanation on the relationship between average increase in remuneration and company performance;	Average increase in remuneration of all employees was 5.66% for the year 2017 which is based on the results of the Company for the year ended 31.03.2016.Total Profit after Tax in year 2016 had decreased by 2% over the previous year																																																
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	Average decrease in remuneration of key managerial personnel was 37.52 % for the year 2017 which is due to decrease in profit in the current year.Total Profit after Tax in year 2017 had decreased by 31% 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;"><b>As on</b></th> <th style="text-align: center;"><b>As on</b></th> <th style="text-align: center;"><b>% increase</b></th> </tr> <tr> <th></th> <th style="text-align: center;">31.03.2016</th> <th style="text-align: center;">31.03.2017</th> <th></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. 165.00</td> <td style="text-align: right;">Rs. 203.35</td> <td style="text-align: right;">23.24%</td> </tr> <tr> <td>P/E Ratio</td> <td style="text-align: right;">13.55</td> <td style="text-align: right;">24.20</td> <td style="text-align: right;">78.59%</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.</p>		<b>As on</b>	<b>As on</b>	<b>% increase</b>		31.03.2016	31.03.2017		Share price:				BSE	Rs. 165.00	Rs. 203.35	23.24%	P/E Ratio	13.55	24.20	78.59%																												
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P/E Ratio	13.55	24.20	78.59%																																														

(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 was 5.66% Average Salary decrease of managerial employees was 37.52%
(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, 2017 was as per the Remuneration Policy of the Company

#### Details of employees under section 134(3)(q) 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
Mr. Nand Khemka	Chairman & Managing Director	0.07	Relative of Mr. Shiv Khemka and Mr. Uday Khemka	Business Head (Contractual)	1,59,68,600	MS in Foreign Trade and Masters Degree in Business Administration from Columbia University, New York, U.S.A	April 1, 2010	Over 50 years	82	Promoter and Chairman of Indag Rubber Ltd. since incorporation.
Mr. K.K. Kapur	Whole-Time Director & CEO	Nil	Nil	Business Head (Contractual)	1,59,68,600	Masters in Mathematics, CMA	April 9, 2001	Over 50 years	79	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, Institutes/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 2016-2017, 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"> <li>1. Directly by the Company for fulfilling its responsibilities towards various stakeholders</li> <li>2. Contribution/ donation made to such other Organization / Institutions as may be permitted under the applicable laws from time to time</li> <li>3. Through implementing agency Youthreach and the Nabha Foundation</li> </ol> <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 <a href="http://www.indagrubber.in/investors/policies.php">www.indagrubber.in/investors/policies.php</a>. The details of the CSR activities undertaken at Indag can be accessed at <a href="http://www.indagrubber.in/investors.php">www.indagrubber.in/investors.php</a>.</p>
2	The Composition of the CSR Committee	<ol style="list-style-type: none"> <li>1. Mr. Nand Khemka (Executive/ Interested-Chairman)</li> <li>2. Mr. P.R.Khanna (Independent)</li> <li>3. Mr. K.K.Kapur (Executive/ Interested)</li> </ol>
3	Average net profits of the company for last three financial years	Rs. 4,058.90 Lacs

4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)(Amount in lacs)	Rs. 81.18 lacs
5	Amount unspent carried forward of the Financial Year 2015-2016	Rs. 38.67 lacs
6	Total CSR budget for Financial Year 2016-2017	Rs. 119.85 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. 69.22 lacs Rs. 50.63 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	Health Care and Sanitation Education and Vocational Training Social and Rural Development Rural Sports Empowering women and social economic welfare	Total budget of Rs. 119.85 lacs	32.73 33.17 1.86 0.15 1.31	Expenditure upto March 31, 2017 is Rs. 69.22 lacs	1. Spent through the Youthreach Rs. 30.00 lacs 2. Spent through the Nabha Foundation Rs. 28.00 lacs 3. Amount directly spent by company Rs. 11.22 lacs
2.			<b>Total</b>	<b>119.85 lacs</b>	<b>69.22</b>	<b>69.22 lacs</b>	

- 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 2017-18. 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.

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

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[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**  
**CIN : L74899DL1978PLC009038**  
**11, Community Centre, Saket**  
**New Delhi- 110017**

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **March 31, 2017**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
  - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [**Not applicable as the Company has not issued any further share capital during the period under review**];
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; [**Not applicable as the Company has not offered any shares or granted any options pursuant to any employee benefit scheme during the period under review**];
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [**Not applicable as the Company has not issued and listed any debt securities during the financial year under review**];
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not applicable as the Company has not delisted/proposed to delist its equity shares from any Stock Exchange during the financial year under review];**
- h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 [Not applicable as the Company has not bought back/proposed to buy-back any of its securities during the financial year under review].**

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

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

For the compliances of 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.

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

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

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

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above and has a duly constituted Corporate Social Responsibility Committee in accordance to Section 135(1) of the Act. However, the total amount allocated for CSR activities is still unspent and is marked to be carried forward for the Financial Year 2017-18.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

As per the minutes of the meetings of the Board and Committees of the Board duly signed by the Chairman, all the decisions of the Board were adequately passed and no dissenting views have been recorded.

As per the records, the Company generally filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is in compliance with the Act. Further, the Company is advised to take utmost care while filling & filing the forms with MCA.

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

**We further report that** during the audit period the 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 Board of Directors of the Company at its meeting held on April 14, 2016 approved to increase the investment

limit from Rs. 100 crores to Rs. 125 crores in pursuance to Section 186 of the Companies Act, 2013.

- (ii) The Board of Directors of the Company at its meeting held on October 10, 2016, has approved the acquisition of 50.7% of shares in SUN-AMP Solar India Private Limited and assumed the status of Holding Company of SUN-AMP Solar India Private Limited.
- (iii) The Board of Directors of the Company at its meeting held on October 24, 2016, declared an Interim Dividend of Rs. 0.90/- per equity share of Rs. 2/- each for the Financial Year 2016-17 and November 11, 2016 was fixed as the Record Date for the purpose of the same.

**For RMG & Associates**  
Company Secretaries

Date : May 5, 2017  
Place : New Delhi

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

**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 Account of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For RMG & Associates**  
Company Secretaries

Date : May 5, 2017  
Place : New Delhi

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

**Form AOC-1**

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

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

Sl. No.	Particulars	Details	
		1	2
1.	Sl.No.	1	2
2.	Name of the subsidiary	SUN-AMP Solar India (P) Limited (subsidiary of the Company)	Samyama Jyothi Solar Energy Private Limited (Subsidiary of SUN-AMP Solar India (P) Ltd)
3.	The date since when subsidiary was acquired	October 13, 2016	October 13, 2016
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-	-
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	-
6.	Share Capital	49,290,000	38,950,000
7.	Reserves and surplus	(15,347,690)	1,961,096
8.	Total assets	59,786,373	216,594,211
9.	Total liabilities	25,844,063	175,683,115
10.	Investments	-	-
11.	Turnover	1,645,561	14,219,520
12.	Profit before taxation	(13,943,444)	(2,464,317)
13.	Provision for taxation	-	469,576
14.	Profit after taxation	(13,943,444)	1,994,741
15.	Proposed dividend	-	-
16.	% of shareholding	75.84%	-

The audited financial statements of the above subsidiaries have been drawn up to the same reporting date as that of the company i.e. March 31, 2017.

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

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

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

As per our report of even date

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

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

Date : May 5, 2017  
Place : New Delhi

For and on behalf of the Board of Directors

**K. K. Kapur**  
CEO and Whole Time Director

**Manali D Bijlani**  
Company Secretary

**P. R. Khanna**  
Director

**J. K. Jain**  
Chief Financial Officer



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

**As on the financial year ended on March 31, 2017**

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

**I. REGISTRATION AND OTHER DETAILS:**

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

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Precured Tread Rubber	22191	85.36%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –**

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	SUN-AMP Solar India (P) Ltd.	U74140DL2015PTC279028	Subsidiary	75.84%	Section 2(87)
2.	Samyama Jyothi Solar Energy Private Limited.	U40104KA2015PTC081225	Step-down Subsidiary	100%	Section 2(87)

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

Category of Shareholders	No. of Equity Shares of Rs.2/- each held at the beginning of the year				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	
<b>A. Promoters</b>									
<b>1) Indian</b>									
a) Individual/HUF	11285010	-	11285010	42.99	11285010	-	11285010	42.99	-

b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	7825428	-	7825428	29.81	7825428	-	7825428	29.81	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	<b>19110438</b>	<b>-</b>	<b>19110438</b>	<b>72.80</b>	<b>19110438</b>	<b>-</b>	<b>19110438</b>	<b>72.80</b>	<b>-</b>
<b>2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	513000	-	513000	1.95	513000	-	513000	1.95	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	<b>513000</b>	<b>-</b>	<b>513000</b>	<b>1.95</b>	<b>513000</b>	<b>-</b>	<b>513000</b>	<b>1.95</b>	<b>-</b>
<b>Total shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>19623438</b>	<b>-</b>	<b>19623438</b>	<b>74.76</b>	<b>19623438</b>	<b>-</b>	<b>19623438</b>	<b>74.76</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	2250	2250	0.01	-	2250	2250	0.01	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	58355	-	58355	0.22	58355	-	58355	0.22	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>58355</b>	<b>2250</b>	<b>60605</b>	<b>0.23</b>	<b>58355</b>	<b>2250</b>	<b>60605</b>	<b>0.23</b>	<b>-</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	800971	18250	819221	3.12	832631	17250	849881	3.24	0.12
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3187096	682335	3869431	14.74	3225105	406075	3631180	13.83	(0.9)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1366178	-	1366178	5.20	1268434	-	1268434	4.83	(0.37)
c) NBFCs Registered with RBI	-	-	-	-	320000	-	320000	1.22	1.22
d) Others (specify)									

N.R.I.(REPT & NON-REPT)	226813	1750	228563	0.87	282521	1500	284021	1.08	0.21
Clearing House/Public Trust	1300	-	1300	0.00	-	-	-	-	(0.00)
Corporate Bodies - OCB	-	-	-	-	-	-	-	-	-
Intermediary/Other Depository A/c	-	-	-	-	-	-	-	-	-
Hindu Undivided Family	144212	5000	149212	0.57	201448	-	201448	0.77	0.2
Clearing Members	5730	-	5730	0.02	10993	-	10993	0.04	0.02
Qualified Foreign Investor - Individual	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor-Corporate	126322	-	126322	0.48	-	-	-	-	(0.48)
<b>Sub-total (B)(2)</b>	<b>5858622</b>	<b>707335</b>	<b>6565957</b>	<b>25.01</b>	<b>6141132</b>	<b>424825</b>	<b>6565957</b>	<b>25.01</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>5916977</b>	<b>709585</b>	<b>6626562</b>	<b>25.24</b>	<b>6199487</b>	<b>427075</b>	<b>6626562</b>	<b>25.24</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>25540415</b>	<b>709585</b>	<b>26250000</b>	<b>100.00</b>	<b>25822925</b>	<b>427075</b>	<b>26250000</b>	<b>100.00</b>	<b>-</b>

## (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Equity Shares of Rs.2/- each	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Equity Shares of Rs.2/- each	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Jeet Nabha Khemka	8765005	33.39	Nil	8765005	33.39	Nil	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	27688	0.11	Nil	27688	0.11	Nil	NA
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
1.	At the beginning of the year	1,96,23,438	74.76		
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			NIL	NIL
3.	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		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
	<b>For Each of the Top 10 Shareholders</b>				
i) 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):			02.09.2016: Sale of 1,000 Shares	0.004
	At the End of the year (or on the date of separation, if separated during the year)			2,49,000	0.95
ii) Tejas Bhachandra Trivedi	At the beginning of the year	2,25,800	0.86		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			Nil	Nil
	At the End of the year (or on the date of separation, if separated during the year)			2,25,800	0.86
iii) Infina Finance Private Limited	At the beginning of the year	1,95,512	0.74		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			20.05.2016 Purchase of 7,132 shares	0.027
				27.05.2016 Purchase of 8,128 shares	0.031

				03.06.2016 Purchase of 8,547 shares	0.033
				10.06.2016 Purchase of 10,454 shares	0.04
				17.06.2016 Purchase of 3,521 shares	0.013
				24.06.2016 Purchase of 6,260 shares	0.024
				30.06.2016 Purchase of 42,800 shares	0.16
				12.08.2016 Purchase of 4,000 shares	0.015
				19.08.2016 Purchase of 10,000 shares	0.04
				26.08.2016 Purchase of 10,646 shares	0.04
				02.09.2016 Purchase of 13,000 shares	0.05
	At the End of the year (or on the date of separation, if separated during the year)			<b>3,20,000</b>	<b>1.22</b>
<b>iv) Shivani Tejas Trivedi</b>	At the beginning of the year	1,71,000	0.65		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			19.08.2016 Purchase of 4,801 shares	0.02
				02.09.2016 Purchase of 22,314 shares	0.08
				07.10.2016 Purchase of 49,014 shares	0.19
				14.10.2016 Purchase of 10,000 shares	0.04
				21.10.2016 Purchase of 10,000 shares	0.04
				28.10.2016 Purchase of 10,000 shares	0.04
				11.11.2016 Purchase of 5,000 shares	0.02
				18.11.2016 Purchase of 5,421 shares	0.02
				25.11.2016 Purchase of 31,000 shares	0.12
				02.12.2016 Purchase of 9,103 shares	0.03
				20.01.2017 Purchase of 29,466 shares	0.11
				24.02.2017 Purchase of 1,108 shares	0.004
				03.03.2017 Purchase of 11,660 shares	0.04
				17.03.2017 Purchase of 23,092 shares	0.09
				24.03.2017 Purchase of 16,293 shares	0.06
				31.03.2017 Purchase of 63,075 shares	0.24

	At the End of the year (or on the date of separation, if separated during the year)			<b>4,72,347</b>	<b>1.80</b>
<b>v) Shashi Bala Garg</b>	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):			24.03.2017 Sale of 13,500 Shares	0.05
				31.03.2017 Sale of 65,845 Shares	0.25
	At the End of the year ( or on the date of separation, if separated during the year)			<b>45,655</b>	<b>0.02</b>
<b>vi) Pinebridge Investments of Mauritius Limited</b>	At the beginning of the year	1,21,322	0.46		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			20.05.2016 Sale of 78,562 Shares	0.30
				20.01.2017 Sale of 1,99,884 Shares	0.76
	At the End of the year (or on the date of separation, if separated during the year)			<b>0</b>	<b>0</b>
<b>vii) Acira Consultancy Private limited</b>	At the beginning of the year	1,13,940	0.43		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) :			06.05.2016 Sale of 6,618 Shares	0.44
				27.05.2016 Sale of 1,161 Shares	0.004
				24.06.2016 Sale of 68,012 Shares	0.26
				30.06.2016 Sale of 38,149 Shares	0.15
	At the End of the year (or on the date of separation, if separated during the year)			<b>0</b>	<b>0</b>
<b>viii) Mukul Chadda</b>	At the beginning of the year	95,000	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):			18.11.2016 Sale of 5,000 Shares	0.02
				25.11.2016 Sale of 10,000 Shares	0.04
				02.12.2016 Sale of 10,000 Shares	0.04
				09.12.2016 Sale of 5,000 Shares	0.02
				13.01.2017 Sale of 904 Shares	0.003
	At the End of the year (or on the date of separation, if separated during the year)			<b>64,096</b>	<b>0.24</b>

<b>ix) Bang Securities Private Limited</b>	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):			13.05.2016 Sale of 10,044 Shares	0.04
				20.05.2016 Sale of 79,456 Shares	0.30
	At the End of the year ( or on the date of separation, if separated during the year)			<b>0</b>	<b>0</b>
<b>x) S. Murugesan</b>	At the beginning of the year	75,550	0.29		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			07.10.2016 Sale of 11,882 shares	0.04
				13.01.2017 Sale of 23,659 shares	0.1
				03.03.2017 Sale of 29,033 shares	0.1
	At the End of the year (or on the date of separation, if separated during the year)			<b>10976</b>	<b>0.04</b>

**(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 (joint holding with Mrs.Nitya Khemka)	12,50,750	4.76		
	iii) Shiv Khemka (joint holding with Mrs.Urvashi Khemka)	12,50,750	4.76		
	iii) 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(joint holding with Mrs.Nitya Khemka)			Nil	Nil
	iii) Shiv Khemka (joint holding with Mrs.Urvashi Khemka)			Nil	Nil
	ii) J K Jain			Nil	Nil
3.	At the End of the year				
	i) Nand Khemka			<b>18,505</b>	<b>0.07</b>
	ii) Uday Khemka (joint holding with Mrs.Nitya Khemka)			<b>12,50,750</b>	<b>4.76</b>
	iii) Shiv Khemka (joint holding with Mrs.Urvashi Khemka)			<b>12,50,750</b>	<b>4.76</b>
	ii) J K Jain			<b>10</b>	<b>0.00003</b>

## V. INDEBTEDNESS

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

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

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Nand Khemka	K. K. Kapur	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	96,00,000	80,93,561	1,76,93,561
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	1,15,290	1,15,290
	(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...	63,68,600 -	68,10,393 -	1,31,78,993 -
5	Others, please specify -PF	-	9,49,356	9,49,356
	<b>Total (A)</b>	<b>1,59,68,600</b>	<b>1,59,68,600</b>	<b>3,19,37,200</b>
	<b>Ceiling as per the Act</b>	<b>1,59,68,600</b>	<b>1,59,68,600</b>	<b>3,19,37,200</b>



**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (in Rs.)
		P R Khanna	R Parameswar	Harjiv Singh	Bindu Saxena	
1	<b>Independent Directors</b>					
	• Fee for attending board / committee meetings	3,50,000	3,50,000	1,00,000	1,00,000	9,00,000
	• Commission	8,74,935	8,74,935	4,41,935	4,41,935	26,33,740
	• Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	<b>12,24,935</b>	<b>12,24,935</b>	<b>5,41,935</b>	<b>5,41,935</b>	<b>35,33,740</b>
2	<b>Other Non-Executive Directors</b>	<b>Shiv Khemka</b>	<b>Uday Khemka</b>			
	• Fee for attending board / committee meetings	40,000	20,000			60,000
	• Commission	4,41,935	1,01,937			5,43,872
	• Others, please specify	Nil	Nil			Nil
	<b>Total (2)</b>	<b>4,81,935</b>	<b>1,21,937</b>			<b>6,03,872</b>
	<b>Total (B)=(1+2)</b>					<b>41,37,612</b>
	<b>Total Managerial Remuneration</b>					<b>31,77,612</b>
<b>Overall Ceiling as per the Act</b>					<b>31,77,612</b>	

**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	J. K. Jain	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15,93,466	35,21,998	51,15,464
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,66,603	-	1,66,603
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	- - -	- - -	- - -
5	Others, please specify			
	-PF	1,13,994	2,46,993	3,60,987
	-Incentive	1,05,000	18,23,000	19,28,000
	-Bonus	16,800	16,800	33,600
	<b>Total</b>	<b>19,95,863</b>	<b>56,08,791</b>	<b>76,04,654</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

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

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

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

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

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

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

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

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

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

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

Sl. No.	Particulars	Amount in Rs.lacs
1	Capital expenditure in R&D	34.82
2	Revenue expenditure in R&D	7.42
3	Expenditure on Salary with respect to R&D	8.33

**D. Foreign Exchange Earning and Outgo**

During the year the Company has exported retreading material of Rs.1046.77 lacs

**Total Foreign Exchange used and earned:**

Particulars	2016-17 (Rs. in lacs)	2015-16 (Rs. in lacs)
Foreign Exchange earned	241.56	254.67
Foreign Exchange used	202.76	74.96

## REPORT ON CORPORATE GOVERNANCE

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

**In accordance with Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 with Bombay Stock Exchange (BSE) 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, Woman Director and Independent Directors.

The Board comprises of eight directors, which include two executive directors and six non-executive directors as on March 31, 2017. 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 Regulation 16 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The composition of the Board of Directors as on March 31, 2017 with their attendance at the Board Meetings held during the year 2016-17 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 May 27, 2016	No. of other Directorship(s) held in Public Companies*	No. of Membership(s)/ Chairmanship in Committees (including INDAG)**	Relationship with other Directors	Number of shares and convertible instruments held by non-Executive Directors
00211084	Mr. Nand Khemka (Chairman cum Managing Director)	Executive Promoter (Interested)	3 of 8	Yes	1	2	Relative of Mr. Shiv Khemka & Mr. Uday Khemka	-
00048800	Mr. P. R. Khanna	Non-Executive (Independent)	8 of 8	Yes	4	7 (including 4 as Chairman)	Nil	Nil
01879913	Mr. R. Parameswar	Non-Executive (Independent)	8 of 8	Yes	Nil	2 (both as Chairman)	Nil	Nil
00167802	Ms. Bindu Saxena	Non-Executive (Independent)	4 of 8	Yes	1	1	Nil	Nil
00323609	Mr. Uday Khemka	Non-Executive (Interested)	1 of 8	No	Nil	Nil	Relative of Mr. Nand Khemka & Mr. Shiv Khemka	12,50,750 (Joint Holding with Mrs. Nitya Khemka)

01214671	Mr. Shiv Khemka	Non-Executive (Interested)	4 of 8	Yes	Nil	Nil	Relative of Mr. Nand Khemka & Mr. Uday Khemka	12,50,750 (joint holding with Mrs. Urvashi Khemka)
00507695	Mr. Harjiv Singh***	Non-Executive (Independent)	4 of 7	NA	1	Nil	Nil	Nil
00745117	Mr. K.K. Kapur (Whole-time Director)	Executive (Interested)	8 of 8	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.

\*\*\* appointed as an Independent Director w.e.f August 9, 2016 to fill casual vacancy caused due to resignation of Mr. K.M.S.Ahluwalia.

#### (b) Board Meetings

Eight meetings of the Board of Directors were held during the year, viz. on April 14, 2016, August 9, 2016, October 10, 2016, October 24, 2016, December 9, 2016, December 29, 2016, January 12, 2017 and March 30, 2017. 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) Regulations, 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 SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on March 30, 2017 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. Based on the guidance note issued by SEBI on January 5, 2017 on Board Evaluation, 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. Except Ms. Bindu Saxena, other 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. Detailed updates on nature of industry in which the company operates, alongwith business, operations, expansion, strategy, budgets, financial statements, besides relevant regulatory updates are presented at Board meetings. The web link for the Familiarisation Programmes for Independent Directors is <http://indagrubber.in/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 revised criteria laid down by Nomination and Remuneration Committee as per SEBI guidance note on Board Evaluation dated January 5, 2017.

The evaluation process for the financial year 2016-17 has been completed.

### III. Audit Committee

- (a) Audit Committee comprised of three directors as on March 31, 2017 out of which two were non-executive (independent) directors and one was executive director having financial management expertise. The Chairman of the committee, Mr. R. Parameswar, (Independent Director) was present at the last Annual General Meeting. Company Secretary acts as the secretary to the Audit Committee.

Seven meetings of the Audit Committee were held during the year viz. on April 14, 2016, August 8, 2016, October 10, 2016, October 24, 2016, December 9, 2016, December 29, 2016 and January 12, 2017 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
Mr. R. Parameswar	Chairman	Non-Executive Independent Director	7 of 7
Mr. P. R. Khanna	Member	Non-Executive Independent Director	7 of 7
Mr. Nand Khemka	Member	Executive Promoter Director	3 of 7

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

### 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.in](http://www.indagrubber.in).

Three meetings of the Nomination and Remuneration Committee were held during the year viz. on April 14, 2016, August 9, 2016, and March 30, 2017. The composition of the Nomination and Remuneration Committee and details of their attendance at the meetings are as follows:

Name of the Director	Position	Category	No. of meetings attended
Mr. P. R. Khanna	Chairman	Non-Executive Independent Director	3 of 3
Mr. R. Parameswar	Member	Non-Executive Independent Director	3 of 3
Ms. Bindu Saxena	Member	Non-Executive Independent Director	2 of 3
Mr. Nand Khemka	Member	Executive Promoter Director	1 of 3

Mr. 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 Requirements) Regulations, 2015 as well as section 178 of the Companies Act, 2013.

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

Based on the guidance note issued by SEBI on January 5, 2017 on Board Evaluation, the Nomination and Remuneration Committee has revised performance evaluation criteria for Independent Directors, which are as under-

Area of Evaluation
1. Qualification
2. Experience
3. Knowledge of Competency
4. Fulfillment of functions
5. Ability to function as a team
6. Initiative
7. Availability and attendance
8. Commitment
9. Contribution
10. Integrity
11. Independence
12. Independent views and judgement

**V. Remuneration of Directors**

- (a) There was no pecuniary relationship or transaction between the Non-Executive Directors and the company during the financial year 2016-2017.

**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 conditions mentioned in the Companies Act, 2013.
- 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 Rupees 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 members, 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 given in the Nomination and Remuneration Policy. The web link for the same is <http://indagrubber.in/demoverision/wp-content/uploads/NRC-policy.pdf>.

- (b) **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 34<sup>th</sup> Annual General Meeting of the Company held on July 19, 2013, profit sharing commission of a sum not exceeding one percent of the net profits of the Company calculated in accordance with the provisions of section 197 and 198

of the Companies Act, 2013 is paid. The distribution of Commission amongst the Non-Executive Directors is recommended by the Nomination and Remuneration Committee and determined by the Board broadly on the basis of contribution made at the Board meeting(s) as well as various Committee meeting(s) and the time spent on operational matters.

The Non-Executive Directors were paid sitting fee of Rs. 20,000/- for meeting for attending the Board and Audit Committee Meetings 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. May 21, 2015) and Stakeholder Relationship Committee (w.e.f. November 4, 2015). The sitting fee has been revised in the Board meeting held on May 5, 2017.

Name of the Director	Relationship with other Directors	Sitting fee paid during 2016-17 (Rs.)*	Commission paid for the year (Rs.)		Number of shares and convertible instruments held
			2016-17	2015-16	
Mr. P. R. Khanna	Nil	3,50,000	8,74,935	14,20,000	Nil
Mr. R. Parameswar	Nil	3,50,000	8,74,935	14,20,000	Nil
Ms. Bindu Saxena	Nil	1,00,000	4,41,935	14,20,000	Nil
Mr. Harjiv Singh	Nil	1,00,000	4,41,935	Nil	Nil
Mr. Shiv Khemka	Relative of Mr. Nand Khemka and Mr. Uday Khemka	40,000	4,41,935	5,70,849	12,50,750 (joint holding with Mrs. Urvashi Khemka)
Mr. Uday Khemka	Relative of Mr. Nand Khemka and Mr. Shiv Khemka	20,000	1,01,937	2,80,000	12,50,750 (joint holding with Mrs. Nitya Khemka)

\*Sitting fee and commission are 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 2016-17 (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
Mr. K. K. Kapur	Nil	CEO & Whole time Director	159.69	159.69	-	-

- Bonus for the year 2016-2017 amounted to Rs. 68.10 lacs.
- The appointment is subject to termination by giving three months notice in writing on either side. Mr. K. K. Kapur was re-appointed as the Whole Time Director & CEO w.e.f. June 1, 2016 for a period of three years.
- Mr. Kapur would be entitled to Provident Fund, Gratuity and encashment of leave at the end of tenure.
- 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 2016-17 (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
Mr. Nand Khemka	Relative of Mr. Shiv Khemka and Mr. Uday Khemka	Chairman cum Managing Director	159.69	159.69	-	-

- Bonus for the year 2016-2017 amounted to Rs.63.69 lacs.
- The appointment is subject to termination by giving three months notice in writing on either side. Mr. Nand Khemka was re-appointed as the Chairman cum 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. Stakeholders' Relationship Committee

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

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

- No. of investors' complaints received by the RTA/ Company during the year: 2  
No. of complaints not solved to the satisfaction of shareholders during the year: Nil  
No. of complaints pending as at March 31, 2017: 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.

## VII. 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
35 <sup>th</sup>	Friday	July 25, 2014	10.00 A.M.	Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110003	<ul style="list-style-type: none"> <li>- Increase in borrowing power in terms of Section 180(1)(c) of the Companies Act, 2013.</li> <li>- Creation of charge/mortgage on company's moveable and immovable properties in terms of section 180(1)(a) of the Companies Act, 2013.</li> </ul>
36 <sup>th</sup>	Friday	August 14, 2015	10.00 A.M.	Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110003	None
37 <sup>th</sup>	Friday	May 27, 2016	10.00 A.M.	Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110003	Reappointment of Mr. K.K.Kapur as a whole time director for a period of three years with effect from June 1, 2016.

## VIII. 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.in](http://www.indagrubber.in). 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.

## IX. General Shareholders' Information

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

Day	: MONDAY
Date	: JUNE 19, 2017
Time	: 10:00 AM
Venue	: Sai International Centre, Lodhi Road, New Delhi

(ii) **Financial Year** : April 1, 2016 to March 31, 2017

(iii) **Dividend Payment Date** : On or after June 26, 2017

### (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 2016-2017:**

The details of Monthly High and Low price(s) on the Stock Exchange, Mumbai, for the Financial Year 2016-2017 are as under:

Month	Monthly High	Monthly Low	S&P BSE SENSEX Monthly High	S&P BSE SENSEX Monthly Low
April, 2016	196.50	163.00	26,100.54	24,523.20
May, 2016	199.50	173.80	26,837.20	25,057.93
June, 2016	205.90	171.10	27,105.41	25,911.33
July, 2016	196.00	178.00	28,240.20	27,034.14
August, 2016	191.40	158.00	28,532.25	27,627.97
September, 2016	190.95	169.00	29,077.28	27,716.78
October, 2016	229.00	174.00	28,477.65	27,488.30
November, 2016	195.00	158.10	28,029.80	25,717.93
December, 2016	194.00	173.00	26,803.76	25,753.74
January, 2017	191.40	170.00	27,980.39	26,447.06
February, 2017	195.00	166.90	29,065.31	27,590.10
March, 2017	214.95	181.00	29,824.62	28,716.21

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

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

**(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, 2017:**

No. of equity shares held	Number of Shareholder	% to total numbers	Share holding amount (Rs.)	% to total amount
Up To 5,000	6644	95.83	39,66,852	7.56
5001 To 10,000	129	1.86	9,79,290	1.87
10001 To 20,000	68	0.98	10,00,386	1.91
20001 To 30,000	32	0.46	7,75,132	1.48
30001 To 40,000	9	0.13	3,20,156	0.61
40001 To 50,000	12	0.17	5,44,786	1.04
50001 To 1,00,000	18	0.26	13,40,258	2.55
1,00,000 and Above	21	0.3	4,35,73,140	83
<b>Total</b>	<b>6933</b>	<b>100</b>	<b>52500000</b>	<b>100</b>

**(x) Categories of Shareholding as on March 31, 2017:**

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	43.0
Mutual Fund	2,250	0.01
Bodies Corporate	6,12,926	2.33
Unclaimed Suspense Account	2,36,955	0.9
Non Resident Indians	2,84,021	1.08
NBFCs Registered with RBI	3,20,000	1.22
Foreign Portfolio Investors	58,355	0.22
Clearing Members/House	10,993	0.04
Individuals	48,99,614	18.66
Resident Indian HUF	2,01,448	0.77
<b>Total</b>	<b>2,62,50,000</b>	<b>100</b>

**(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, 2017, a total of 2,58,22,925 equity shares which form 98.37% 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.

**(xiv) Plant Location :**

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

**(xv) Address for Correspondence:**

- (a) For Transfer of physical shares, request for dematerialization of shares, change of mandates/ address or any other query : Skyline Financial Services (P) Limited  
D-153/A, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase-1, New Delhi-110020  
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 March 31, 2017 there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large.
- (ii) No penalties were imposed, and no strictures were passed by Stock Exchange or SEBI or any statutory authority on any capital market related matters during the last three years.
- (iii) The Company has announced Whistle Blower policy. All the personnel of the company have the access to the Audit Committee.
- (iv) The Company has complied with the mandatory requirements of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Company has adopted various non-mandatory requirements as well, as discussed under relevant headings.
- (v) The Company has framed a Material Subsidiary Policy and the same is placed on the Company's website and the web link for the same is <http://indagrubber.in/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.in/demoversion/wp-content/uploads/Policy-on-materiality-of-Related-Party-Transaction.pdf>.
- (vii) During the financial year ended March 31, 2017 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.

## XIII. The Company has fully complied with the applicable requirement specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

### 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.

### Disclosure with respect to Demat Suspense Account/Unclaimed Suspense Account-

Pursuant to Regulation 39 read with Schedule VI of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the company has opened a separate demat suspense account in the name of "INDAG RUBBER LIMITED-UNCLAIMED SUSPENSE ACCOUNT" on December 16, 2016 with NSDL.

After sending three reminders to the shareholder on January 29, 2016, May 6, 2016 and July 23, 2016 whose physical share certificates, after split, were undelivered and returned to the Company, unclaimed physical shares were dematerialized and held in "Unclaimed Suspense Account". All corporate benefits would be credited to such suspense account for a period of 7 years and thereafter shall be transferred to IEPF.

<b>Particulars</b>	<b>No. of Shareholders</b>	<b>No. of Share</b>
<b>A.</b> Aggregate number of shareholders and the outstanding shares in the suspense account lying on December 16, 2016	617	236955
<b>B.</b> Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	-	-
<b>C.</b> Number of shareholders to whom shares were transferred from suspense account during the year	-	-
<b>D.</b> Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	617	236955

**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, 2017, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as applicable.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

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

**For RMG & Associates**  
Company Secretaries

Date : May 5, 2017  
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.in

### ECS MANDATE FORM

<b>(In case of Shareholding in Physical form)</b>	<b>(In case of shareholding in Electronic form)</b>
To, Skyline Financial Services (P) Limited D-153/A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Phone no.: 0-11-26812682-83 Email id:- info@skylinerta.com	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**
  - Bank Name : .....
  - Branch and city : .....
  - Address : .....
  - Account No. (As appearing in Cheque Book) : .....
  - Account Type : .....
  - 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, 2017, 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 standalone financial statements of Indag Rubber Limited ('the Company') as at and for the year ended March 31, 2017. We expressed an unmodified audit opinion on those financial statements in our report dated May 05, 2017.

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 Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. Reading the abridged financial statements, therefore, is not a substitute for reading the audited standalone financial statements of the Company.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors 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 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 standalone financial statements of the Company as at and for the year ended March 31, 2017 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 accounting principles generally accepted in India.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

per **Anil Gupta**

Partner

Membership Number: 087921

Place of Signature: New Delhi

Date: May 05, 2017

## **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 Financial Statements**

We have audited the accompanying standalone financial statements of Indag Rubber Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the 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.

#### **Management's Responsibility for the 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 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 the 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 the design, implementation and maintenance of adequate internal financial control 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, issued by the Institute of Chartered Accountants of India, as 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 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 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 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 March 31, 2017, 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 1 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 purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and 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 the Companies (Accounting Standards) Amendment Rules, 2016;
  - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, 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 2" to this report;
  - (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 standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
    - iv. The Company has provided requisite disclosures in Note 38 to these standalone financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our enquiries, test check of the books of account and other details maintained by the Company and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Anil Gupta**

Partner

Membership Number: 87921

Place of Signature: New Delhi

Date: May 05, 2017

**Annexure 1 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:

<b>Name of the statute</b>	<b>Nature of dues</b>	<b>Amount (Rs.in lacs)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Income Tax Act, 1961	Income Tax demand	139.15	A.Y. 1998-99	Delhi High Court
Income Tax Act, 1961	Income Tax demand	5.38	A.Y. 2014-15	CIT (Appeals), New Delhi
Himachal Pradesh Tax on entry of Goods into Local Area Act, 2010	Entry Tax	789.69	March 2011, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16 & 2016-17	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	24.63	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/E300005

per **Anil Gupta**

Partner

Membership Number: 87921

Place: New Delhi

Date: May 05,2017

## **ANNEXURE 2 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, 2017 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, 2017, 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, 2017, 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 May 04, 2017 expressed an unqualified opinion thereon.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Anil Gupta**

Partner

Membership Number: 87921

Place: New Delhi

Date: May 05, 2017

## Abridged balance sheet as at 31 March 2017

	As at 31 March 2017 (Rs. in lacs)	As at 31 March 2016 (Rs. in lacs)
<b>Equity and liabilities</b>		
<b>Shareholder's funds</b>		
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	15,034.54	13,588.37
	17,158.63	15,712.46
<b>Non-current liabilities</b>		
Deferred tax liabilities (net)	329.83	261.97
Long-term provisions	-	-
	329.83	261.97
<b>Current liabilities</b>		
Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises	10.94	6.27
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,260.54	1,078.82
Other current liabilities	1,277.36	1,494.47
Short-term provisions	149.07	116.15
	2,697.91	2,695.71
<b>TOTAL</b>	<b>20,186.37</b>	<b>18,670.14</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Fixed assets		
Property, Plant and Equipment (original cost less depreciation)	3,059.04	2,744.59
Intangible assets (original cost less amortisation)	19.15	6.38
Capital work-in-progress	19.44	428.75
Loans and advances	90.36	122.96
Non-current investments	6,162.64	5,370.23
Other non-current assets	30.71	4.01
	9,381.34	8,676.92
<b>Current assets</b>		
Current investments	2,569.91	2,969.40
Inventories	4,142.48	2,935.06
Trade receivables	2,900.16	3,011.70
Cash and bank balances	504.80	431.27
Loans and advances	661.58	610.41
Other current assets	26.10	35.38
	10,805.03	9,993.22
<b>TOTAL</b>	<b>20,186.37</b>	<b>18,670.14</b>

The accompanying notes form 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/E300005

**per Anil Gupta**

Partner

Membership No. 87921

Place: New Delhi

Date: May 05, 2017

For and on behalf of the Board of Directors

**K. K. Kapur**

CEO and Whole Time Director

**P.R. Khanna**

Director

**Manali D Bijlani**

Company Secretary

**J.K. Jain**

Chief Financial Officer



## Abridged statement of profit and loss for the year ended 31 March 2017

	31 March 2017 (Rs. in lacs)	31 March 2016 (Rs. in lacs)
<b>Revenue</b>		
Revenue from operations (gross) (refer details given in note 7)	20,415.00	25,473.36
Less: Excise duty	2,024.75	193.14
Revenue from operations (net)	18,390.25	25,280.22
Other income	608.30	507.59
<b>Total revenue (I)</b>	<b>18,998.55</b>	<b>25,787.81</b>
<b>Expenses</b>		
Cost of raw materials consumed	11,499.41	15,034.84
Purchase of traded goods	29.25	23.36
(Increase)/Decrease in inventories	(740.07)	10.95
Employee benefits expense	1,934.87	2,101.66
Finance costs	30.75	29.42
Depreciation and amortisation expense	296.30	275.87
Other expenses	2,771.08	3,522.87
<b>Total expenses (II)</b>	<b>15,821.59</b>	<b>20,998.97</b>
<b>Profit before tax (I-II)</b>	<b>3,176.96</b>	<b>4,788.84</b>
<b>Tax expenses</b>		
Current tax	903.41	1,358.29
Deferred tax charge	67.86	233.58
Income tax adjustment for earlier years	1.27	(0.48)
<b>Total tax expense</b>	<b>972.54</b>	<b>1,591.39</b>
<b>Profit for the year</b>	<b>2,204.42</b>	<b>3,197.45</b>
<b>Earnings per equity share</b>		
Basic and diluted (Rs.) [Nominal value of share Rs.2/]	8.40	12.18

The accompanying notes form 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/E300005

**per Anil Gupta**

Partner

Membership No. 87921

Place: New Delhi

Date: May 05, 2017

For and on behalf of the Board of Directors

**K. K. Kapur**

CEO and Whole Time Director

**P.R. Khanna**

Director

**Manali D Bijlani**

Company Secretary

**J.K. Jain**

Chief Financial Officer

## Abridged Cash flow statement for the year ended 31 March 2017

	31 March 2017 (Rs. in lacs)	31 March 2016 (Rs. in lacs)
<b>A. Cash flow from operating activities</b>	<b>890.83</b>	2,984.60
<b>B. Cash (used in) investing activities</b>	<b>(56.53)</b>	(2,276.09)
<b>C. Cash (used in) financing activities</b>	<b>(775.80)</b>	(773.73)
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>58.50</b>	(65.22)
<b>Cash and cash equivalents at the beginning of the year *</b>	<b>286.98</b>	352.19
<b>Cash and cash equivalents at the end of the year *</b>	<b>345.48</b>	286.98

\* refer details given in note 9

### 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, 2017 is after considering CSR expenditure of Rs. 69.22 lacs (previous year Rs. 70.79 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/E300005

### per Anil Gupta

Partner

Membership No. 87921

Place: New Delhi

Date: May 05, 2017

For and on behalf of the Board of Directors

### K. K. Kapur

CEO and Whole Time Director

### P.R. Khanna

Director

### Manali D Bijtani

Company Secretary

### J.K. Jain

Chief Financial Officer

## Notes to the abridged financial statements for the year ended 31 March 2017

(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, 2017.

### 2.[2.1] Change in Accounting Policy

Pre-revised AS 10 required that stand-by and servicing equipment should normally be capitalized as plant, property and equipment. It required that machinery spares are usually treated as inventory and charged to profit or loss on consumption. However, spares parts that can be only used in connection with a particular item of plant, property and equipment, and whose use is expected to be irregular, are capitalized. Such spare parts are depreciated over a period, not exceeding the remaining useful life of the principal asset.

According to AS 10 (R), all spare parts, stand-by and servicing equipment qualify as plant, property and equipment (PPE) if they meet the definition of PPE i.e. if the Company intends to use these during more than a period of 12 months. The spare parts capitalized in this manner are depreciated as per AS 10 (R)

The Company has changed its accounting policy of plant, property and equipment to comply with AS 10 (R). The Company has applied transitional provisions, which requires previously recognized stores and spares as inventory should be capitalized as a PPE at its carrying amount and depreciated prospectively over its remaining useful life. However, this change has no material impact on the profit for the year.

### 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 2017 (Rs. in lacs)	31 March 2016 (Rs. in lacs)
Domestic	17,343.48	24,504.53
Overseas	1,046.77	775.69
<b>Total</b>	<b>18,390.25</b>	<b>25,280.22</b>

### Carrying amount of Segment Trade receivables by Geographical Market

	31 March 2017 (Rs. in lacs)	31 March 2016 (Rs. in lacs)
Domestic	2,638.57	2,799.77
Overseas	261.59	211.93
<b>Total</b>	<b>2,900.16</b>	<b>3,011.70</b>

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) Subsidiary Company

- Sun - Amp Solar India Pvt Ltd (wef October 13, 2016)

##### (b) Step - down Subsidiary Company

- Samyama Jyothi Solar Energy Pvt Ltd (wef October 13, 2016)

##### (c) Key management personnel

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

##### (d) Relatives of key management personnel

- 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

##### (e) 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
- SRL 142 Holdings Ltd
- The Nabha Foundation

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:

	Subsidiary Company	Step-down Subsidiary Company	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 2017 (Rs. in lacs)	31 March 2017 (Rs. in lacs)	31 March 2017 (Rs. in lacs)	31 March 2017 (Rs. in lacs)	31 March 2017 (Rs. in lacs)	31 March 2017 (Rs. in lacs)
<b>Transactions for the year:</b>						
<b>Sale of finished goods</b>						
-			60.81	-	-	60.81
	-	-	60.81	-	-	60.81
<b>Purchase of Spares</b>						
-			-	-	-	-
	-	-	0.87	-	-	0.87
<b>Rent paid</b>						
-			75.18	-	-	75.18
	-	-	75.18	-	-	75.18
<b>Remuneration</b>						
-			-	-	255.57	255.57
	-	-	-	-	255.57	255.57
-			-	4.42	-	4.42
	-	-	-	4.42	-	4.42
-			-	1.02	-	1.02
	-	-	-	1.02	-	1.02
<b>Sitting fees</b>						
-			-	0.40	-	0.40
	-	-	-	0.40	-	0.40
-			-	0.20	-	0.20
	-	-	-	0.20	-	0.20
<b>Reimbursement of expenses received</b>						
-			0.78	-	-	0.78
	-	-	0.78	-	-	0.78
-			0.83	-	-	0.83
	-	-	0.83	-	-	0.83
-			1.68	-	-	1.68
	-	-	1.68	-	-	1.68
-			0.94	-	-	0.94
	-	-	0.94	-	-	0.94
-			-	-	-	-
	-	-	-	-	-	-
<b>Dividend paid</b>						
-			-	-	0.44	0.44
	-	-	-	-	0.44	0.44
-			-	210.36	-	210.36
	-	-	-	210.36	-	210.36
-			150.54	-	-	150.54
	-	-	150.54	-	-	150.54
-			28.50	-	-	28.50
	-	-	28.50	-	-	28.50
-			-	30.02	-	30.02
	-	-	-	30.02	-	30.02
-			-	-	-	-
	-	-	-	-	-	-
-			21.09	-	-	21.09
	-	-	21.09	-	-	21.09
<b>CSR expenditure</b>						
-			46.86	-	-	46.86
	-	-	46.86	-	-	46.86
-			28.00	-	-	28.00
	-	-	28.00	-	-	28.00

	Subsidiary Company		Step-down Subsidiary Company		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 2017 (Rs. in lacs)	31 March 2016 (Rs. in lacs)	31 march 2017 (Rs. in lacs)	31 March 2016 (Rs. in lacs)	31 march 2017 (Rs. in lacs)	31 March 2016 (Rs. in lacs)	31 march 2017 (Rs. in lacs)	31 March 2016 (Rs. in lacs)	31 march 2017 (Rs. in lacs)	31 March 2016 (Rs. in lacs)	31 March 2016 (Rs. in lacs)
<b>Security Deposit Taken</b>											
- Khemka Aviation Private Limited	-	-	-	-	2.00	2.00	-	-	-	2.00	2.00
<b>Security Deposit Refunded</b>											
- Khemka Aviation Private Limited	-	-	-	-	2.00	2.00	-	-	-	2.00	2.00
<b>Investments in Equity Shares</b>											
SUN AMP Solar India (P) Ltd	295.35	-	-	-	-	-	-	-	-	295.35	-
<b>Investments in Compulsary Convertible preference shares</b>											
SFL 142 Holdings Ltd	-	-	-	-	1,201.95	-	-	-	-	1,201.95	-
<b>Bank Guarantees Given</b>											
Samyama Jyothi Solar Energy (P) Ltd	-	-	966.15	-	-	-	-	-	-	966.15	-
<b>Bank Guarantees Released</b>											
Samyama Jyothi Solar Energy (P) Ltd	-	-	708.15	-	-	-	-	-	-	708.15	-
<b>Fixed Deposit Given</b>											
Samyama Jyothi Solar Energy (P) Ltd	-	-	450.00	-	-	-	-	-	-	450.00	-
<b>Fixed Deposit Released</b>											
Samyama Jyothi Solar Energy (P) Ltd	-	-	450.00	-	-	-	-	-	-	450.00	-
<b>Balances at the year end:</b>											
<b>Bank Guarantees outstanding</b>											
Samyama Jyothi Solar Energy (P) Ltd	-	-	258.00	-	-	-	-	-	-	258.00	-
<b>Trade payables</b>											
- Mr. Nand Khemka	-	-	-	-	-	-	-	63.69	104.35	63.69	104.35
- Mr. K.K. Kapur	-	-	-	-	-	-	-	68.99	120.54	68.99	120.54
- Mr. Shiv Vikram Khemka	-	-	-	-	-	-	4.42	5.71	-	4.42	5.71
- Mr. Uday Harsh Khemka	-	-	-	-	-	-	1.02	2.80	-	1.02	2.80

**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) 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 2017 (Rs. in lacs)	31 March 2016 (Rs. in lacs)
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of Rs. 28.79 lacs, previous year Rs. 46.10 lacs)	29.49	54.52
b) Other Commitments		
i) Estimated future investments in Capital Venture Fund in terms of agreement with the fund	-	20.00
ii) Estimated future investments in ICICI Prudential Real Estate AIF-1 Fund in terms of agreement with the fund	14.00	70.00
iii) Estimated future investments in India Whizdom Fund in terms of agreement with the fund	100.00	160.00

## 5. [29] Contingent liabilities (not provided for) in respect of:

	31 March 2017 (Rs. in lacs)	31 March 2016 (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.	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* Liability not ascertainable
c) Demand raised by the Excise Authorities, being disputed by the Company.	6.90*	6.90*
d) Demand raised by the Sales Tax Authorities, being disputed by the Company.	27.13*	25.80*
e) 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) #	1,227.15*	1083.43*
f) 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**	35.36**
g) Demand raised by Income Tax Authorities, being disputed by the Company for A.Y 2013-14	8.93*	8.93*

h)	Demand raised by Income Tax Authorities, being disputed by the Company for A.Y 2014-15	5.38*	-
i)	Bank guarantee given on behalf of Samyama Jyothi Solar Energy (P) Ltd	258.00	-
	<b>Total</b>	<b>1,733.31</b>	1,324.88

# 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 and again reduced to 1% from 01 September, 2016. The Hon'ble High Court, Himachal Pradesh while staying the levy in an interim order, directed the Company to deposit 1/3rd of the assessed amount as "deposit" with the state government and furnish a bank guarantee for the balance 2/3rd amount to them. 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 (w.e.f. Jan 16) the ratio of deposit & bank guarantee has been changed to 50:50 deposited so far is Rs.437.46 lacs (previous year Rs.343.84 lacs) and bank guarantee furnished is for an amount of Rs.770.57 lacs (previous year Rs. 702.99 lacs). While Hon'ble Supreme Court has upheld the constitutional validity of Entry Tax in their judgment dated 11th November, 2016, the issue of discrimination under Article 304(a) and scope of local area is left to be determined by respective High Courts. The Company has filed a fresh writ before Hon'ble High Court, Shimla on 7th April, 2017 and got a notice issued that the department will maintain status quo.

\* 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.

\*\* Based on future sales plan, the management is quite hopeful to meet the obligations by executing the required volume of sales in future.

#### 6.[31] Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	Particulars	31 March 2017 (Rs. in lacs)	31 March 2016 (Rs. in lacs)
1	Principal amount remaining unpaid to any supplier at the end of each accounting year (including Rs. 1.19 (previous year 21.92 lacs) payable to capital creditors)	12.13	28.19
2	Interest due on above.	Nil	Nil
	Total of (i) & (ii)	12.13	28.19
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



## 7. [17] Revenue from operations (gross)

	31 March 2017 (Rs. in lacs)	31 March 2016 (Rs. in lacs)
Sale of products manufactured	20,288.85	25,296.86
Sale of goods traded	36.77	39.31
Sale of services	40.35	59.52
Other operational revenue	49.03	77.67
	20,415.00	25,473.36

## 8. [11] Book value and Market value of Quoted investments

### Non-current investments

As of 31 March 2017 and 31 March 2016, the book value of quoted investments is Rs. 565.23 lacs and Rs. 914.29 lacs respectively.

As of 31 March 2017 and 31 March 2016, the market value of quoted investments is Rs. 496.43 lacs and Rs. 808.28 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. 86.47 lacs (previous year Rs. 137.43 lacs) at the year end is temporary and hence does not call for any provision there against.

## 9. Cash and cash equivalents

	31 March 2017 (Rs. in lacs)	31 March 2016 (Rs. in lacs)
<b>Components of cash and cash equivalents</b>		
Cash on hand	1.66	2.12
Balances with banks:		
on current accounts	220.86	142.58
on cash credit accounts	76.59	101.89
Deposits with maturity less than 3 months	-	-
on unclaimed dividend accounts *	46.37	40.39
<b>Total cash and cash equivalents</b>	<b>345.48</b>	<b>286.98</b>

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

10. 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.

11. 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/E300005

**per Anil Gupta**

Partner

Membership No. 87921

Place: New Delhi

Date: May 05, 2017

For and on behalf of the Board of Directors

**K. K. Kapur**

CEO and Whole Time Director

**P.R. Khanna**

Director

**Manali D Bijlani**

Company Secretary

**J.K. Jain**

Chief Financial Officer

## **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 CONSOLIDATED FINANCIAL STATEMENTS**

#### **To the Board of Directors of Indag Rubber Limited**

The accompanying abridged financial statements, which comprise the abridged consolidated balance sheet as at March 31, 2017, the abridged consolidated statement of profit and loss and abridged consolidated cash flow statement for the year then ended, and related notes, are derived from the audited consolidated financial statements of Indag Rubber Limited ('the Company') as at and for the year ended March 31, 2017. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated May 05, 2017.

The abridged consolidated 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 Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. Reading the abridged financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of the Company.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the preparation of a summary of the audited consolidated 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 accounting principles generally accepted in India.

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

Our responsibility is to express an opinion on the abridged consolidated 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 consolidated financial statements derived from the audited consolidated financial statements of the Company as at and for the year ended March 31, 2017 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 accounting principles generally accepted in India.

#### **Other Matter**

We did not audit the financial statements and other financial information, in respect of two subsidiaries, whose financial statements include total assets of Rs 2,176.36 lacs and net assets of Rs 334.37 lacs as at March 31, 2017, and total revenues of Rs 145.40 lacs and net cash (inflows) of Rs 162.66 lacs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

per **Anil Gupta**

Partner

Membership Number: 087921

Place of Signature: New Delhi

Date: May 05, 2017

## **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 Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Indag Rubber Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

#### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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, issued by the Institute of Chartered Accountants of India, as 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 disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on the

consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at March 31, 2017, their consolidated profit, and their consolidated cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the 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 of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, incorporated in India, none of the directors of the Group's companies, incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure 1" to this report;
- (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 consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, Refer Note 33 to the consolidated financial statements;
  - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2017.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2017.
  - iv. The Holding Company and its subsidiaries, incorporated in India, have provided requisite disclosures in Note 40 to these consolidated financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our enquiries, test check of the books of account and other details maintained by the Holding Company and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Group.

### Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of two subsidiaries, whose financial statements include total assets of Rs 2,176.36 lacs and net assets of Rs 334.37 lacs as at March 31,

2017, and total revenues of Rs 145.40 lacs and net cash (inflows) of Rs 162.66 lacs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Anil Gupta**

Partner

Membership Number: 87921

Place of Signature: New Delhi

Date: May 05, 2017

## **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED 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")**

In conjunction with our audit of the consolidated financial statements of Indag Rubber Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Indag Rubber Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

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

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

#### **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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, maintained 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, 2017, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to these two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary companies incorporated in India.

For **S.R. Battliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Anil Gupta**

Partner

Membership Number: 87921

Place of Signature: New Delhi

Date: May 05, 2017

## Abridged Consolidated balance sheet as at March 31, 2017

As at 31 March 2017  
(Rs. in lacs)

### Equity and liabilities

#### Shareholder's funds

Paid-up share capital	525.00
Equity share capital	
Reserves and surplus	30.29
Capital reserve	450.00
Securities premium account	1,118.80
General reserve	15,031.90
Surplus in the statement of profit and loss	17,155.99
Minority Interest	187.05

#### Non-current liabilities

Deferred tax liabilities (net)	329.83
Long term borrowings	1,220.10
	1,549.93

#### Current liabilities

Short-term borrowings	362.00
Trade payables	
a) Total outstanding dues of micro enterprises and small enterprises	10.94
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,291.47
Other current liabilities	1,395.55
Short-term provisions	153.54
	3,213.51
<b>TOTAL</b>	<b>22,106.48</b>

### Assets

#### Non-current assets

Fixed assets	
Property, Plant and Equipment (original cost less depreciation)	4,847.66
Intangible assets (original cost less amortisation)	19.15
Capital work-in-progress	19.44
Goodwill on Consolidation	39.28
Loans and advances	103.66
Non-current investments	5,867.28
Other non-current assets	30.71
	10,927.18

#### Current assets

Current investments	2,569.91
Inventories	4,142.48
Trade receivables	2,942.30
Cash and bank balances	679.60
Loans and advances	772.07
Other current assets	72.93
	11,179.29
<b>TOTAL</b>	<b>22,106.48</b>

The accompanying notes form 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/E300005

#### per Anil Gupta

Partner  
Membership No. 87921

Place: New Delhi  
Date: May 05, 2017

For and on behalf of the Board of Directors

#### K. K. Kapur

CEO and Whole Time Director

**Manali D Bijlani**  
Company Secretary

#### P.R. Khanna

Director

**J.K. Jain**  
Chief Financial Officer



**Abridged Consolidated statement of profit and loss for the year ended March 31, 2017**

	31 March 2017 (Rs. in lacs)
<b>Revenue</b>	
Revenue from operations (gross) (refer details given in note 7)	20,557.20
Less: Excise duty	<u>2,024.75</u>
Revenue from operations (net)	18,532.45
Other income	<u>611.50</u>
<b>Total revenue (I)</b>	<b><u>19,143.95</u></b>
<b>Expenses</b>	
Cost of raw materials consumed	11,499.41
Purchase of traded goods	29.25
(Increase)/Decrease in inventories	(740.07)
Employee benefits expense	1,934.87
Finance costs	81.37
Depreciation and amortisation expense	316.95
Other expenses	<u>2,838.37</u>
<b>Total expenses (II)</b>	<b><u>15,960.15</u></b>
<b>Profit before tax (I-II)</b>	<b><u>3,183.80</u></b>
<b>Tax expenses</b>	
Current tax	908.11
Deferred tax charge/(credit)	67.86
Income tax adjustment for earlier years	<u>1.27</u>
<b>Total tax expense</b>	<b><u>977.24</u></b>
<b>Profit for the year after tax before minority interest</b>	<b><u>2,206.56</u></b>
<b>Less Share of Minority Interests in profit</b>	<b><u>(4.78)</u></b>
<b>Profit for the year</b>	<b><u>2,201.78</u></b>
<b>Earnings per equity share</b>	
Basic and diluted (Rs.) [Nominal value of share Rs.2/]	<b>8.39</b>

The accompanying notes form 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/E300005

**per Anil Gupta**

Partner

Membership No. 87921

Place: New Delhi

Date: May 05, 2017

For and on behalf of the Board of Directors

**K. K. Kapur**

CEO and Whole Time Director

**P.R. Khanna**

Director

**Manali D Bijlani**

Company Secretary

**J.K. Jain**

Chief Financial Officer

## Abridged Consolidated cash flow statement for the year ended March 31, 2017

	31 March 2017 (Rs. in lacs)
A. Cash flow from operating activities	817.35
B. Cash (used in) investing activities	(1,515.33)
C. Cash flow from financing activities	889.15
Net increase in cash and cash equivalents (A+B+C)	191.16
Cash and cash equivalents at the beginning of the year	286.98
Cash and cash equivalents acquired on purchase of subsidiary	12.14
Cash and cash equivalents at the end of the year*	490.28

\* 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, 2017 is after considering CSR expenditure of Rs. 69.22 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/E300005

per **Anil Gupta**

Partner

Membership No. 87921

Place: New Delhi

Date: May 05, 2017

For and on behalf of the Board of Directors

**K. K. Kapur**

CEO and Whole Time Director

**P.R. Khanna**

Director

**Manali D Bijlani**

Company Secretary

**J.K. Jain**

Chief Financial Officer

## Notes to Consolidated financial statements for the year ended 31st March 2017

### 1. Basis of preparation

The financial statements of the Group have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Group has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention on an accrual basis. Previous year's figures are not given since this is the first year of consolidation.

### 2.[30] Segment Information

#### Primary Segment

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

"Precured Tread Rubber and allied products" segment is engaged in the manufacturing of the Precured Tread Rubber, Bonding Repair and Extrusion Gum and Rubber Cement, which are used for retreading of tyres.

"Power Generation" segment is into the business of enhancing knowledge and skills of solar technologies in India, specially the expertise in solar park development and to carry on the business of generating power supply through clean energy sub-sectors e.g., solar energy, biomass, wind, and energy efficiency projects and/or any other means, distribute, supply and sell such power either directly or through facilities or Central/State Governments or private companies or Electricity Boards to industries and to Central/State Governments

#### Business segments

##### Year ended 31 March 2017

Particulars	Precured Tread Rubber and allied products	Power Generation	Total
<b>Revenue</b>			
External sales	18,390.25	142.20	18,532.45
Inter Segment Sales	-	-	-
<b>Total revenue</b>	<b>18,390.25</b>	<b>142.20</b>	<b>18,532.45</b>
<b>Results</b>			
Segment results	2,620.55	52.29	2,672.84
Unallocated Expenses (net)			(334.13)
Operating profit			3,006.97
Interest Income			63.66
Dividend Income			187.55
Interest expenses			74.38
Income Tax			977.24
Net Profit			2,206.56
<b>As at 31 March 2017</b>			
Segment assets	11,493.10	2,176.19	13,669.29
Unallocated assets			8,437.19
<b>Total assets</b>	<b>11,493.10</b>	<b>2,176.19</b>	<b>22,106.48</b>

Particulars	Precured Tread Rubber and allied products	Power Generation	Total
Segment liabilities	3,027.74	362.17	3,389.91
Unallocated liabilities			1,373.53
<b>Total liabilities</b>	<b>3,027.74</b>	<b>362.17</b>	<b>4,763.44</b>

#### Other segment information

Capital expenditure:	210.54	1,809.28	2,019.82
Depreciation	296.30	20.65	316.95
Other non-cash expenses	-	-	-

#### Geographical Segments

The Group 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 Group consolidated revenue and trade receivables by geographical market, regardless of where the goods were produced:

#### Revenue by Geographical Market

	31 March 2017 (Rs. in lacs)
Domestic	17,485.68
Overseas	1,046.77
<b>Total</b>	<b>18,532.45</b>

#### Carrying amount of Segment Trade receivables by Geographical Market

	31 March 2017 (Rs. in lacs)
Domestic	2,680.71
Overseas	261.59
<b>Total</b>	<b>2,942.30</b>

The Group 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.

### 31. Related party disclosures

The Group 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

- 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
- SRL 142 Holdings Ltd
- The Nabha Foundation

##### (d) Entity having significant influence in the Subsidiary

- SUN Alternate Energy Pvt. Ltd.
- SUN Renewable Energy Services Pvt. Ltd.

##### (e) Person having significant influence in the step down Subsidiary

- T. Yathiraju

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:

	Entity having significant influence in the Subsidiary	31 march 2017 (Rs. in lacs)	Person having significant influence in the Subsidiary	31 march 2017 (Rs. in lacs)	Enterprises owned or significantly influenced by key management personnel or their relatives (either individually or with others)	31 march 2017 (Rs. in lacs)	Relative of Key Management Personnel	31 march 2017 (Rs. in lacs)	Key Management Personnel	31 march 2017 (Rs. in lacs)	Total
<b>Transactions for the year:</b>											
<b>Sale of finished goods</b>											
-	Unipatch Rubber Limited	-	-	-	85.66	-	-	-	-	-	85.66
<b>Purchase of Spares</b>											
-	Unipatch Rubber Limited	-	-	-	0.87	-	-	-	-	-	0.87
<b>Rent paid</b>											
-	Khemka Aviation Private Limited	-	-	-	89.85	-	-	-	-	-	89.85
-	T. Yathiraju	-	35.74	-	-	-	-	-	-	-	35.74
<b>Remuneration</b>											
-	Mr. Nand Khemka	-	-	-	-	-	-	-	159.69	-	159.69
-	Mr. K. K. Kapur	-	-	-	-	-	-	-	159.69	-	159.69
-	Mr. Shiv Vikram Khemka	-	-	-	-	-	4.42	-	-	-	4.42
-	Mr. Uday Harsh Khemka	-	-	-	-	-	1.02	-	-	-	1.02
<b>Sitting fees</b>											
-	Mr. Shiv Vikram Khemka	-	-	-	-	-	0.40	-	-	-	0.40
-	Mr. Uday Harsh Khemka	-	-	-	-	-	0.20	-	-	-	0.20
<b>Reimbursement of expenses received</b>											
-	Unipatch Rubber Limited	-	-	-	0.78	-	-	-	-	-	0.78
-	Khemka Aviation Private Limited	-	-	-	2.17	-	-	-	-	-	2.17
-	Nand and Jeet Khemka Foundation	-	-	-	1.47	-	-	-	-	-	1.47
-	Youth Reach	-	-	-	1.05	-	-	-	-	-	1.05
<b>Reimbursement of expenses paid</b>											
-	T. Yathiraju	-	8.59	-	-	-	-	-	-	-	8.59
<b>Dividend paid</b>											
-	Mr. Nand Khemka	-	-	-	-	-	-	210.36	0.44	-	0.44
-	Mrs. Jeet Khemka	-	-	-	-	-	-	-	-	-	210.36
-	Khemka Aviation Private Limited	-	-	-	150.54	-	-	-	-	-	150.54
-	Unipatch Rubber Limited	-	-	-	28.50	-	-	-	-	-	28.50

	Entity having significant influence in the Subsidiary	Person having significant influence in the Subsidiary	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 2017 (Rs. in lacs)	31 march 2017 (Rs. in lacs)	31 march 2017 (Rs. in lacs)	31 march 2017 (Rs. in lacs)	31 march 2017 (Rs. in lacs)	31 march 2017 (Rs. in lacs)
-	Mrs. Urvashi Khemka (Joint holder with Mr. Shiv Vikram Khemka)	-	-	30.02	-	30.02
-	Mr. Uday Harsh Khemka (Joint holder with Mrs. Nitya Mohan Khemka)	-	-	30.02	-	30.02
-	Others	-	21.09	-	-	21.09
<b>Legal and Professional Expenses</b>						
-	SUN Renewable Energy Services Pvt. Ltd.	28.75	-	-	-	28.75
<b>CSR expenditure</b>						
-	Youth Reach	-	30.00	-	-	30.00
-	The Nabha Foundation	-	28.00	-	-	28.00
<b>Security Deposit Taken</b>						
-	Khemka Aviation Private Limited	-	2.00	-	-	2.00
<b>Security Deposit Refunded</b>						
-	Khemka Aviation Private Limited	-	2.00	-	-	2.00
<b>Shares Issued</b>						
-	T. Yathiraju	-	99.97	-	-	99.97
<b>Issue of Compulsary Convertible Debentures</b>						
-	Sun Alternate Energy Pvt Ltd	240.10	-	-	-	240.10
<b>Interest paid on Compulsary Convertible Debentures</b>						
-	Sun Alternate Energy Pvt Ltd	12.75	-	-	-	12.75
<b>Loan Taken</b>						
-	Sun Alternate Energy Pvt Ltd	762.00	-	-	-	762.00
<b>Loan Repaid</b>						
-	Sun Alternate Energy Pvt Ltd	400.00	-	-	-	400.00
<b>Interest paid on Loan</b>						
-	Sun Alternate Energy Pvt Ltd	22.29	-	-	-	22.29

	Entity having significant influence in the Subsidiary	Person having significant influence in the Subsidiary	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 2017 (Rs. in lacs)	31 march 2017 (Rs. in lacs)	31 march 2017 (Rs. in lacs)	31 march 2017 (Rs. in lacs)	31 march 2017 (Rs. in lacs)	31 march 2017 (Rs. in lacs)
<b>Security Deposit Given</b>						
- T. Yathiraju	-	100.00	-	-	-	100.00
<b>Investments in Compulsary Convertible preference shares</b>						
- SRL 142 Holdings Ltd	-	-	1,201.86	-	-	1,201.86
<b>Balances at the year end:</b>						
<b>Borrowings</b>						
- Loan payable to Sun Alternate Energy Pvt Ltd	362.00	-	-	-	-	362.00
- Compulsary convertible debenture issued of Sun Alternate Energy Pvt Ltd	240.10	-	-	-	-	240.10
<b>Interest Payable</b>						
- Loan payable to Sun Alternate Energy Pvt Ltd	20.06	-	-	-	-	20.06
- Compulsary convertible debenture issued of Sun Alternate Energy Pvt Ltd	11.47	-	-	-	-	11.47
<b>Security Deposit</b>						
- T. Yathiraju	-	100.00	-	-	-	100.00
<b>Trade payables</b>						
- Mr. Nand Khemka	-	-	-	-	63.69	63.69
- Mr. K. K. Kapur	-	-	-	-	68.99	68.99
- Deependra Agarwal					0.05	0.05
- T. Yathiraju		19.86	-	-	-	19.86
- Mr. Shiv Vikram Khemka	-	-	-	4.42	-	4.42
- Mr. Uday Harsh Khemka	-	-	-	1.02	-	1.02

**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 Group as a whole.
- (2) Remuneration to the Whole Time Director includes value of perquisites based on actual payment or evaluated as per Income Tax Rules, 1962.



#### 4. [32] Capital and other commitments

**31 March 2017**  
**(Rs. in lacs)**

a)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of Rs. 28.79 lacs)	<b>29.49</b>
b)	Other Commitments	
i)	Estimated future investments in Capital Venture Fund in terms of agreement with the fund	-
ii)	Estimated future investments in ICICI Prudential Real Estate AIF-1 Fund in terms of agreement with the fund	<b>14.00</b>
iii)	Estimated future investments in India Whizdom Fund in terms of agreement with the fund	<b>100.00</b>

#### 5. [33] Contingent liabilities (not provided for) in respect of :

		<b>31 March 2017</b> <b>(Rs. in lacs)</b>
a)	The Parent Company is under litigation with the revenue authorities regarding an expenditure claimed by the Company arising out of an arbitration award. As per the Parent 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 Parent Company has received a demand notice from Income tax authorities pursuant to the order by Income Tax Appellate Tribunal, Delhi. The Parent 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.	<b>159.15*</b>
b)	Pending labour cases (i) in case of one employee (ii) in case of others	<b>5.31*</b> <b>Liability not ascertainable</b>
c)	Demand raised by the Excise Authorities, being disputed by the Parent Company.	<b>6.90*</b>
d)	Demand raised by the Sales Tax Authorities, being disputed by the Parent Company.	<b>27.13*</b>
e)	Entry tax demand being disputed by the Parent Company (excluding the amount of interest and penalty, if any, which can't be determined at this stage) #	<b>1,227.15*</b>
f)	Differential amount of custom duty payable by the Parent Company in case of non-fulfillment of export obligation excluding interest thereon against the import of capital goods made at concessional rate of duty.	<b>35.36**</b>

g)	Demand raised by Income Tax Authorities, being disputed by the Parent Company for A.Y 2013-14		8.93*
h)	Demand raised by Income Tax Authorities, being disputed by the Parent Company for A.Y 2014-15		5.38*
	<b>Total</b>		<b>1,475.31</b>

# 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 and again reduced to 1% from 01 September, 2016. The Hon'ble High Court, Himachal Pradesh while staying the levy in an interim order, directed the Company to deposit 1/3rd of the assessed amount as "deposit" with the state government and furnish a bank guarantee for the balance 2/3rd amount to them. 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 (w.e.f. Jan 16) the ratio of deposit & bank guarantee has been changed to 50:50 deposited so far is Rs.437.46 lacs (previous year Rs.343.84 lacs) and bank guarantee furnished is for an amount of Rs.770.57 lacs (previous year Rs. 702.99 lacs). While Hon'ble Supreme Court has upheld the constitutional validity of Entry Tax in their judgment dated 11th November, 2016, the issue of discrimination under Article 304(a) and scope of local area is left to be determined by respective High Courts. The Company has filed a fresh writ before Hon'ble High Court, Shimla on 7th April, 2017 and got a notice issued that the department will maintain status quo.

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

\*\* Based on future sales plan, the management is quite hopeful to meet the obligations by executing the required volume of sales in future.

#### 6. [37] Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	Particulars	31 March 2017 (Rs. in lacs)
1	Principal amount remaining unpaid to any supplier at the end of each accounting year (including Rs. 1.19 payable to capital creditors)	12.13
2	Interest due on above.	Nil
	Total of (i) & (ii)	12.13
3	Amount of interest paid by the Parent Company to the suppliers in terms of section 16 of the Act.	Nil
4	Amount paid to the suppliers beyond the respective due date.	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
6	Amount of interest accrued and remaining unpaid at the end of each accounting year.	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

## 7. [20] Revenue from operations (gross)

	31 March 2017 (Rs. in lacs)
Sale of products manufactured	20,288.85
Sale of goods traded	36.77
Sale of services	182.55
Other operational revenue	49.03
	20,557.20

## 8. [14] Book value and Market value of Quoted investments

### Non-current investments

As of 31 March 2017 the book value of quoted investments is Rs. 565.23 lacs.

As of 31 March 2017 the market value of quoted investments is Rs. 496.43 lacs

Note:- In the opinion of the management, decline in market value of quoted investments in the shares of certain equity instruments aggregating to Rs. 86.47 lacs at the year end is temporary and hence does not call for any provision there against.

## 9.[18] Cash and cash equivalents

	31 March 2017 (Rs. in lacs)
<b>Components of cash and cash equivalents</b>	
Cash on hand	1.98
Balances with banks:	
on current accounts	365.34
on cash credit accounts	76.59
on unclaimed dividend accounts *	46.37
<b>Total cash and cash equivalents</b>	<b>490.28</b>

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

10. 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.

11. 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/E300005

**per Anil Gupta**

Partner

Membership No. 87921

Place: New Delhi

Date: May 05, 2017

For and on behalf of the Board of Directors

**K. K. Kapur**

CEO and Whole Time Director

**Manali D Bijlani**

Company Secretary

**P.R. Khanna**

Director

**J.K. Jain**

Chief Financial Officer



## 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.in

### 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 38<sup>th</sup> Annual General Meeting of the company on Monday, June 19, 2017 at 10:00 am 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.

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## 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.in

### 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.in

### 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 proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38<sup>th</sup> Annual General meeting of the Company, to be held on Monday, June 19, 2017 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
<b>Ordinary Business</b>	
1	Adoption of Financial Statements for the year ended 31 <sup>st</sup> March, 2017 together with reports of the Auditors and Board of the Directors thereon
2	Re-appointment of Mr. Uday Harsh Khemka, who retires by rotation.
3	Recommendation of Final Dividend for the year 2016-2017
4	Appointment of M/s. Khanna & Annandhanam, Chartered Accountants, as Statutory Auditors
<b>Special Business</b>	
5	Fixation of remuneration of M/s Shome & Banerjee, Cost Auditors.
6	Appointment of Mr. Harjiv Singh (DIN-00507695) as an Independent Director of the Company.
7	To maintain and keep the Company's registers and copies of annual returns or any one or more of them, at a place other than Company's Registered Office.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Affix  
Revenue  
Stamp of  
Re. 1/-

Signature of the Member: \_\_\_\_\_ Signature of Proxy holder: \_\_\_\_\_

**Note** : \* This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the aforesaid Meeting.

