

FORM B

Covering letter of the Annual Audit Report to be filed with the Stock Exchanges

1,	Name of the Company	Indo Rama Synthetics (India) Limited
2.	Annual Financial Statements for the year ended	31 March 2015
3.	Type of Audit Qualification *	Qualifications in the Annexure referred to in paragraph 6 of the Independent Auditors' Report dated 18 May 2015 to the members of Indo Rama Synthetics (India) Limited on the accounts for the year ended 31 March 2015 (a) Statutory dues including Provident Fund, Employees state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, cess and other material statutory dues, to the extent applicable have been regularly deposited with the appropriate authorities except in respect of value added tax where there were a few serious delays in depositing the same with the appropriate authorities though the same have been deposited before the year end. [refer to paragraph (vii) (a) of the above referred annexure to the Independent Auditors' Report]
4.	Frequency of Qualification	(a) Third Time in respect of item 3 (a) above
	Draw attention to relevant notes in the Annual Financial Statements and management response to the qualification in the Directors Report:	Page Nos.: 53-54 of Directors' Report of Annual Report 2014-15, under the heading "Statutory Auditors" With regard to the observation made by the Auditors at point number vii(a), we would like to inform that (a) Delay in payment of Sales Tax / Value Added Tax dues for one quarter, the same has been paid along with interest.
	Additional comments from the Board / Audit Committee Chair	Nil

^{*} Following emphasis of matter has also been given in the Independent Auditors' Report for the year ended 31 March 2015:

a) Attention is drawn to note 42 to the financial statements, which explains the early application, since the year 2010-11, of Accounting Standard 30 "Financial Instruments- Recognition and Measurement", issued by the Institute of Chartered Accountants of India. An amount of Rs. 4.69 Crores has been recognized as expense in these financial statements for the year ended 31 March 2015 and included in exceptional items as an adjustment on application of Accounting Standard 30. Our opinion is not qualified in respect of this matter.

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b) Attention is drawn to note 41 of the financial statements, which explains the management's position regarding utilisation of Minimum Alternate Tax credit aggregating Rs. 57.33 Crores as at 31 March 2015. Based on the management's assumptions and future business plans, no provision has been considered in the books of accounts in respect of Minimum Alternate Tax credit. Our opinion is not qualified in respect of this matter.



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5.	To be signed by:	For Indo Rama Synthetics (India) Limited
	CEO / Managing Director	1
		Chairman & Managing Director DIN: 00206807
		For Indo Rama Synthetics (India) Limited
	050	Por mod Rama Synthetics (maia) Limited
	CFO	Maryan
		Sanjeev Aggarwal
		Chief Financial Officer ICAI Membership No.: 089369
		For B S R and Associates
		Chartered Accountants
	Andikan af the O	Firm Registration Number: 128901W
	Auditor of the Company	1. And mil
		Kaushal Kishore Partner (Membership No.: 090075)
		For Indo Rama Synthetics (India) Limited
	Audit Committee Chairman	
		Ashok Kumar Ladha Chairman - Audit Committee
		DIN: 00089360



Indo Rama Synthetics (India) Limited Annual Report 2014-15

Forward-looking statements

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

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CORPORATE INFORMATION

Board of Directors

Mohan Lal Lohia Chairman Emeritus

Om Prakash Lohia Chairman and Managing Director

Vishal Lohia
Whole-time Director

Anant Kishore
Whole-time Director & CEO

Ashok Kumar Ladha Non-executive Independent Director

Dr. Arvind Pandalai Non-executive Independent Director

Suman Jyoti Khaitan Non-executive Independent Director

Ranjana Agarwal Non-executive Independent Director

Company Secretary Jayant K Sood

Corporate Executives

Anant Kishore Whole-time Director & Chief Executive Officer

Sanjeev Aggarwal President & Chief Financial Officer

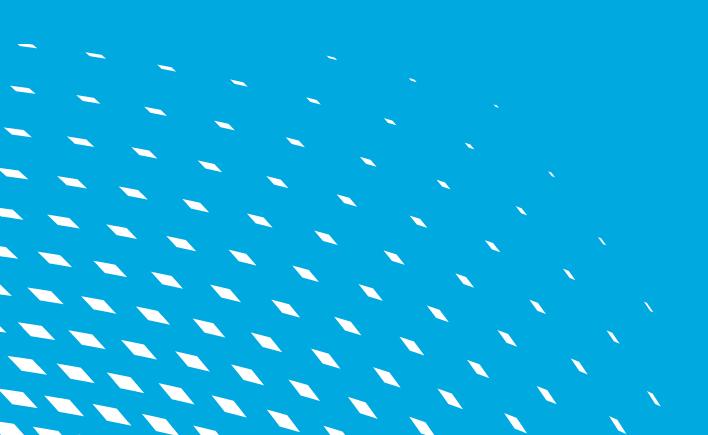
Mukul Dixit
President & Site Head

Jayant K Sood Head Corporate & Company Secretary

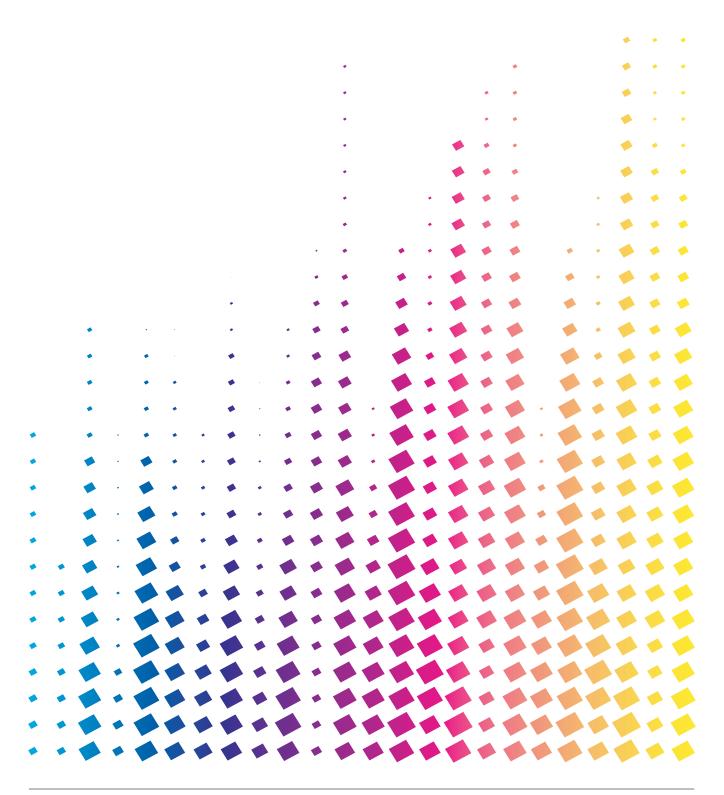
Arvind Gupta Marketing Head

Auditors
B S R and Associates, Gurgaon

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



SOLID FOUNDATION. SOUND STRATEGY.





Twenty five years is a defining age. It is the crossroads where youth and aspiration to grow meets resilience to combat challenges. With greater maturity and business insight, we are committed to create consistent stakeholder value in a dynamic business environment.

2014-15 was a tough year at Indo Rama. A steady decline in crude prices impacted us. Nevertheless, we were determined to stay on course.

We increased our capacity for value-added products and focused more on speciality products with the simple objective of catering to a wide customer spectrum.

Our marketing efforts are helping us reach more customers nationally and internationally. Our fundamentals are strong and we have a sound strategy to move forward sustainably, as India shows the potential to become a global economic high-flier.

We are confident of the fact that polyester has much to gift the world as the fabric of the future.

CHAIRMAN'S MESSAGE



Dear Shareholders,

The global economy is showing green shoots of recovery, albeit with slow pace. Majorly, the growing optimism in the US and the UK stands out in sharp contrast to the dismal economic performance of the Eurozone and Japan. We believe such kind of growing optimism will certainly create ripple effects and synergies in growth of emerging economies like India. Even in china also, there is growth but at slower rate. Amid sense of optimism, many challenges are still prevailing which has to be overcome. To overcome these challenges and for business growth, it has become inevitable for the businesses to constantly churn and recalibrate their business strategies and models, which most of the businesses are doing worldwide.

Amid such sense of optimism and challenges, interestingly the world is focussing on India as one of the big emerging markets and India is rightly welcoming this opportunity. This is happening, as the government is moving in the right direction and creating an environment conducive for economic growth and businesses to thrive. Government has adopted and implemented several reform measures accelerating the economic growth. More such reforms are anticipated in the future also, 7.5% estimated GDP growth rate year-on-year in the fourth quarter of 2014 stands testimony to this fact. Most importantly, the government's impetus to revive the manufacturing sector will surely bring back the economy in growth track. Not to mention, revival of manufacturing sector can create large-scale investments and employments. Overall, going forward, broad-based economic stability can be seen globally as well as locally, with India playing important and major role.

Industry dynamics

The polyester industry saw lot of ups and downs during the financial year like, shortage of raw material, currency volatility, inventory losses due to unprecedented fall in the crude oil prices and consequent raw material and finished goods prices and among others.

Adverse civil and economic situation in the European region and Central Asia, which is a big market for India posed many challenges to Indian Polyester Industry. Locally, the levy of anti-dumping duty on PTA by the government, made raw material expensive and also the manufacturing cost. This has resulted in shortage of raw material and thereby lower capacity utilisation. But recent withdrawal of China from the anti-dumping measures signals some positive developments in this regard.



The polyester industry had witnessed multiple challenges during 2014-15: saw crude prices declining sharply during the year, triggering reduction in Purified Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG) prices. This resulted in significant inventory losses.

However, every cloud has silver lining, with the polyester prices bottoming out and rupee stabilising, business sentiments and industry performance will improve, signalling positive trends and sustainable growth for this industry.

Let's look at some statistics, in 2014-15 India's total fibre production is around 11 million tonnes, comprising 60% cotton and 40% Man-made Fibre (MMF). Globally the scenario is otherwise with 70% polyester MMF share and 30% cotton. Therefore, the country has a lot of headroom to grow and can witness paradigm shift from Cotton driven to Polyester MMF in coming years.

Textile export statistics is also mirroring the same trend with cotton having major share. The total exports is at USD 38 - 41 billion. India is targeting to achieve exports of USD 300 billion. Cotton still has a major share in India's textile export. There is a huge potential to increase the export of MMF-based textiles.

The total import of MMF and MMF-based fabrics is around USD 2.43 billion. Policy initiatives must be implemented to encourage domestic manufacturers to expand MMF production, optimise their cost structure and export at competitive prices.

Our performance

Despite the challenges we faced in 2014-15, we cloaked annual turnover of ₹ 2,708.90 crore against ₹ 2,592.63 crore in 2013-14. This was successfully achieved on account of focussed marketing efforts and better outreach to customers both locally and internationally. Our operational EBIDTA stood at ₹ 122.44 crore against ₹ 8.91 crore in 2013-14 and a net loss of ₹ 21.53 crore against ₹ 8.18 crore in 2013-14.

During the year, we remained resilient to industry headwinds and enhanced future preparedness. Here are a few initiatives that we have undertaken during the year as a part of our long-term business strategy.

Reach more customers: Through competitive pricing and quality offerings. We strengthened our marketing team to reach out to more customers directly and deliver customised products.

Expanding Product Basket: We have rightly and timely sensed the need of the customer for speciality products. We are growing our specialty product basket with products like super high tenacity PSF (SHT fibre), Optical White (OPW) and Optical Bright (OB) and Dope Dyed Black (DDB) PSF fibre, Trilobal bright POY, DTY and FDY.

We have a planned capex to replace old in efficient DTY machines with new higher capacity machines. We have increased DTY machines from 56 to 65 in which eight old DTY machines has been replaced with eight higher capacity machines. We are investing in advanced equipment to modify and help to produce new varieties of value-added specialty products, to strengthen our margins.

Although availability of resources and technology play a key role in our business, people are the biggest drivers of change at Indo Rama. We have team of go-getters, who are committed to deliver value, no matter what the odds are. We are committed to investing in talent and fostering an environment of learning and collaborating. Our goal is to transform Indo Rama from a good company to a great company in the coming decades.

Road ahead

Despite challenges, we will continue to focus on our businesses, environment and community initiatives as a part of our sustainability strategy. I am confident that the macro business environment is improving gradually, and this is the time to consolidate our strengths and focus more on opportunities as they emerge on the horizon. We expect to perform far better with demand upswing and economic revival globally and locally.

With optimistic vision, I am grateful to all our esteemed customers, business associates, management team, employees and shareholders for their encouragement and support.

O. P. Lohia

Chairman and Managing Director

NATURAL PROGRESSION

1989

Commencement of Indo Rama's Indian operations

1994

Setting up of a state-of-the-art integrated manufacturing complex at Butibori near Nagpur in technical collaboration with DuPont, USA Toyobo and Japan; production capacity (3 lakh TPA)

2011

Replaced the existing heat treatment medium from furnace oil to coal, enhancing cost-efficiency

2012

- DTY capacity touched 91,250 TPA by installing 14 machines, totalling 56 machines
- Commissioned 11 MW coal-based captive power plant
- Adjudged among India's most admired companies by 'Fortune India' in its March 2012 issue
- Signed an MoU with Indorama Ventures to build PTA-PET-PSF plant in India with an investment of USD 700 million



2002

Installed four POY /FDY and eight DTY machines, adding 25,000 TPA capacity of Polyester Filament Yarn

2006

Expansion in alliance with Zimmer AG, Germany at a project cost of ₹ 1,000 crore (USD 166 million); production capacity enhanced to 6 lakh TPA

2010

Installed eight new Draw Texturised Yarn (DTY) machines, enhancing capacity from 43,800 TPA to 64,800 TPA

2007

- Enhanced production capacity to 6 lakh TPA with ₹ 1,000-crore (US\$ 166 million) investment
- Installed 30 MW Captive Thermal Power Plant involving a ₹ 128-crore investment

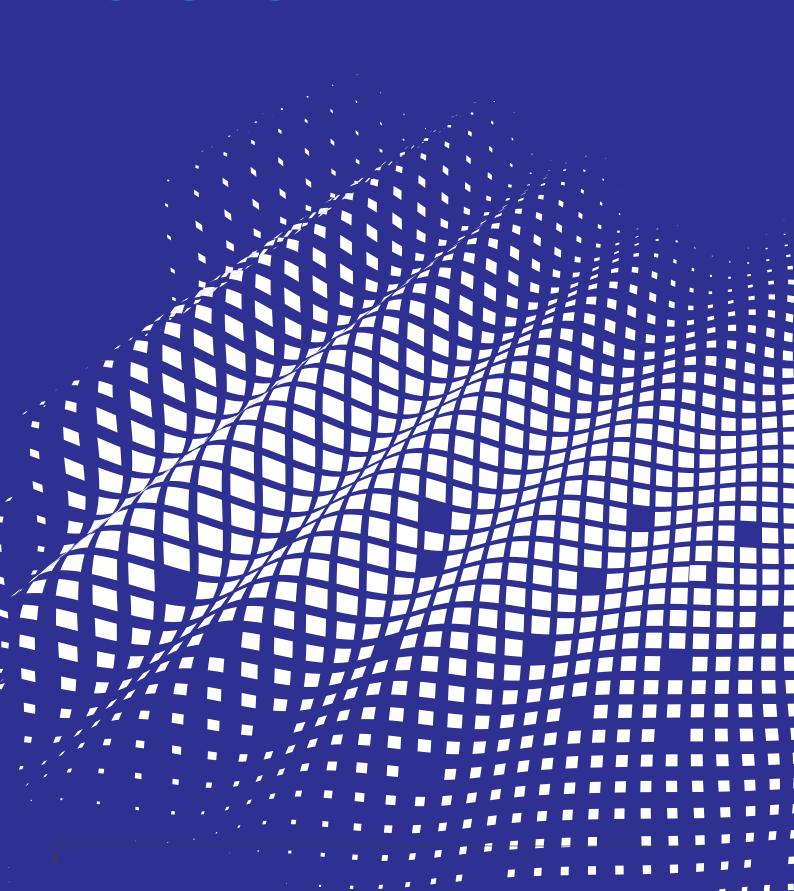
2013

Received the prestigious National Energy Conservation Award from the President of India in petrochemical category

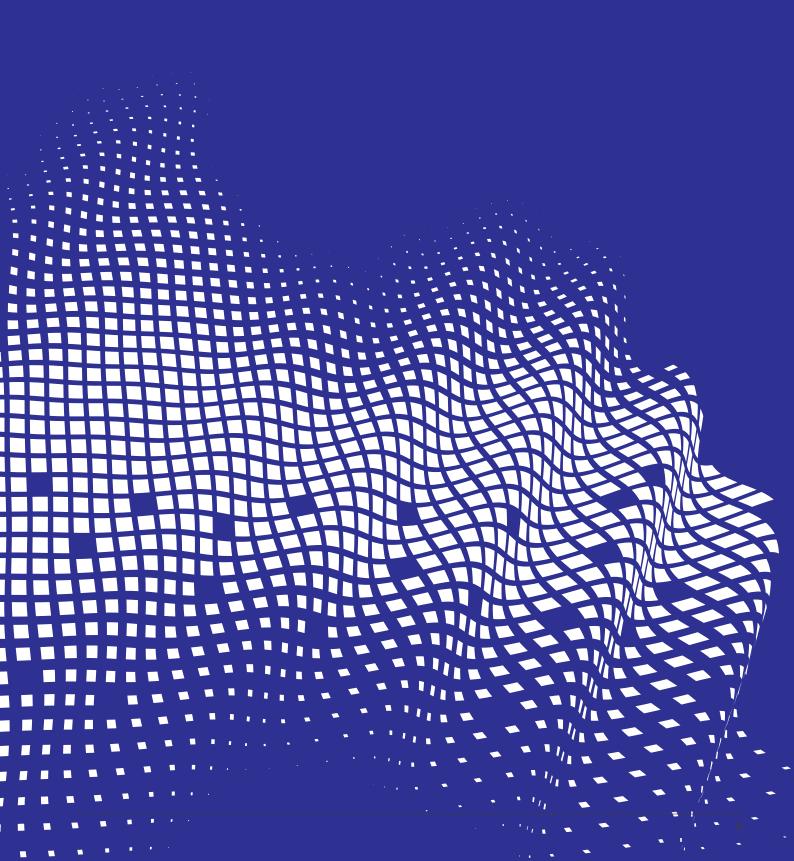
2014

We replaced eight old DTY machines with new generation high speed latest technology machines

SOLID FOUNDATION TO GROW.



SOUND STRATEGY TO DELIVER.



FUNDAMENTALLY, WE ARE STRONG

Value creation and stability are the primary focus areas at Indo Rama. We began our journey in 1989 with the belief that polyester has a great future ahead. As one of India's leading integrated low-cost polyester manufacturers, we are excited about polyester's growing relevance globally.

Our mission

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

Our business

Polyester Staple Fibre (PSF)	2,63,550 TPA
Polyester Filament Yarn (PFY)	2,59,000 TPA
Draw Texturised Yarn (DTY)	92,750 TPA
Polyester Chips	87,500 TPA
Power	71.08 MW

Our technology partners

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

Our certifications

- ISO 9001:2008 certification, ensuring stringent quality protocol
- ISO 14001:2004 certifications for globally benchmarked environment standards
- OEKO Tex certification for meeting human - ecological requirements
- REACH –Compliance indicating that Substance of Very High Concern (SVHC), as identified by European Chemical agency is within norms in IRSL products.

Awards and recognition

- Received certificate of appreciation for best quality practices in manufacturing at the Federation of Indian Chambers
 of Commerce and Industry (FICCI)
- Received first prize in energy conservation award in petrochemical sector by the Maharashtra State energy Development Agency (MEDA)
- Received well planned business travel MTM Corporate Star Award 2014
- Received highest exporter and highest importer award in central region from the Container Corporation of India Limited
- Received gold medal for Quality Circle at quality convention organised by QCFI Nagpur chapter
- Received gold medal for Kaizen at quality convention organised by QCFI Nagpur chapter









OUR PRODUCTION CAPACITY (610,050 TONNES PER ANNUM) AS A DEDICATED MANUFACTURER IS HIGHEST IN INDIA CONSISTENTLY CREATED
STAKEHOLDER VALUE FOR
OVER 20 YEARS, IRRESPECTIVE
OF BUSINESS REALITIES

POSSESS BEST-IN-CLASS TECHNOLOGY PLATFORM WITH 11 GLOBAL COLLABORATIONS







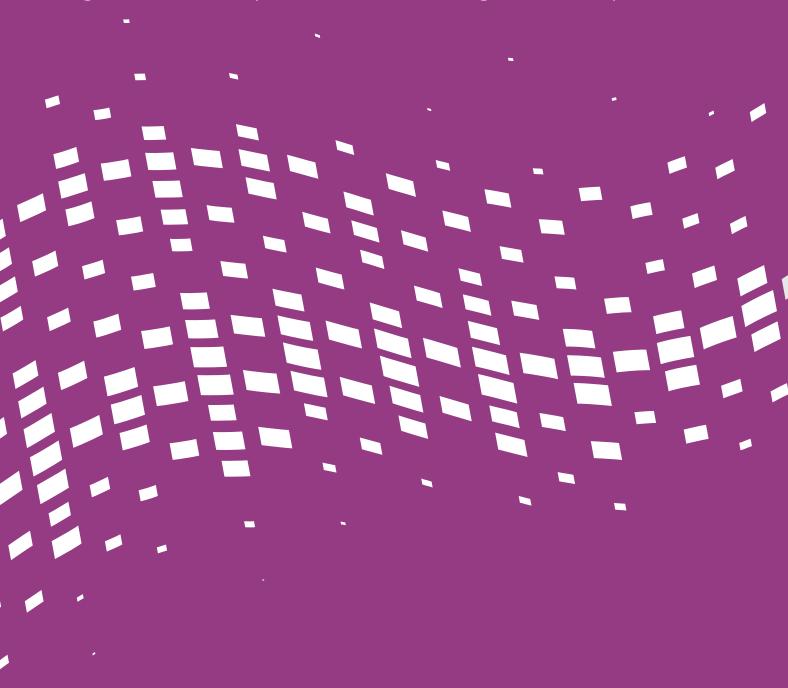
GROWING PRESENCE ACROSS
FIVE CONTINENTS (ASIA,
EUROPE, AFRICA, NORTH
AMERICA AND SOUTH
AMERICA) IN OVER 20
COUNTRIES

STRATEGIC PAN-INDIA
PRESENCE WITH 13 OFFICES
ACROSS ALL MAJOR TEXTILE
PRODUCING BELTS

DRIVEN BY 1,600+ MEMBER COMMITTED TEAM, CREATING DIFFERENTIATED VALUE FOR CUSTOMERS

DIFFERENTIATION IS THE KEY

In a well-connected world, the customer is discerning than ever before. The one-shoe-fits-all strategy does not work. Therefore, there is a constant emphasis on customisation and quality parameters. At Indo Rama, we have a continued thrust on quality and process management. We are also increasing our production capacities and widening the range of value-added products to fulfil evolving customer requirements.





Enhancing Draw Texturised Yarn (DTY) capacity

- We replaced eight old DTY machines with new machinery.
- We are also adding 15 machines which will make total number of machines to 71.
- These installations will give us enhanced scale, operational efficiency and better margins.
- ▶ DTY as a value-added product is finding variety of usage for fabric end uses like garments, skintight garments, furnishings and upholstery, among others. This is a replacement of cotton and cotton blend yarns with very low moisture content.

Increasing value-added product portfolio

- Development of low elongation and super high tenacity PSF for industrial yarn applications.
- Enhancing specialty products spread trilobal bright POY and FDY to cater to a wider range of customer demand. These products have sparkling look, thus will find use in apparels, upholstery and home furnishing products.
- We shall introduce PSF specialty product Optical White (OPW) and Optical Bright (OB) and Dope Dyed Black (DDB).



71Total number of DTY machines

MARKETS HOLD NEW PROMISES

We are trying to expand reach in existing markets, as well as foraying into unexplored geographies. We believe we have merely scratched the surface of polyester's huge opportunity landscape.



Growing our Indian and overseas markets

- Consistently establishing direct contact with buyers to better understand their requirements.
- Our marketing department closely monitors relationships with customers to ensure repeat business.
- We are increasing market share in domestic PSF market with focus on fine and micro deniers.
- We expanded our team to enhance pan-India focus, especially across textile belts.
- We strengthened our marketing team to widen global reach.
- We are enhancing brand visibility across international markets through participations in trade fairs in Iran, Bangladesh, Turkey and Vietnam.

- Our value-added portfolio of products will help increase global sales and help us enter unexplored geographies.
- We are entering in arrangements with re-exporters to increase export volumes.

Road ahead

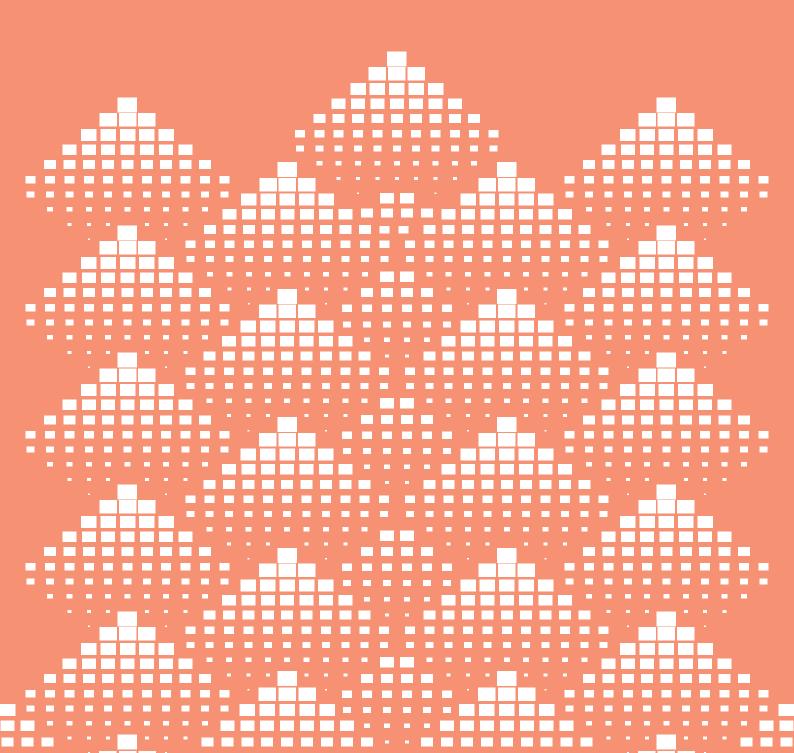
We have reinforced our export focus with wider product spread and competitive pricing. We are focused on market expansion across. Extensive marketing for new value-added products has already started; the products will be launched in 2015-16.



Extensive marketing for new value-added products has already started; the products will be launched in 2015-16.

EFFICIENCY IS CRUCIAL

In a business scenario where raw material cost is changing rapidly, efficiency can make a huge difference. It does not always mean taking a great leap forward; even many small critical steps can cumulatively make a big impact.







We focused on alternative sourcing from local vendors for various items instead of Original Equipment Manufacturers (OEM), resulting in cost savings

Optimising input cost

- We focused on alternative sourcing from local vendors for various items instead of Original Equipment Manufacturers (OEM), resulting in cost savings.
- Commenced procuring coal through rakes from Singareni Collieries Company Ltd (SCCL) mines, at lower cost compared to open market.
- Introduced sealing systems in the trucks carrying coal through linkages (e-Auction).
- Initiated several electrical modifications and replaced conventional lightings with LED ones, which resulted in cost savings.

- Direct disposal of fly ash resulted in cost saving.
- Re-negotiated higher prices for slag ash.
- Prices of crude oil related packaging raw materials have been revised in line with crude prices.
- Judicious inventory planning resulted in significant reduction in packaging inventory.

Enhancing recyclability

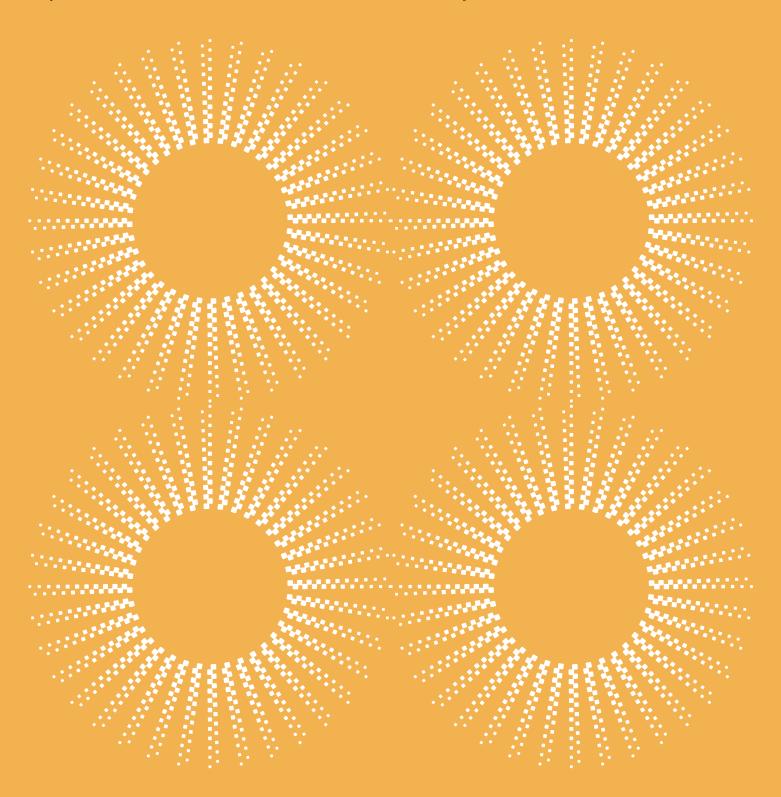
- Increased recycling of coal-fired heat transfer medium (CFHTM) slag ash for maximum coal utilisation.
- Effluent treated water in CFHTM area for slag ash silos, thereby saving water usage.

Reducing logistical cost

- Optimisation of outward logistical cost by increasing quantity per truck and usage of larger containers.
- Better inventory control and proactive planning enabled consistent product dispatch (98% on-time).
- Increased average loadability in DTY from 78% to 88%, due to the addition of one layer in 16 MT truck during dispatches
- Consistently maintaining a paradigm of over 96% on-time product delivery.

COMMUNITY COUNTS FOR US

Our community initiatives are part of our overriding objective to enhance social engagement. We undertake various initiatives to promote healthcare, education and sensitivity to the environment.







30 MW Wind energy capacity

Health

- We organised blood donation camps, various health check-up camps, twinkle club membership and summer camp.
- We conducted lectures for truck drivers on HIV AIDS and tobacco addiction.
- We conducted awareness programmes on hypertension, diabetes and communicable diseases, among others.
- We conducted awareness programme on women and child health in association with local doctors.
- We operate Vyasan Mukti Kendra in villages to address health issues.

Education

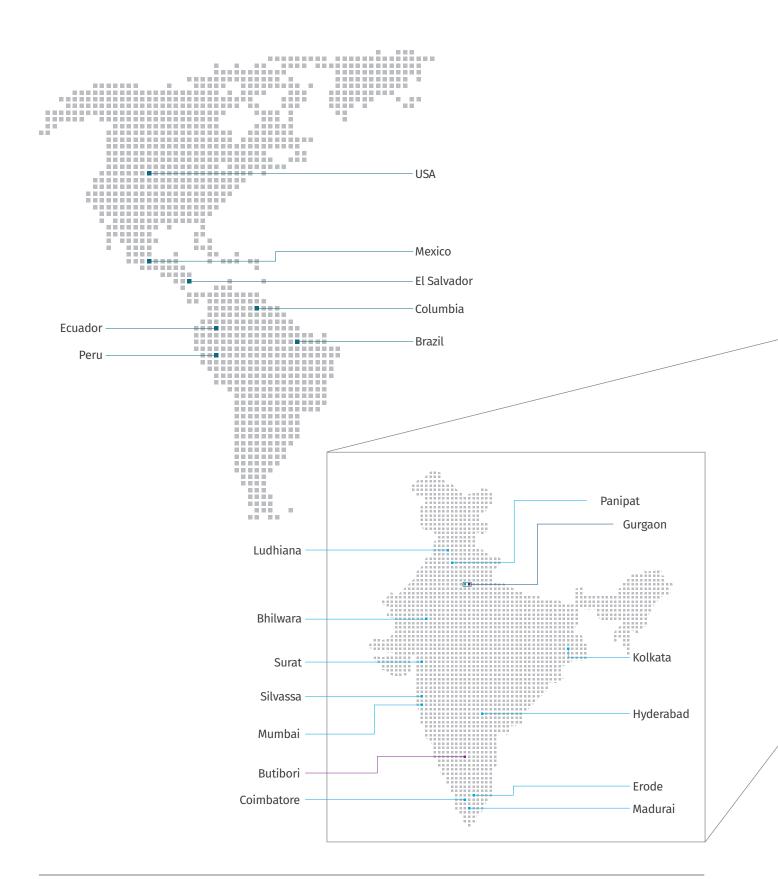
- We initiated educational activities for neighbouring villages and colony children, to motivate and encourage them towards studies and extracurricular activities.
- We conduct spoken English classes for the children of our employees.
- We conduct workshops on 'self employment' for youth (training programme for Self Help Groupsmaking Agarbatti, Chalk, Papad and so on).
- We organised summer and winter internship training for local engineering and MBA students.

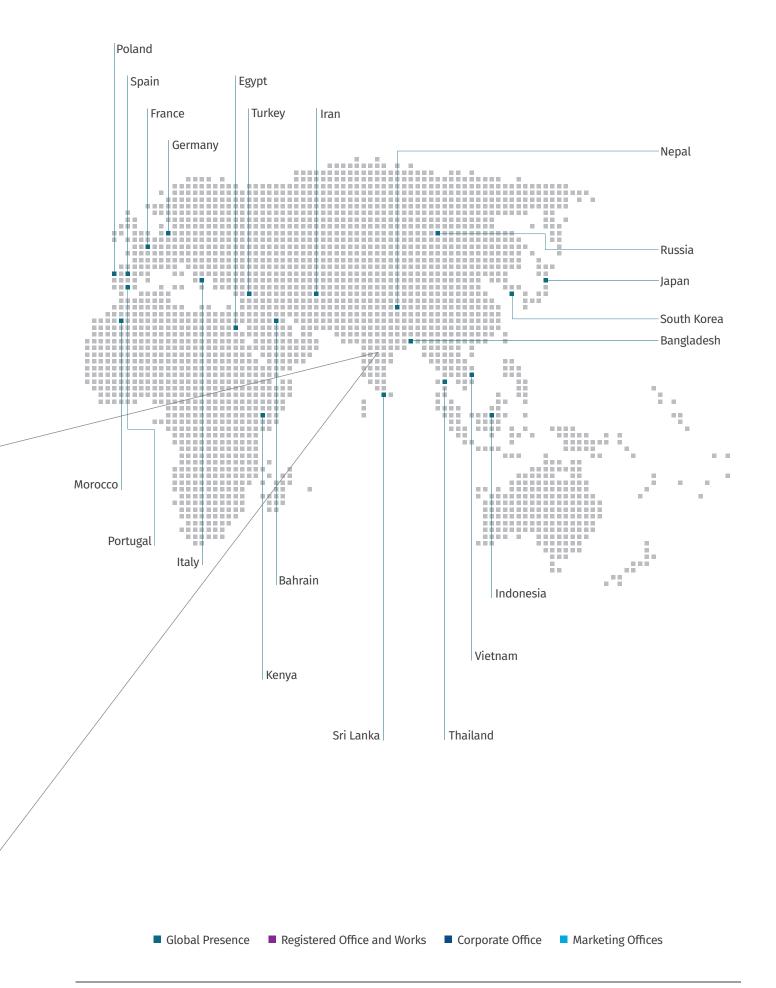
- We started training engagement of local engineering, diploma and ITI students.
- We organised industry orientation training programmes.

Our green mandate

We undertake tree plantation initiatives to ensure a green belt surrounding the plant. We operate our first 30 MW wind energy project in Maharashtra to minimise environmental footprint and promote green awareness.

GLOBALLY RELEVANT





WIDE PRODUCTS ARRAY



Polyester Staple Fibre (PSF)

Product differentiators

- Constant on-line checks maintain consistent quality
- Superior spin-finish application ensures smoother working of fibre during spinning
- Merge number remains consistent over longer periods
- Standard bale weight is maintained

Partially Oriented Yarn (POY)

Product differentiators

- Yarns are produced by a continuous polymerisation process
- Strict quality control of denier orientation and spread, along with computer controlled draw force testing. This ensures maximum consistency of yarn performance during and after texturising
- All critical yarn proprietary, such as draw force, tenacity, elongation, uster and shrinkage are closely monitored and controlled
- A special proprietary spin finish protects the colour and lubricity of the yarn over long periods of storage
- Controlled interlace in filaments and special finish enable the yarns to be texturised at speeds of 750 mpm and above







Draw Texturised Yarn (DTY)

Product differentiators

- DTY is produced on latest high-speed draw texturising machines with identical capability
- Total quality checks are done with respect to dye ability. Bulk and elongation is closely monitored for consistency on captive weaving installations
- Electronic package-size measuring units ensure uniform texturised yarn package
- A consistent level of high quality anti-static lubricating oils, coupled with an option of incorporating adequate interlacement, is applied for warping purposes without sizing

Fully Drawn Yarn (FDY)

Product differentiators

- Intermingled FDY yarns are suitable for direct twisting, warping and weaving
- Less waste and high efficiency in subsequent processes due to higher package weight (10 kg)
- The fabric made from these yarns have a feel and drape similar to fabrics produced from pure silk, resulting in high realisation of product quality
- These yarns eliminate draw-twisting and sizing process, reducing the cost of products for light and medium range of fabrics
- There is high efficiency and low breakage in warping due to excellent package quality produced on craft winder
- Excellent dyeing consistency





Polyester Chips

Product differentiators

- Produced in a continuous polyester polymerisation plant
- Uniform chemical and physical properties

MANAGEMENT DISCUSSION AND ANALYSIS



In 2014-15, Indian economy grew at 7.3% (GDP at market prices). The falling oil prices has aided in lower current account deficit and inflation.

Global Economy

The global economy is set for a modest growth of 3.5% in 2015, as against 3.4% in 2014, and IMF forecasts global growth to rise moderately to 3.8% in 2016. The US economy is poised to grow strongly, exceeding expectations on account of domestic demand, supported by the upward trend in the US economy in 2014. The UK is well on its way to recovery.

Lower oil prices in 2014-15 brought substantial savings into government coffers, and gave an opportunity to reform energy subsidies and taxes in both oil exporting and importing nations. In oil importing nations, the savings from the removal of general energy subsidies is expected to increase public infrastructure spending, for many emerging economies.

Global Growth Trend (%)

			Proje	ctions
	2013	2014	2015	2016
World Output	3.4	3.4	3.5	3.8
Advanced Economies	1.4	1.8	2.4	2.4
United States	2.2	2.4	3.1	3.1
Euro Area	(0.5)	0.9	1.5	1.5
Japan	1.6	(0.1)	1.0	1.2
United Kingdom	1.7	2.6	2.7	2.3
Other Advanced Economies *	2.2	2.8	2.8	3.1
Emerging and Developing Economies	5.0	4.6	4.3	4.7
China	7.8	7.4	6.8	6.3
China	7.8	7.4	6.8	6.3

^{*(}Excludes the G7 (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries)

(Source: International Monetary Fund 2015)

Indian Economy

In 2014-15, Indian economy grew at 7.3% (GDP at market prices). The falling oil prices has aided in lower current account deficit and inflation. With fiscal deficit at below 4%, and current account deficit at 1.6% of GDP, India's macroeconomic fundamentals are healthy.

Indian economy has gained momentum following pro-economic reforms, initiated by the new government. The reforms include deregulation of diesel prices, direct transfer of cooking gas subsidy, hiking FDI cap in defence and insurance, ordinance on coal and telecom spectrum allocation.



Global Trade Scenario

Slow and uneven recovery in major developed countries and moderated growth in developing countries have led to sluggish trade growth in the past few years. World trade is estimated to have expanded by 3.4% in 2014, still well below pre-crisis trends. In the forecast period, trade growth is expected to pick up moderately along with improvement in global output, rising to 4.5% in 2015 and 4.9% in 2016.

4-5%

The Global textile and clothing industry is estimated to register a growth of 4-5% in 2014-15.



Developed countries are expected to see some improvements in trade growth, with export growth rising from 3.5% in 2014 to 4.4% in 2015. Import growth will also progress at a similar rate. (Source: World economic situation and prospects, January 2015)

World merchandise trade (% change)

		Year on year		Momentum*	
	2012	2013	2014	2014 (12 months)	2015 (1 month)
World Imports					
- Advanced economies	(0.3)	(0.4)	2.8	0.9	1.3
- Emerging economies	4.8	5.5	3.4	1.9	(0.8)
World Exports					
- Advanced economies	0.5	1.3	1.8	1.7	0.8
- Emerging economies	3.9	4.5	4.4	0.6	1.1

 $^{^{\}star}$ Average of the three months up to the report month over average of the preceding three months.

(Source: CPB Netherlands Bureau for Economic Policy Analysis, March 2015)

Textile industry scenario

Global textile industry

The Global textile and clothing industry is estimated to register a growth of 4-5% in 2014-15. The growth could have been stronger, but subdued Q4 led to lower estimated growth. India is expected to achieve around USD 39 billion. The slowdown in exports to China and following commodity prices impacted the world exports.

Year on Year (Y-o-Y) % change in USD values in world textile and clothing trade

Year	2013 (E)	2014 (E)
Q1	1.0	7.0
Q2	2.5	7.0
Q3	6.5	4.0
Q4	7.0	(2.5)

(Source: WTO, Press Release)

Global textile and clothing scenario 2012-2016

(USD billion)

2013	2014 (E)	2015 (P)	2016 (P)
766	800	840	882

(Source: WTO, 2014-2016: Industry Projections)

Global yarn and fabric production in 2014 (%)

	Q1	Q2	Q3 (E)	Q4 (E)
World yarn production	10	15.9	(1.3)	Negative
Asia yarn production	11	17.0	(1.4)	Negative
World fabric production	(11.6)	11.3	(1.4)	Positive
Asia fabric production	(14.3)	13.2	(0.4)	Positive

(Source: ITMF Press Release 2014, 2015)

MANAGEMENT DISCUSSION AND ANALYSIS CONTINUED

Indian textile industry

The Indian textile industry may touch USD 500 billion by 2025. The domestic market is projected to go up from USD 68 billion in 2013 to USD 315 billion in 2025, and the export market is projected to grow from USD 40 billion to USD 185 billion in 2025. The segments contributing in the growth is likely to be from technical textiles and apparels. India has a potential to double its market share in global trade from 5% to 10% by 2025, as per the study of Wazir Advisors.

Fibre industry scenario

Global fibre industry

The year 2014 is estimated to see a growth of 4.7% from 85 million tonnes to 89 million tonnes in cotton and manmade fibres. The manmade fibre is estimated to grow from 60 million tonnes to 63 million tonnes, a growth of 4.9%. The manmade fibre current share is around 68% in 2014, up from 54% in 2000. The polyester fibre is estimated to grow by 3.7% from 43.7 million tonnes to 45.3 million tonnes as per the data from PCI.

Cotton

Cotton fibre's global production is estimated at 26.3 million tonnes in 2014-15, whereas consumption is at 91% of the production, at 24.1 million tonnes. The production remained flat as per the latest estimates of ICAC, but consumption is estimated to be up by 2% from 2013-14.

Manmade fibre

Manmade fibre accounts for 71% of the total global fibre production, as per the estimates of The Fibre Year, ICAC and PCI.

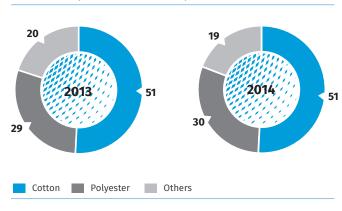
Indian fibre industry

India's fibre production for the year 2014-15 is estimated at 11.0 million tonnes. The production of cotton fibre is down by 2% to 6.63 million tonnes. As per CAB estimates, 2014-15 is likely to produce 390 lakh bales, against 398 lakh bales crop in 2013-14. The polyester fibre production is up by 7.0%, from 3.60 million tonnes in 2013-14 to 3.85 million in 2014-15. The production of viscose and acrylic fibre is likely to remain flat.

On the demand side, the demand of all fibre up from 8.5 million tonnes in 2013-14 to estimated 9.2 million tonnes, registering a growth of 8.2%. The cotton fibre estimated up by 5.0% (305 lakh bales in 2014-15, against 291 lakh bales in 2013-14). The polyester fibres up from 3.2 million tonne to estimated 3.6 million tonnes in 2014-15. Polyester fibre continues to lead the growth in domestic market. India continued to be dominated by cotton and polyester, both accounting 95% of the domestic demand.

At 9.2 million tonnes, per capita consumption of fibre works out around 7.2 kg. In 2013 per capita consumption estimated at 6.8 kg.

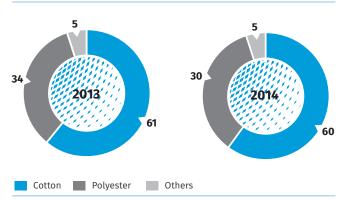
Global fibre production break-up, 2013 Vs 2014



India's fibre production break-up

(%)

(%)



Global and India fibre per capita consumption in 2014

(kg)

	All fibre (E)	Polyester (E)
World	12.2	6.2
India	7.2	2.8

India's fabric scenario

India's fabric production registered a growth of 2.6%. While cotton and blended growth is estimated to be positive, 100% non-cotton fabric production is marginally down.

Fabric production

(million sq. meters)

Types	2013-14 (E)	2014-15 (E)
Cotton	35,513	36,957
Blended	10,062	10,385
100% non-cotton	17,049	16,879
Total	62,624	6,4221

(Source: Ministry of Textiles, May 2015)



The Indian textile industry may touch USD 500 billion by 2025.

India's Yarn Scenario

India's yarn production registered a positive growth of 3.3%. All segments, cotton, blended and 100% non-cotton yarn is expected to register positive growth. 100% non-cotton is estimated to grow 5.8% in year 2014-15.

Types	2013-14	2014-15 (E)
Cotton	3,928	4,057
Blended	896	915
100% non-cotton	485	513
Total	5,309	5,485

(Source: Ministry of Textiles, May 2015)

Indian polyester industry

- Domestic growth of polyester fibre is up by 12.5% on Y-o-Y basis. Total domestic demand is estimated at 3.6 million tonnes in 2014-15, as compared to 3.2 million tonnes in 2013-14. The robust demand led by FDY, followed by POY and PSF
- Polyester fibre capacity increased by 9% owing to increased PFY capacity
- Polyester virgin fibre is regaining attractiveness over recycled fibre due to competitive pricing
- Polyester fibre is estimated to grow at 7-8% for the period 2016-2018 owing to price stability, competitiveness of polyester fibre price over cotton, growing applications in technical textiles and due to revival of global textile and clothing trade

Polyester Filament Yarn (PFY)

- Domestic capacity up by 12%
- Domestic demand up from 2.42 million tonnes to estimated 2.79 million tonnes in 2014-15, growth of 15%
- Capacity utilisation estimated at 65%

Polyester Staple Fibre (PSF)

 Domestic demand up from 0.73 million tonnes to estimated 0.80 million tonnes. A robust growth of 9.2%, led by spinning industry, adopting polyester fibre over cotton PSF virgin production is estimated at 0.87 million tonnes and operational capacity at 74%

Indo Rama Synthetics (India) Limited (Indo Rama)

Indo Rama is India's largest dedicated polyester manufacturer, with an Integrated Manufacturing Complex in Butibori near Nagpur (Maharashtra). It has a production capacity of 610,050 tonnes per annum.

Product basket

- Polvester Stable Fibre (PSF)
- Polyester Filament Yarn (PFY)
- Draw Texturised Yarn (DTY)
- Fully Drawn Yarn
- Textile Grade Chips

Core strengths

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

Production and sales performance

Particulars	2013-14	2014-15
Total sales (₹ in million)*	28,694	30,144
Total exports (₹ in million)	7,448	6,796
Electrical power (MWPH)	26.23	29.42
Polyester Staple Fibre (TPA)	142,972	179,802
Polyester Filament Yarn (TPA)	113,050	131,537
Draw Texturised Yarn (TPA)	63,120	71,982
Polyester Chips (TPA)	533	107

^{*}Includes gross sales and other operating income.

Financial performance

(₹ in million)

Particulars	2013-14	2014-15
Total income *	31,050	30,242
EBIDTA	2,446	1,323
PBT	(253)	(340)
PAT	(82)	(215)
Book value per share (₹)	39.11	36.48
Earnings per share (₹)	(0.54)	(1.42)

^{*}Total income includes gross sales, operating and other income.

Raw material dynamics

For Polyester Industry, the main raw materials are Purified Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG),

MANAGEMENT DISCUSSION AND ANALYSIS CONTINUED

these are derivatives of petrochemical industry. Any change in crude oil prices affects the prices of PTA and MEG.

Last financial year was unprecedented, as the price of crude oil crashed from about USD 115 per barrel to about USD 45 per barrel. The decline started around July/August 2014, and hit a bottom in January 2015, before recovering slightly. This led to a crash in the prices of PX (Paraxylene), PTA, as well as MEG.

The price of PX hit a peak of about USD 1,425 in July 2014, and started declining thereafter, hitting a bottom of about USD 780 in January 2015, and then recovered slightly.

Purified Terephthalic Acid (PTA)

PTA reached a peak of about USD 1,000 in August 2014, and started declining thereafter, hitting a bottom of about USD 580 in January 2015, and then recovered slightly.

The scenario for PTA also changed significantly due to substantial addition of capacity for PTA in China. From July 2014, imposition of Anti Dumping Duty on imports of PTA from countries like China, Korea, Thailand and European Union contributed to the changing scenario. Due to substantial over capacity for PTA worldwide, including China, the PTA -PX Delta remained very low, in the range of about USD 25 to USD 85. This could not cover the full cost of PTA manufacturers. Some of the old inefficient plants have been moth balled during the year.

In India, due to frequent shut downs, low capacity utilisation at the plants of Indian Oil Corporation Limited (IOCL) and MCC PTA India Corporation Private Limited (MCPI), and delay in commissioning of the new plant of Reliance Industries Limited (RIL), the PTA shortage continued, and significant imports took place during the year. RIL's new plant has now been commissioned, and the situation has eased. Also, with removal of Anti Dumping Duty on import of PTA from China, significant import of PTA will take place from China, and the situation should ease further. With the commissioning of RIL's second new plant towards the end of the year, PTA should be surplus in India.

Mono Ethylene Glycol (MEG)

MEG reached a peak of about USD 990 in July 2014, and started declining thereafter, hitting a bottom of USD 725 in January 2015, before recovering slightly. The MEG - Ethylene Delta remained low during the year. MEG is expected to remain tight globally as no new capacities are coming up in the near future, other than debottlenecking for some of the existing plants.

Even in India, the MEG situation is expected to remain tight, and imports will continue till RIL's new plant goes on stream after couple of years.

Prices of PTA, MEG, PX and crude oil from April 2014 to March 2015

(USD)





Power business

Conventional Energy

Indo Rama's captive power source enables continuous power supply for uninterrupted production. After the 10 MW STG addition, the Captive Power Plant (CPP) capacity has increased to 40 MW with coal based thermal power generation 31.08 MW FO based DG sets are used only to meet emergencies and one idle 13.54 MW DG set disposed off during the year. The DG sets are used only to meet emergencies and one idle 13.54 MW DG set was disposed off during the year. The Company has imported cheaper power on available opportunities and during off peak hours. The Company's combined power generation capabilities are integrated into a common power supply pool, from which the required amount of power is fed for captive power consumption. The CPP also meets steam demand of the process through extraction from the turbines.

The Company continues to reduce the overall cost of power of polyester production and contribute to the core business profitability. The utilisation of higher gross calorific value (GCV) coal from Singareni mines, as well as transporting the same over rail will reduce overall fuel costs. The CPP also sells the surplus power whenever available in the energy exchange, and the prices are favourable.

Nonconventional Energy

Indo Rama Renewables Limited (IRRL), a wholly-owned subsidiary of Indo Rama Synthetics (India) Limited, is an independent power producer in the renewable energy space. The Company commissioned a 30 MW wind energy project in Maharashtra. The power generated is sold to the state electricity board under long-term PPA arrangement.

Going forward, the Company intends to seamlessly operate and maintain the 30 MW wind energy project at optimum levels. In the long-term, the Company will indentify newer feasible opportunities in the renewable energy space.

Human Resource

Indo Rama encourages a continuous learning environment, promoting meritocracy. The employees underwent both functional and behavioural training that would eventually result in improved productivity. Other initiatives comprised a regularised recruitment process, a fair and unbiased performance appraisal system, with an inbuilt feedback system.

HR policy

The basic principles of HR policies at Indo Rama include:

- Following merit-based recruitment through well-defined and systematic selection procedures to eliminate discrimination.
- Sustaining motivated and quality workforce through appropriate and fair performance evaluation, reward and recognition systems.
- Identifying internal training needs; designing and implementing those training programmes to enhance knowledge, skills and employee attitude.
- Meeting international ISO standards.
- Planning, designing, training, equipping and motivating the staff to meet the standards.

Regular and sustained training programmes form Indo Rama's core functions and operations. The Company undertook several initiatives in this regard in 2014-15. It followed a stringent employee training policy to identify the needs. It organised cultural and sports activities for employees and their family members, as well as for the entire industrial area to facilitate cordial and healthy relations. Effective cost-saving measures have become a major part of the employee work profile at Indo Rama. The sincere efforts of the employees have resulted in major administrative expense savings.

A vibrant work culture

- Freedom to experiment
- Continuous learning and training
- Transparency
- Quality
- Performance-based rewards

Highlights, 2014-15

- Optimised manpower utilisation through job rotation and skill enhancement.
- Optimised efficiency of plant offices through centralised sitting arrangement.
- Conducted recruitment drive through in-house referrals
- Organised different training programmes for employee skill enhancement (executive development programme, quality management system and environment management system, quality circle and 5S, SAP and advanced excel).
- Conducted technical programmes for technical skill enhancement.

MANAGEMENT DISCUSSION AND ANALYSIS CONTINUED

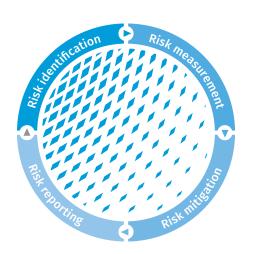
- Organised training programmes for graduate engineer trainees (GET), covering multi-skilled knowledge session, shop floor exposure and safety, health and environment.
- Organised programme for 'ISO Internal Auditors' and developed a team of 23 new internal auditors
- Encouraged suggestion scheme and best suggestions were implemented
- Maintained attrition rate below industry benchmark

Risk management

Risk is an integral part of business reality. It is the uncertainty regarding business decisions, events and their possible outcomes that could impact an enterprise's performance and prospects. Successful risk management implies not avoidance of risk, but anticipation of the same, and formulation and implementation of relevant mitigation strategies.

Indo Rama is committed to proactive awareness, appraisal and counter-action. A comprehensive and integrated risk management framework, comprising prudential norms, structured reporting and control contribute to the risk management policy. Although centrally initiated, the risk management approach is carefully decentralised, enabling risk mitigation at the transactional level.

360° risk management approach at Indo Rama



Economy risk

Indo Rama's performance could be adversely affected in the event of a global trade slowdown.

Mitigation

The global economy is set for a modest growth of 3.5% in 2015, as against 3.3% in 2014. The IMF forecasts global growth to rise moderately to 3.8% in 2016.

Moreover, Indian economy grew at 7.3% (GDP at market prices) in 2014-15. India is witnessing improving macroeconomic fundamentals – moderating inflation, stabilising currency and improving consumer demand. Consumption-driven and more urbanised middle-class will drive Indian economy. India's growth is expected to strengthen due to policy reforms.

Demand risk

Slowdown in downstream industries might affect demand for products.

Mitigation

Today, polyester finds multi-faceted use in apparel, automotive, home furnishing, industrial textile and sportswear sectors, compared to any other form of manmade fibre. Moreover, increasing population of India, industrialisation growth, rapid urbanisation, rising purchasing power, growing middle class, increasing cotton prices and low cotton production capacity growth will significantly drive polyester demand.

Cost risk

Increasing trends in various input costs can impact profitability.

Mitigation

The Company benefits can be derived from economies of scale in the procurement of raw materials and consumables. Indo Rama converted Heat Treatment Media (HTM) from furnace oil (FO) to coal based heating, resulting in saving energy cost. The Company shifted from road to railway logistics, reducing logistical cost. It also rationalised costs by using bigger trucks for inward and outward transit of material. It renegotiated with all vendors for key raw materials, stores and spares to further optimise cost. The Company started substituting expensive material with easily available economical alternatives, without compromising with the end-product quality.

Competition risk

Attractive business prospects, quality product portfolio and diverse client base can attract competition.



Mitigation

The Company widened the value-added product portfolio to address a broader client base and reinforced a culture of innovation to reduce cost. Indo Rama's fully-equipped quality control laboratory with contemporary equipment ensures continuous supply of best quality products.

Technology risk

Obsolescence of technology may affect the production process.

Mitigation

Indo Rama had put in place best-in-class technology from the US, Germany, Japan, France, Finland, Switzerland, Belgium and Singapore, among others. Moreover, consistent investment in technology upgradation enables the Company to stay at par with the global best practices. The Company also does process re-engineering and improvisation to enhance efficiency.

Marketing risk

Inadequate marketing initiatives and inability to reach out to the demand pockets across the globe, including India may affect growth.

Mitigation

The Company strengthened its direct customer base and added several new customers across all product categories. It also strengthened marketing and sales team, enabling increased market penetration. The Company's marketing department closely monitors relationships with customers to ensure repeat business. Indo Rama has established direct contact with international customers, helping in better understanding of customer requirements resulting in increased profitability. Several initiatives have been taken to enhance footprints across key demand regions, globally.

Human capital risk

Attracting best industry talents and retaining them can be challenge.

Mitigation

Indo Rama has conducted multiple competence building initiatives for all employees, enabling capability building. In 2014-15, the Company conducted several training programmes on various functional areas. The Company ensured cordial working environment and maintains industrial harmony.

Forex risk

Volatile global currencies may impact profitability.

Mitigation

The Company maintained a judicious balance between export receipts and import payments, creating a natural hedge against adverse currency fluctuations. It also used hedging tools (forward / options contracts) to safeguard against currency volatility.

Safety, health and environment

Safety

Indo Rama is creating awareness on fire and safety among employees, including contractor workers and their family members

- Imparted fire and safety training to over 175 company employees and 1,760 contractor workers
- Developed proactive fire squad and offered regular fire and safety training to ensure full preparedness towards handling any emergency
- Well-defined and regularly updated on-site Emergency Management Plan is expected to tackle any major emergency inside and outside plant premises
- Conducted mock drills to ensure emergency preparedness
- Conducted awareness programmes for family members of employees on LPG cylinder use and other relevant topics
- No major fire incidents took place in 2014-15
- Celebrated safety month (4 February to 4 March) to create safety awareness
- Extended help to nearby industries during fire emergencies by providing fire tender to extinguish the fire
- We abide by all statutory compliance as per Factories Act 1948, Maharashtra Factories Rules 1963 and Maharashtra Fire Prevention and Life Safety Rules

Health

The Company organises periodic health check-ups of employees, and providing guidance on matters of health, diets and exercise. Below are some of the key health initiatives taken during 2014-15:

- Conducted awareness workshop on diet and nutrition
- Conducted lecture on hypertension
- Organised lecture on prevention of heart attack
- Organised a general diagnostic and treatment camps
- Conducted a lecture on first aid in SHE Programme by Dr Bhalerao with 17 participants

MANAGEMENT DISCUSSION AND ANALYSIS CONTINUED

- Organised a free diagnostic and treatment camp
- Conducted BMD camp in employee colonies with 165 patients
- Organised an awareness programme on dengue fever
- Organised an eye camp
- Awareness with red ribbon HIV Aids logo on World Aids Day
- Conducted a lecture to 30 truckers on HIV Aids at truck yard
- Conducted a lecture on awareness of tobacco
- Conducted a lecture programme on diabetes
- Organised an eye camp in association with Vasan Eye Care Hospital, Nagpur
- Conducted a lecture cum awareness programme on swine flu
- Conducted audit of first aid boxes across the plant

Environment

Since inception, Indo Rama had focused on preserving the ecological balance to provide a green, healthy and pollution-free environment. The Company maintains a green belt around the plant and plants thousands of trees every year. The Company has adopted various methods and practices for solid hazardous waste management. Polymer and fibre wastes are sold to authorised parties for reuse. Hazardous wastes are handled through registered recyclers, who are authorised by the concerned Pollution Board and the MOEF.

Waste generated in Dissolved Air Flotation Effluent Treatment Plant (DAFETP), after treating spin finish effluent is being sent to the common hazardous waste storage and treatment facility at Butibori. The waste water and effluent water after the primary treatment is sent to CETP, Butibori. According to the norms specified by the State Pollution Control Board, three Ambient Air Quality Monitoring System (AAQMS) systems were installed in the plant as well as, both colonies to continuously monitor air quality.

- Celebrated World Environment Day to create awareness among everyone, about the need of protecting environment. Over 500 trees were planted at MIDC & Local community area, Butibori
- Planted over 1,000 trees during the rainy season at Indo Rama plant premises
- Increased the recycling of paper tubes to reduce the consumption of paper
- Increased the recycling of wooden pallets to reduce the consumption of wood

- Started recycling of filtered back wash water to use in fountains for plant beautification.
- Increased recycling of condensate water from air handling unit (AHU) to be used in cooling towers.
- Water sprinklers installed with waste water to avoid any fugitive dust emission, caused by truck movements on roads.

Information Technology (IT)

Information technology facilitates timing-sensitive and proactive decision-making. The Company is focusing in increasing the level of automation across all modules in SAP, helping faster work execution, with enhanced efficiency. The Company is implementing a new emailing framework to enable quicker and efficient internal communication, and reduce spam threats. Going forward, the Company is planning 100% automation in terms of data capturing and data utilisation.

Internal controls and their adequacy

Internal audit is used as an effective tool to check and enhance efficacy of systems, processes and controls of the Company. It is carried out by an independent agency and internal enterprise risk management team. The review plan, drawn in consultation with the senior management, covers all the major areas. Standard operating procedure compliance and management-approved policies are reviewed and areas of improvement, if any, are identified. All the observations and suggestions for improvement form a part of the report. The report is discussed with senior management and audit committee of the Board. Wherever necessary, adequate corrective measures are initiated to ensure compliance.

Statutory compliance

The Whole-time Directors and CEO makes a declaration at each Board Meeting regarding the compliance with the provisions of various statutes, after obtaining confirmation from all the units of the Company. The Company Secretary ensures compliance accordance to SEBI regulations and provisions of the Listing Agreement.

Cautionary statement

The Management of Indo Rama has prepared and is responsible for the financial statements that appear in this report. These are in conformity with accounting principles generally accepted in India. The Management also accepts responsibility for the preparation of other

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



REPORT ON CORPORATE GOVERNANCE



The Company regularly evaluates and defines its management practices which are aimed at enhancing its commitment to ensure that these basic tenets of corporate governance are met.

Company's Philosophy on Code of Governance

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

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

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

This chapter, along with the chapters on Management Discussion and Analysis and Additional Shareholders Information, reports Indo Rama's compliance with Clause 49 of the Listing Agreement with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

Appropriate Governance Structure with defined Roles and Responsibilities

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

Best Corporate Governance practices

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

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





Board of Directors

Composition of the Board, Board Meetings and Attendance As on 31 March 2015, Indo Rama's Board comprised of seven Directors. There are three Executive Directors on the Board, including the executive Chairman. One director is non-executive and non-independent; the remaining three Directors are non-executive independent Directors. During 2014-15, the Board of the Company met four times on

20 May 2014; 7 August 2014; 13 November 2014 and 13 February 2015. The maximum gap between any two Board meetings was less than one hundred twenty days. Table 1 gives the attendance of Directors at Board Meetings, last Annual General Meeting (AGM) and number of other Directorship and Chairmanship / Membership of Committees of each Director in various Companies:

Table 1: Composition of the Board of Directors.

Name of the Directors	DIN Category		Number of Board Meetings		Last AGM Attended	No. of Other Director- ships ¹	No. of Chairmanship(s)/ Membership(s) of Board Committees in other Companies ²	
			Held	Attended			Chairmanships	Memberships
Mr. Mohan Lal Lohia ³ (Chairman-Emeritus)	00918397	Promoter, Non- Executive Director	4	1	No	-	-	-
Mr. Om Prakash Lohia ³ (Chairman & Managing Director)	00206807	Promoter, Executive Chairman	4	4	Yes	1	-	-
Mr. Vishal Lohia ³ (Whole-time Director)	00206458	Executive Director	4	4	Yes	4	-	-
Mr. Ashok Kumar Ladha	00089360	Independent Director	4	4	Yes	6	-	2
Dr. Arvind Pandalai	00352809	Independent Director	4	4	Yes	6	-	-
Mr. Suman Jyoti Khaitan	00023370	Independent Director	4	4	Yes	3	2	2
Mr. Anant Kishore	05262142	Executive Director	4	3	Yes	-	-	-
Ms. Ranjana Agarwal ⁴ (Since 18 May 2015)	03340032	Independent Director	-	-	-	2	1	2

Notes:

- 1. The Directorships held by the Directors as mentioned above, do not include Alternate Directorships and Directorships in Foreign Companies, Companies registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.
- 2. In accordance with Clause 49, Chairmanships/Memberships of only Audit Committee and Stakeholders Relationship Committee in all Public Limited Companies [excluding Indo Rama Synthetics (India) Limited] have been considered.
- 3. Mr. Mohan Lal Lohia, Mr. Om Prakash Lohia and Mr. Vishal Lohia are related to each other.
- 4. Ms. Ranjana Agarwal has appointed as Independent Women Director, with effect from 18 May 2015.

As detailed in the table above, none of the Directors is a member of more than 10 Board-level Committees of Public Companies in which they are Directors nor Chairman of more than five such Committees.

As on 31 March 2015, the number of Independent Directors on the Board does not meet the 'composition criterion' as laid down by the Securities and Exchange Board of India (SEBI). The shortfall in the number of independent directors is because of demise of Mr. O.P. Vaish and the Board of Directors of the Company, at their meeting held on 18 May 2015, have appointed Ms. Ranjana Agarwal as additional Director (non-executive Independent Women Director) with effect from 18 May 2015.

Selection of Independent Directors

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

Lead Independent Director

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

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

Meetings of Independent Directors

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

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

During the financial year 2014-15, one meeting of Independent Directors was held on 13 February 2015.

Directors with Material Pecuniary or Business Relationship with the Company

As mandated by Clause 49, the Independent Directors of the Company:

- are a person of integrity and possesses relevant expertise and experience;
- are not a promoter of the company or its holding, subsidiary or associate company;
- are not related to promoters or directors in the company, its holding, subsidiary or associate company;
- apart from receiving Director's remuneration (sitting fee), do not have any material pecuniary relationships or transactions with the Company, its Promoters or Directors, its Senior Management which may affect independence of these Directors.
- none of there relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or ₹ 50 lakhs or such higher amount as may be prescribed, whichever is lower, during the 2 immediately preceding financial years or during the current financial year;
- have not been an key managerial personnel or is or has been employee of the Company in the immediately preceding three financial years.
- are not employee or proprietor or partners or were not employee or proprietor or partners during the preceding three years of the:
 - Statutory audit firm or company secretary in practice or cost auditor the internal audit firm that is associated with the Company.
 - Legal/consulting firm(s) that have a material association with the Company.



- are not substantial shareholders of the Company, i.e., do not own two percent or more of the block of voting shares.
- are not a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company.
- are not material suppliers, service providers or customers or lessors or lessees to the Company which may affect independence of the Directors.

Transactions with related parties are disclosed in Note No. 34 of the 'Notes to the Financial Statements'. There has been no material pecuniary transaction or relationship between the Company and its Non-executive and/or Independent Directors during the financial year 2014-15.

Board's Processes

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

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

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

Compliance with the Code of Conduct

The Company's Board has laid down a Code of Conduct for all Board members and Senior Management of the Company. The code of conduct is available on the website of the Company, www.indoramaindia.com. All Board members and Senior Management Personnel have affirmed compliance with the code of conduct during the financial year 2014-15. A declaration signed by the Chairman & Managing Director to this effect is enclosed at the end of this report.

Board material distributed in advance

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

Recording minutes of proceedings at Board and Committee Meetings

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

Risk Management

Please refer to the details stated in the Management Discussion & Analysis Report.

Committees of the Board

Audit Committee

As on 31 March 2015, the Audit Committee of the Company comprises of four Directors, viz.; Mr. Ashok Kumar Ladha, Mr. Vishal Lohia, Dr. Arvind Pandalai and Mr. Suman Jyoti Khaitan. Mr. Ashok Kumar Ladha, Dr. Arvind Pandalai and Mr. Suman Jyoti Khaitan are Independent Directors. Mr. Ashok Kumar Ladha is the Chairman of the Audit Committee. The constitution of the Audit Committee meets the requirement of Section 177 of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement. All the members of the Audit Committee are financially literate and have accounting and financial management expertise. The Chairman of the Audit Committee Mr. Ashok Kumar Ladha attended the 28th Annual General Meeting (AGM) held on 1 August 2014 and answered the shareholders queries.

During 2014-15, the Audit Committee of the Company met four times on 20 May 2014; 7 August 2014; 13 November 2014 and 13 February 2015. Table 2 gives the attendance record of the members of the Audit Committee.

Table 2: Attendance record of the Audit Committee Meetings for 2014-15.

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

The Chairman & Managing Director and the Chief Financial Officer, representatives of the Statutory Auditors and Internal Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Audit Committee.

Powers of the Audit Committee

- To investigate any activity within its terms of reference;
- To seek any information from any employee;
- To obtain outside legal or other professional advice;
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Audit Committee, inter-alia, includes the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report.

- Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory auditors, including cost auditors and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- Discussion with Internal Auditors of any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders,



- shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Review financial statements, in particular the investments made by the Company's unlisted subsidiaries
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- Reviewing the following information;
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- To call for comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and to discuss any related issue with the internal and statutory auditors and the management of the Company.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of three members, viz.; Mr. Ashok Kumar Ladha, Dr. Arvind Pandalai and Mr. Suman Jyoti Khaitan. Mr. Ashok Kumar Ladha is the Chairperson of this Committee. The Nomination and Remuneration Committee shall identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid-down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

The role of the Nomination and Remuneration Committee shall, inter-alia, include the following:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy of Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The Chairman of the Nomination and Remuneration Committee is required to be present at the Annual General Meeting, to answer the shareholders' queries.

Two meetings of Nomination and Remuneration Committee took place on 20 May 2014 and 13 November 2014 during the financial year 2014-15.

Remuneration Policy and details of Remuneration paid to Directors:

Subject to the approval of Board of Directors and subsequent approval by the Shareholders at the General Meeting and such authorities as the case may be the remuneration of the Managing Director, Whole-time Directors and Key Managerial Personnel (KMPs) of the Company is fixed by the Nomination and Remuneration Committee. Remuneration is determined considering various factors such as qualification, experience, expertise, prevailing remuneration in the competitive industries, financial position of the Company, etc. The remuneration structure comprises Basic Salary, commission linked to profits, perquisites and allowances, contribution to provident fund and other funds in accordance with various related provisions of the Companies Act, 2013. The non-executive Directors have not drawn any remuneration from the Company except sitting fee for meetings of the Board and Committees attended by them. Remuneration paid or payable to the Directors of the Company during the year ended 31 March 2015 is set forth in Table 3 below.

Table 3: Remuneration paid or payable to Directors for the year ended 31 March 2015

							(₹ '000)
Name of the Director	Relationship with other Directors	Salary	Perquisites	Deferred Benefits (PF and Gratuity) #	Commission	Sitting Fees for Board and Committee Meetings	Total
Mr. Mohan Lal Lohia (Chairman-Emeritus)	Father of Mr. Om Prakash Lohia and Grandfather of Mr. Vishal Lohia	_	_	-	-	_	_
Mr. Om Prakash Lohia (Chairman & Managing Director)	Son of Mr. Mohan Lal Lohia and Father of Mr. Vishal Lohia	24,480	776	3,053	-	-	28,309
Mr. Vishal Lohia (Whole-time Director)	Grandson of Mr. Mohan Lal Lohia and Son of Mr. Om Prakash Lohia	18,360	711	1,714	-	-	20,785
Mr. Anant Kishore (Whole-time Director & CEO)	None	8,520	1,429	605	-	-	10,554
Mr. Ashok Kumar Ladha	None	-			-	280	280
Dr. Arvind Pandalai	None	-			-	200	200
Mr. Suman Jyoti Khaitan	None	-	-		-	200	200
Total		51,360	2,916	5,372	-	680	60,328

[#] With regard to Leave Encashment and Gratuity Fund, the amount applicable to an individual is not ascertainable and hence not indicated.

Role of the Company Secretary in overall Governance Process

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

Shares held by Non-Executive Directors

Table 4: Details of the shares* held by the Non-Executive Directors as on 31 March 2015.

Name of Director	Category	Number of shares held
Mr. Mohan Lal Lohia	Promoter Director	3,00,028
Mr. Ashok Kumar Ladha	Independent Director	17,713
Dr. Arvind Pandalai	Independent Director	Nil
Mr. Suman Jyoti Khaitan	Independent Director	Nil

^{*}The company has not issued any Convertible Securities to any Non- Executive Directors

Stakeholders Relationship Committee

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

The SR Committee's composition and the terms of reference meet with the requirements of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013.

The Stakeholders Relationship Committee comprises of three members, viz.; Mr. Ashok Kumar Ladha, Mr. Om Prakash Lohia and Mr. Vishal Lohia. Mr. Ashok Kumar Ladha is the Chairperson of this Committee. The Stakeholders Relationship Committee met four times during the year 2014-15 on 2 July 2014, 30 September 2014, 5 January 2015 and 31 March 2015. Table 5 gives the details of attendance.

Table 5: Attendance record of the Stakeholders Relationship Committee for 2014-15.

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

As on 31 March 2015, no investor complaint was pending with the Company as well as Registrar and Share Transfer Agent of the Company. Table 6 gives data on the Shareholders/ Investors complaints received and redressed during the year 2014-15.

Table 6: Shareholders and Investors complaint received and redressed during the year 2014-15.

Total Complaints Received	Total Complaints Redressed	Pending as on 31.03.2015
46	46	Nil

Mr. Jayant K Sood, Head-Corporate & Company Secretary is the Compliance Officer of the Company.

Banking and Finance Committee

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

institutions. The Committee enjoys the delegation of the Board in matters relating to the borrowings/ placement of funds in normal and routine course of business. The other terms of reference, *inter-alia*, include review of capital structure, financial policies, treasury and foreign exchange risk management. During 2014-15, the Banking and Finance Committee met five times on 20 May 2014, 14 July 2014, 17 September 2014, 13 November 2014 and 13 February 2015.

Allotment and Share Transfer Committee

The Company has a Committee of Directors known as the 'Share Allotment and Transfer Committee' to look into and decide matters pertaining to share allotment, transfers, duplicate share certificates and related matters. As on 31 March 2015, the Committee comprises of Mr. Om Prakash Lohia, Mr. Ashok Kumar Ladha and Mr. Vishal Lohia. The Chairman is appointed by a voice vote and quorum is any two members present. During 2014-15, the Share Allotment and Transfer Committee met nine times on 19 April 2014, 29 May 2014, 25 July 2014, 1 September 2014, 10 October 2014, 13 November 2014, 17 December 2014, 23 February 2015 and 16 March 2015.

The details of attendance of the Committee members are given below in Table 7.

Table 7: Attendance record of the share Allotment and Transfer Committee for 2014-15.

			No. of Meetings		
Name of Members	Category	Status	Held under tenure	Attended	
Mr. Om Prakash Lohia	Executive Director	Member	9	9	
Mr. Ashok Kumar Ladha	Independent Director	Member	9	9	
Mr. Vishal Lohia	Executive Director	Member	9	9	

Corporate Social Responsibility Committee

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

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on the CSR activities;
- Monitor the Corporate Social Responsibility Policy of the company from time to time;

 Prepare a transparent monitoring mechanism for ensuring implementation of the project/programmes/ activities proposed to be undertaken by the Company.

The Committee comprises of Mr. Om Prakash Lohia, Mr. Vishal Lohia and Dr. Arvind Pandalai. Mr. Om Prakash Lohia is the Chairperson of this Committee. The Company Secretary acts as the Secretary to the CSR Committee.

Subsidiary Companies Monitoring Framework

All subsidiary companies of the Company are Board managed with their Boards having the rights and obligations to manage such Companies in the best interest of their stakeholders. The Company monitors performance of subsidiary Companies, inter-alia, by the following means:

 Financial statements, in particular the investments made by the unlisted subsidiary Companies, are reviewed quarterly by the Audit Committee of the Company.

- All minutes of Board meetings of the unlisted subsidiary Companies are placed before the Company's Board regularly.
- A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary Companies is placed before the Company's Board.

Dr. Arvind Pandalai, Independent Director of the Company has been appointed as an Independent Director on the Board of Indo Rama Renewables Limited, a subsidiary of the Company.

Management Discussion and Analysis

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

General Body Meetings

Annual General Meeting

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

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

Financial year	Meeting	Date	Time	Venue	Special Resolutions Passed
2011-12	AGM	21 June 2012	12:00 Noon	A-31, MIDC Industrial Area Butibori Nagpur - 441122 Maharashtra	None
2012-13	AGM	4 July 2013	12:00 Noon	A-31, MIDC Industrial Area Butibori Nagpur - 441122 Maharashtra	 Re-appointment and remuneration of Mr. Om Prakash Lohia as Chairman & Managing Director of the Company. Re-appointment and remuneration of Mr. Vishal Lohia as Whole-time Director of the Company. Appointment and remuneration of Mr. Ashok Jagjivan Gupta as Whole-time Director & CEO of the Company, from 30 January 2013 to 30 June 2013, instead of 3 years, i.e., 30 January 2013 to 29 January 2016.
2013-14	AGM	1 August 2014	2:00 PM	A-31, MIDC Industrial Area Butibori Nagpur - 441122 Maharashtra	Appointment of Mr. Anant Kishore as Wholetime Director and CEO.

Postal Ballot

No resolution has been passed through Postal Ballot Mechanism during the year 2014-15.



Disclosures

- There are no materially significant related party transactions that might have potential conflict with the interest of the Company at large.
- No penalty or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter relating to capital markets during the last three years.

The Company has complied with all the mandatory requirement of clause 49 of the Listing Agreement, except composition of Board of Directors as on 31 March 2015, which have fallen short by one Independent Director, due to death of Mr. O. P. Vaish. Further, in alignment with the requirements of Clause 49 (II) (A) (1) of the Listing Agreement, the Board of Directors have appointed Ms. Ranjana Agarwal as an additional Director (non-executive Independent Women Director) with effect from 18 May 2015.

- 3. Indo Rama has followed the Accounting Standards prescribed under the Companies (Accounting Standards) Rules, 2006 in preparation of its financial statements.
- 4. In compliance with the SEBI regulation on prevention of insider trading, the Company has laid down a comprehensive code of conduct for its management and staff. The code lays down guidelines which advise them on procedures to be followed and disclosures to be made, while dealing with shares of the company and cautioning them of the consequences of violations.

Vigil Mechanism / Whistle Blower Policy

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

The Vigil Mechanism shall provide adequate safeguards against victimization of Director(s) / Employee(s), who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The details of establishment of the vigil mechanism disclosed by the Company on its website, www.indoramaindia.com.

CEO / CFO Certification

The Chairman and Managing Director (as the CEO of the Company) and Chief Financial Officer (CFO) of the Company

have certified to the Board of Directors the accuracy of financial statements and adequacy of internal controls for financial reporting purposes, as required under Clause 49 (V) of the Listing Agreement, for the year ended 31 March 2015.

Shareholders

Appointment / Re-appointment of Directors

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

Brief resume of Director, nature of their expertise in special functional areas and Company names in which they hold Directorships, Memberships/ Chairmanships of Board Committees and shareholding in the Company are given in the notice of the 29th Annual General Meeting.

Compliance

Mandatory Requirements

The Company is fully compliant with the applicable mandatory requirements of Clause 49 except constitution of the Board in respect to Independent Directors, which has fallen short due to demise of Mr. O. P. Vaish, as on 31 March, 2015. Further, in alignment with the requirements of Clause 49 (II) (A) (1) of the Listing Agreement, the Board of Directors have appointed Ms. Ranjana Agarwal as an additional Director (non-executive Independent Women Director), with effect from 18 May 2015.

Adoption of Non- Mandatory Requirements

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

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

Auditor's Certificate on Corporate Governance

The Company has obtained a Certificate from the Company Secretary in Practice regarding compliance of conditions of corporate governance, as mandated in Clause 49. The certificate is annexed to this Report.

Means of Communication

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

News releases, presentations, among others: Official news releases and official media releases are sent to Stock Exchanges.

Website: The Company's website, www.indoramaindia. com, contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

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

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

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Media Releases, Audited/Un-audited Financial Results are also filed electronically on the Listing Centre.

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

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

General Shareholder Information

Company Registration Details

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L17124MH1986PLC166615.

Annual General Meeting

(Day, Date, Time and Venue) Thursday, 30 July, 2015 at 1:30 PM A-31, MIDC Industrial Area, Butibori, Nagpur-441122, Maharashtra.

Financial Year

1 April to 31 March

Financial Calendar, 2015-16 (tentative)

1st Quarter Results	1st /2nd Week of August, 2015
2nd Quarter Results	1st /2nd Week of November, 2015
3rd Quarter Results	1st /2nd Week of February, 2016
Audited Annual Accounts	3rd/4th Week of April, 2016
for the year ended	
31 March 2016	
Annual General Meeting	August, 2016

Date of Book Closure

Thursday, 23 July 2015 to Thursday, 30 July, 2015 (both days inclusive) for payment of Dividend.

Dividend Payment Date

Subject to requisite approvals, Credit/dispatch of dividend warrants will be done between 20 August 2015 to 25 August 2015.

Listing on Stock Exchange and Stock Codes

Equity Shares of Indo Rama Synthetics (India) Limited are listed on the BSE Limited (BSE), Mumbai and National Stock Exchange of India Limited (NSE), Mumbai. The stock codes of the Company are as follows:

BSE: 500207
NSE: INDORAMA

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

All listing and custodial fees to the Stock Exchanges and Depositories have been paid to the respective institutions.

Listing of GDRs

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

1,286,320 GDRs were outstanding as on 31 March 2015, representing 10,290,560 Equity Shares of ₹ 10/- each,



constituting 6.78% of the share capital of the Company. The Company has already issued the underlying shares for GDRs which are held by the Depository, namely, The Bank of New York Mellon.

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

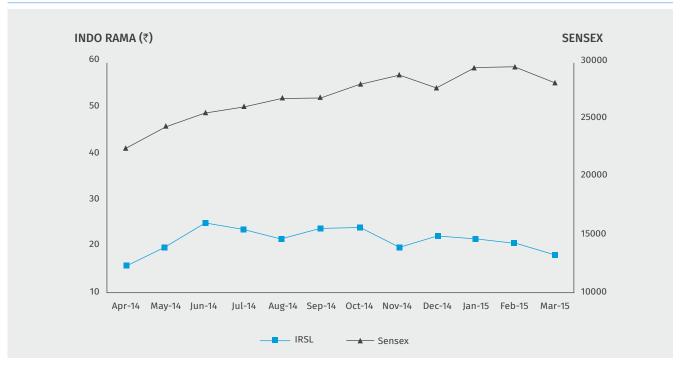
Stock Market Price Data

Table 9 below gives the monthly high and low prices of Indo Rama Synthetics (India) Limited equity shares at BSE Limited (BSE), the National Stock Exchange of India Limited (NSE) for the financial year 2014-15.

Table 9: Monthly High and Low quotations of shares traded at the BSE and NSE.

Month	BSE Limi	ted (BSE)	National Stock Excha	change of India Ltd. (NSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)	
April 2014	17.45	14.65	17.30	14.70	
May 2014	21.30	15.55	21.20	15.45	
June 2014	25.85	20.00	25.90	19.50	
July 2014	28.00	22.40	27.95	22.40	
August 2014	25.45	21.00	24.00	21.30	
September 2014	29.85	22.00	29.80	21.90	
October 2014	26.70	22.25	25.10	21.50	
November 2014	25.50	19.00	25.00	18.95	
December 2014	26.00	19.40	23.90	19.40	
January 2015	26.85	20.60	24.60	20.50	
February 2015	22.25	19.00	22.20	18.55	
March 2015	22.00	18.50	21.40	18.70	

Chart A: Share prices of Indo Rama versus BSE Sensex for the year ended 31 March 2015.



Note: Based on monthly closing share price on BSE (April 2014 to March 2015)

Reconciliation of Share Capital Audit

A qualified practicing Company Secretary carried out reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDI and CDSI.

Registrar and Transfer Agent

MCS Share Transfer Agent Limited F-65, First Floor, Okhla Industrial Area, Phase-1 New Delhi - 110 020.

Tel. No.: +91-11-4140 6149-52, Fax No.: +91-11-4170 9881 E-mail :mcssta@rediffmail.com / admin@mcsdel.com

Share Transfer System

Share transfers are registered and returned in the normal course within an average period of 15 days from the date

of receipt, if the documents are clear in all respects. Requests for dematerialisation of shares are processed and confirmation thereof is given to the respective depositories, i.e., National securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within 15 days.

The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement and files a copy of the said certificate with the Stock Exchanges. There are no legal proceedings against the Company on any share transfer matter.

Table 10 below gives the position of shares held in electronic form as on 31 March 2015.

Table 10: Status of Dematerialisation as on 31 March 2015.

No. of Shares	150,916,989	99.40% of total share capital
Dematerialised		
No. of	14,485	70.96% of the total
shareholders in		shareholders
Demat Form		

Shareholding Pattern and Distribution of Shareholding as on 31 March 2015.

Tables 11 and 12 give the pattern of shareholding by ownership and share class respectively.

Table 11: Pattern of shareholding by ownership as on 31 March 2015

		No. of Equity Shares	Shareholding (%)
A. Promote	rs' Holding	101,867,553	67.10
B. Non-Pro	moters' Holding		
,	ks, Financial Institutions, Insurance Companies, Central / State Govt. itutions, Non-government Institutions	6,258,956	4.12
b) Fore	eign Institutional Investors (FIIs)	14,044,664	9.25
c) Fore	eign Direct Investment (FDI)	-	-
d) Mut	ual Funds (including UTI)	10,796	0.01
e) Priv	rate Corporate Bodies	3,154,224	2.07
f) Indi	an Public	14,285,985	9.40
g) NRI:	s / OCBs	1,909,504	1.26
h) Sha	res held by custodians against which Depository Receipts have been issued	10,290,560	6.78
Grand Total		151,822,242	100.00

Table 12: Pattern of shareholding by share class as on 31 March 2015

Shareholding class	Number of shareholders	Number of shares held	Shareholding %
Up to 500	16,826	2,571,863	1.69
501 to 1,000	1,816	1,445,144	0.95
1,001 to 5,000	1,308	3,017,766	1.99
5,001 to 10,000	213	1,601,996	1.06
10,001 to 50,000	174	3,674,887	2.42
50,001 to 100,000	29	2,176,529	1.43
100,001 and above	46	137,334,057	90.46
Total	20,412	151,822,242	100.00



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

During the year under review, the Company has credited ₹ 4.25 Lakhs to the Investor Education and Protection Fund (IEPF) pursuant to Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 1 August 2014 (date of last Annual General Meeting) on the Company's website, www.indoramaindia.com and on the website of the IEPF, viz.; www.iepf.gov.in

Pursuant to Section 205C of the Companies Act, 1956, Table 13 below details the dates of declaration of Dividend and corresponding dates when unclaimed dividends are due for transfer to Investor Education and Protection Fund (IEPF).

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

Financial Year	Whether Interim / Final	Date of declaration of Dividend	Last date for transfer to IEPF
2007-08	Final	12 September 2008	11 October 2015
2008-09	NIL	-	-
2009-10	NIL	-	-
2010-11	Interim	14 February 2011	13 March 2018
2010-11	Final	14 July 2011	13 August 2018
2011-12	Final	21 June 2012	20 July 2019
2012-13	Final	4 July 2013	3 August 2020
2013-14	Final	1 August 2014	31 August 2021

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

Plant Location

The Company has its manufacturing and operating complex at: A-31, MIDC Industrial Area

Butibori, Nagpur-441 122

Maharashtra, India Tel.:+91-7104-663000-01

Fax.: +91-7104-663200

Compliance Officer for Investor Redressal

Mr. Jayant K Sood

Head-Corporate & Company Secretary Indo Rama Synthetics (India) Limited

20th Floor, DLF Square, DLF Phase-II, NH-8, Gurgaon-122002

Tel No. +91-124-4997000; Fax: +91-124-4997070 E-mail ID: investor-relations@indorama-ind.com

Address for Correspondence

Registered Office Corporate Office Registrar &Share Transfer Agent
Indo Rama Synthetics (India) Limited Indo Rama Synthetics (India) Limited A-31, MIDC, Industrial Area 20th Floor, DLF Square F-65, First Floor
Butibori, Nagpur-441122 DLF Phase - II, NH-8 Okhla Industrial Area, Phase-1

 Maharashtra, India
 Gurgaon-122 002, Haryana, India.
 New Delhi-110 020, India

 Tel. No.:+91-7104-663000-01
 Tel. No.:+91-124-4997000
 Tel. No.:+91-11-4140 6149-52

 Fax No.: +91-7104-663200
 Fax No.: +91-124-4997070
 Fax No.:+91-11-4170 9881

 Website: www.indoramaindia.com
 E-Mail: investor-relations@indorama-ind.com
 E-mail: admin@mcsdel.com

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

National Securities Depository Ltd. Central Depository Services (India) Ltd.

4th Floor, 'A' Wing, Trade World Phiroze Jeejeebhoy Towers

Kamala Mills Compound, Senapati Bapat Marg

17th Floor, Dalal Street, Fort
Lower Parel, Mumbai-400013

Mumbai-400001

 Telephone : +91-22-24994200
 Telephone : +91-22-22723333

 Fax : +91-22-24976351
 Fax : +91-22-22723199

 E-mail : info@nsdl.co.in
 E-mail : investors@cdsli

Declaration regarding Code of Conduct

As provided under clause 49 of the Listing Agreement, all Board Members and Senior Management have affirmed Compliance with the Code of Conduct for the financial year 2014-15.

Place: Gurgaon. Date :18 May 2015. Om Prakash Lohia Chairman & Managing Director DIN 00206807

PRACTICING COMPANY SECRETARY CERTIFICATE

(Under Clause 49 of the Listing Agreement)

To

The Members

Indo Rama Synthetics (India) Limited

I have examined the compliance of the mandatory conditions of Corporate Governance by Indo Rama Synthetics (India) Limited ('the Company'), for the financial year ended 31 March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the Management, and subject to my comments in paragraph below I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

Attention is drawn to the underlying 'Report on Corporate Governance' which explains, that the number of non-executive directors did not constitute fifty percent of the total number of directors due to demise of Mr. O.P. Vaish, Independent Director on 18th September 2013 and therefore, the composition criteria of the Board laid down in clause 49(II)(A)(2), and further, in alignment with the requirements of clause 49(II)(A)(1) of the Listing Agreement, the composition of Board of Directors as per Listing Agreement is not fulfilled as on 31st March 2015.

I further state that such compliance 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.

Rachna Aggarwal

Practising Company Secretary Certificate of Practice No.4819

Place : New Delhi Date : 18 May 2015



CEO & CFO CERTIFICATE

To
The Board of Directors
Indo Rama Synthetics (India) Limited

We, Om Prakash Lohia, Chairman & Managing Director and Sanjeev Aggarwal, President & Chief Financial Officer of Indo Rama Synthetics (India) Limited, certify that -

- a) We have reviewed the Financial Statements and the cash flow statement of Indo Rama Synthetics (India) Limited ('The Company") for the year ended March 31, 2015, and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
- d) We also certify that we have indicated to the auditors and the Audit Committee:
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to accounts to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and that involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- e) We further declare that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct in respect of the Financial Year 2014-15.

Om Prakash Lohia

(Chairman & Managing Director) (DIN 00206807)

Sanjeev Aggarwal

(President & Chief Financial Officer) (ICAI M. No. 089369)

Place : Gurgaon Dated : 18 May 2015

DIRECTORS' REPORT

For the year ended 31 March 2015



During 2014-15, we achieved a ₹ 2,708.90 crore turnover (₹ 2,592.63 Crores in 2013-14), on account of focused marketing efforts and better outreach to customers nationally and internationally.

Dear Shareholders,

Your Directors take pleasure in presenting the 29th Annual Report together with the audited accounts for the financial year ended 31 March 2015.

Financial Highlights

The financial performance of your Company for the year ended 31 March 2015 is summarized below:

		(₹ in Million)
Particulars	Year Ended	Year Ended
	31 March 2015	31 March 2014
Net Sales, Operating and Other Income	27,711.90	28,731.30
Profit before Other Income, Financial Costs, Depreciation, Exceptional items and Tax (Operational EBIDTA)	1,224.40	89.10
Other Income	98.10	2,356.80
Profit before Financial Cost, Depreciation, Exceptional items and Tax (EBIDTA)	1,322.50	2,445.90
Finance Costs	433.80	352.30
Profit before Depreciation, Exceptional items and Tax (EBDTA)	888.70	2,093.60
Depreciation	1,171.60	1,351.20
Profit/(Loss) before Exceptional items and Tax	(282.90)	742.40
Exceptional Items:		
- Foreign exchange fluctuations Income / (expenses)	150.20	(995.10)
- Loss on account of write down on inventories	(207.50)	-
(Loss)/Profit before Tax	(340.20)	(252.70)
Tax (Credit)/Charge	(124.90)	(170.90)
(Loss)/Profit after Tax	(215.30)	(81.80)
Profit brought forward from previous year	1,822.50	2,081.90
Profits available for Appropriation	1,607.20	2,000.10
Appropriations:		
Proposed Dividend on Equity Shares	151.80	151.80
Corporate Tax on Proposed Dividend	30.90	25.80
Transfer to General Reserve	-	
Surplus carried to Balance Sheet	1,424.50	1,822.50
Total Appropriation	182.70	177.60

Operational and Financial Review

During 2014-15, we achieved ₹ 2,708.90 crore turnover (₹ 2,592.63 crore in 2013-14), on account offocused marketing efforts and better outreach to customers nationally and internationally. Our operational EBIDTA stood at ₹ 122.44 crore against ₹ 8.91 crore in 2013-14 and a net loss of ₹ 21.53 crore against ₹ 8.18 crore in 2013-14. Our earnings per share stood at ₹ (1.42) and book value per share at ₹ 36.48 as on 31 March 2015.

The year 2014-15, was one of the most challenging years in the recent past as the polyester industry saw several challenges. First, crude prices saw a sharp decline during the year, which triggered reduction in prices for Purified Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG) (key raw materials for polyester manufacturing) prices. This resulted in significant inventory losses. Second, the government levied Anti-Dumping Duty on PTA imports, which resulted in an



₹ 1 per equity share

Your Directors have recommended a dividend of ₹ 1 (i.e., 10%) per equity share (Last year ₹ 1 per equity share) of the face value of ₹ 10/- each for the financial year ended 31 March 2015



increase in raw material cost. Third, demand for polyester was subdued in the global markets.

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

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

Moving ahead, with rising demand in the domestic and international markets, we are hopeful that we will be able to enhance our production capacity and grow business volumes and value-added products.

Change in the Nature of Business

There was no change in the nature of the business of the Company and its subsidiaries during the year. There were no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Material Changes and Commitments

There have not been any material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company as on 31 March 2015 and the date of this report, i. e. 18 May 2015.

Dividend

Your Directors have recommended a dividend of ₹ 1 (i.e., 10%) per equity share (Last year ₹ 1 per equity share) of the face value of ₹ 10/- each for the financial year ended 31 March 2015, amounting to ₹ 18.27 crore (including Dividend Distribution Tax), and is as per the financial needs of the business. The dividend payout is subject to approval of the shareholders at the ensuing Annual General Meeting.

The dividend will be paid to the members, whose names appear in the Register of Members as on 23 July 2015 and in respect of shares held in dematerialised form, it will be paid to members, whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as beneficial owners as on that date

Number of Meetings of the Board

During the year four Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Directors

Pursuant to the provisions of Companies Act, 2013 and Articles of Association of the Company, the following changes took place in the office of Directors of the Company.

Mr. Vishal Lohia, Whole-time Director of the Company, retire by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment.

The Board has appointed Ms. Ranjana Agarwal as Additional Director - being an Independent Women Director on the Board of the Company with effect from 18 May 2015.

The details of proposal of appointment/re-appointment of Mr. Vishal Lohia is mentioned in the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 of the Notice of the 29th Annual General Meeting.

Particulars of Employees and Key Managerial Personnel

Mr. Sanjay Syal, President & Chief Financial Officer/KMP of the Company has resigned with effect from 7 November 2014 and the vacancy caused by his resignation is filled up by appointment of Mr. Sanjeev Aggarwal, President & Chief Financial Officer/KMP, with effect from 11 November 2014, in his place.

Presently, Mr. Anant Kishore, Chief Executive Officer, Mr. Sanjeev Aggarwal, President & Chief Financial Officer and Mr. Jayant K Sood, Head-Corporate & Company Secretary of the Company are the Key Managerial Personnel of the Company.

The Board hereby affirms that the remuneration paid to the Directors and Senior Management including Key Managerial Personnel is as per the Nomination and Remuneration Committee Policy adopted by the Company. Pursuant to Section 134(3) (q) read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Remuneration and other details of Key Managerial Personnel and other Employees for the year ended 31 March 2015 are annexed to this report.

Declaration by Independent Directors

Declaration given by Independent Directors meeting the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 is received and taken on record.

Policy on Directors' Appointment and Remuneration

The Company has a "Nomination and Remuneration Committee" of Directors in place. The Committee comprises of three Members, viz; Mr. Ashok Kumar Ladha as Chairman, Mr. Suman Jyoti Khaitan, Dr. Arvind Pandalai as Members. The Committee reviews and recommend to the Board for remuneration for Directors and Key Managerial Personnel. The detail of terms of reference of Nomination and Remuneration Committee, number and dates of meetings held, attendance of the directors and remunerations paid to them and the brief outline of the Remuneration policy of

the Company are given separately in the attached Corporate Governance Report.

The Company does not pay any remuneration to the Non-Executive/Independent Directors of the Company other than sitting fee for attending the meetings of the Board and Committees of the Board. Executive Director(s) do not take any sitting fee for attending such meetings. Remuneration to the Whole-time Director is governed under the relevant provisions of the Act and approvals. The Company has displayed the remuneration policy on its website in terms of Clause 49 (VIII)(C)(3).

Directors' Responsibility Statement

As stipulated in Section 134 (3) (c) read with Section 134(5) of the Companies Act, 2013, to the best of your Director's knowledge and belief and according to the information and explanations obtained, your Directors subscribe to the "Directors Responsibility Statement" and confirm that:

- (a) in the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (b) 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 the financial year as on 31 March 2015 and the Profit and Loss of the Company for that year;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



Audit Committee

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

Vigil Mechanism / Whistle Blower Policy

Your Company established a Vigil Mechanism/Whistle Blower Policy, pursuant to the provisions of the Companies Act, 2013, for the Directors and Employees to report their genuine concerns or grievances. The Chairman of the Audit Committee, Mr. Ashok Kumar Ladha, will oversee the Vigil Mechanism and to ensure that adequate safeguards are provided to persons against victimization and protected disclosures can also be reported orally by leaving voice mail on toll free number, i.e., 18001035679. The details of the Vigil Mechanism Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

Credit Rating

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by CARE Ratings, CARE BBB- (Triple B Minus).

Subsidiaries

In accordance with the General Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company.

As required under the Listing Agreements entered into with the Stock Exchanges, a consolidated financial statements presented by the Company in this Report include the financial results of the subsidiary company duly audited by the statutory auditors. The said statements have been prepared pursuant to Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014 in Form AOC-1 and in accordance with the relevant accounting standards as prescribed under the Companies Act, 2013.

The Company will provide a copy of separate financial statements in respect of each of its subsidiary to any shareholder of the Company, who asks for it and the said financial statements will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies.

Consolidated Financial Statement

The Consolidated Financial Statements have been prepared by your Company in accordance with the applicable Accounting Standards (AS-21) issued by the Institute of Chartered Accountants of India and the provisions of the Listing Agreement with the Stock Exchanges. Together with the Auditors' Report, these forms part of the Annual Report.

Particulars of Employees and related disclosures

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

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

Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed as **Annexure – 1** to this report.

Statutory Auditors

M/s B S R and Associates, Chartered Accountants (ICAI Firm Registration No. 128901W), were appointed as Statutory Auditors of the Company at the 28th Annual General Meeting of the Company held on 1 August 2014, who shall hold office till the conclusion of 31st Annual General Meeting of the Company in accordance with the provisions of the Companies Act, 2013. However, this appointment was subject to ratification by the members at every Annual General Meeting held after appointment during their tenure of office. The Auditors have confirmed their eligibility and qualification under Section 141 of Companies Act, 2013 and therefore, their ratification for appointment as Statutory Auditors for the year 2015-16 is being sought from the Members of the Company at the ensuing AGM. As regards

the comments in the Auditors' Report, the relevant notes in the Accounts are self explanatory and may be treated as information/ explanation submitted by the Board as contemplated under provisions of the Companies Act, 2013.

With regard to the observation made by the Auditors at point number vii (a) of the annexure of Auditors' Report, we would like to inform that:

Delay in payment of Sales Tax / Value Added Tax dues for one quarter, the same has been paid along with interest.

Cost Auditors

Pursuant to a directive of the Central Government, your Company is required to conduct a cost audit in respect of its Polyester Operations every year until further notice. Accordingly, M/s Balaji & Associates, Cost Accountants, (Firm Registration No.000112) were appointed to carry out audit of the cost records maintained by the Company for the financial year 2014-15.

Internal Auditor

The Board has appointed M/s S.S. Kothari Mehta & Co., Chartered Accountants, (Firm Registration No. 000756N) as Internal Auditors of your Company, for the financial years 2015-16 and 2016-17.

Secretarial Auditor

The Board has appointed Ms. Rachna Aggarwal, Company Secretary (CP No. 4819 and Membership No. 15959), as Secretarial Auditor, to conduct secretarial audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended 31 March 2015 is annexed herewith marked as **Annexure - 2** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

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

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

Public Deposits

Your Company has not invited/accepted any deposits during the year ended on 31 March 2015 within the meaning of Section 73 of the Companies Act, 2013 and the Rules made thereunder.

Significant and Material Orders passed by the Regulators

No material or significant order passed by the Regulator during the financial year 2014-15.

Internal Control Systems and their Adequacy

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

Particulars of Loans, Guarantee or Investments

Particulars of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided under note no. 37 in the Standalone Financial Statement, for the financial year 2014-15.

Risk Management Policy

Your Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing / mitigating the same. Your Company's Risk management framework ensures compliance with the provisions of Clause 49 of the Listing Agreement.

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

Corporate Social Responsibility (CSR) Committee

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



As stipulated under Schedule VII of the Companies Act, 2013, the Company has undertaken various activities under CSR compliance and during the year under report, the Company has spent a sum of ₹ 1.8 million towards CSR activities in line with the compliance with Section 135 of the Companies Act 2013.

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

The details of amount spent on CSR activities and projects undertaken during the year are given in the **Annexure- 4** to the Directors Reports.

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

Contracts/Arrangements with Related Parties

The details of contracts/arrangement with the Related Parties are appearing under note no. 34 and forms part of this Report. The particulars of contracts or arrangements with related party prepared under Section 188(1) of

Companies Act, 2013 read with Rule 8 (2) of Companies (Accounts) Rule, 2014 is annexed with this Report in Form AOC- 2 as **Annexure-5**. All related party transactions that were entered into during the year under report were on arm's length basis and were in the ordinary course of business.

Related party Transactions are placed before the Audit Committee as also to the Board for approval. The Policy on Related party Transactions as approved by the Board is uploaded on the Company's website, www.indoramaindia. com. The Company management ensures total adherence to the approved Policy on Related Party Transactions to establish Arm's Length Basis without any compromise.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committee. During the year under report, the Independent Directors met on 13 February 2015, inter-alia, to discuss:

- Performance evaluation of Non Independent Directors and Board of Directors as a whole;
- Performance evaluation of the Chairman of the Company;
- Evaluation of the quality of flow of information between the Management and Board for effective performance by the Board.

Directors' Identification Number (DIN)

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

Name	DIN	Name	DIN
Mr. Mohan Lal Lohia	00918397	Dr. Arvind Pandalai	00352809
Mr. Om Prakash Lohia	00206807	Mr. Suman Jyoti Khaitan	00023370
Mr. Vishal Lohia	00206458	Mr. Anant Kishore	05262142
Mr. Ashok Kumar Ladha	00089360	Ms. Ranjana Agarwal	03340032

Listing

The shares of your Company are listed at BSE Limited and National Stock Exchange of India Limited, Mumbai. The listing fees to the Stock Exchanges for the financial year 2015-16 have been paid.

Corporate Governance

Your Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. Your Company has also implemented several best corporate governance practices. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms integral part of this Annual Report.

The requisite certificate from the Practicing Company Secretary confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Clause 49 is attached to the Report on Corporate Governance.

Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with he Stock Exchanges, is presented in a separate chapter forming part of this Annual Report

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

Pursuant to the provisions of Section 205A (5) & 205C of the Companies Act, 1956 (which are still applicable as the relevant sections under Companies Act, 2013 are yet to be notified), relevant amounts, which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund (IEPF).

Pursuant to the provisions of Investor Education and Protection Fund, the Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 1 August 2014 (date of last Annual General Meeting) on the Company's website, www.indoramaindia.com, as also on the Ministry of Corporate Affairs' website.

Industrial Relations / Human Resources

Your Company maintained healthy, cordial and harmonious industrial relations at all levels during the year under report. Your Company firmly believes that a dedicated workforce constitute the primary source of sustainable competitive advantage. Accordingly, human resource development continues to receive focused attention. Your Directors wish to place on record their appreciation for the dedicated and commendable services rendered by the staff and workforce of your Company. There are 828 numbers of employees of the Company as on 31 March 2015.

Acknowledgements

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

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

> > **Om Prakash Lohia**

Chairman & Managing Director DIN: 00286807

Place: Gurgaon Date: 18 May 2015



ANNEXURE-1 TO DIRECTORS' REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on the Financial Year ended 31 March 2015

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

Ī.	REGISTRATION & OTHER DETAILS	
i)	CIN	L17124MH1986PLC166615
ii)	Registration Date	28 April 1986
iii)	Name of the Company	Indo Rama Synthetics (India) Limited
iv)	Category / Sub-category of the Company	Public Company / Limited by shares
v)	Address of the Registered Office and contact details	A-31, MIDC Industrial Area, Butibori,
		Nagpur - 441122, Maharashtra, India.
		Tel.: 07104-663000/01 Fax: 07104-663200
vi)	Whether Listed Company	Yes
vii)	Name, Address and contact details of the Registrar and Transfer Agent, if any	MCS Share Transfer Agent Limited
		F-65, First Floor, Okhla Industrial Area,
		Phase-1, New Delhi-110 020, India
		Tel.: 011-4140 6149-52
		Fax No.: 011-4170 9881
II.	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY	
	All the business activities contributing 10% or more of the total turnover of the company	As per Attachment - A
III.	PARTICULARS OF HOLDING, SUBSIDIARY INCLUDING SUBSIDIARIES OF SUBSIDIARIES AND ASSOCIATE COMPANIES	As per Attachment - B
IV.	SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)	
i)	Category-wise Shareholding	As per Attachment - C
ii)	Shareholding of Promoters	As per Attachment - D
iii)	Change in Promoters' Shareholding	As per Attachment - E
iv)	Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment - F
v)	Shareholding of Directors and Key Managerial Personnel	As per Attachment - G
V.	INDEBTEDNESS	
	Indebtedness of the Company including interest outstanding/accrued but not	As per Attachment - H
	due for payment	
VI.	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL	
A.	Remuneration to Managing Director, Whole-time Directors and/ or Manager	As per Attachment - I
B.	Remuneration to other Directors	As per Attachment - J
C.	Remuneration to Key Managerial Personnel other than MD/Manager/WTD	As per Attachment - K
VII.	PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES	As per Attachment - L

ATTACHMENT - A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the Company #
1	Dalvastar Stanla Fibra		55.43%
I	Polyester Staple Fibre	55,032,000	55.43%
2	Polyester Filament Yarn	54,024,200	18.74%
3	Draw Texturised Yarn	54,023,300	25.34%

[#] Products contributing 10% or more of Gross Turnover.

ATTACHMENT - B

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

Sl. No.	Name and Address of the Company	CIN / GIN	Holding / Subsidiary / Associate	% of Share held	Applicable Section
1	Indo Rama Renewables Ltd. 20th Floor, DLF Square, DLF Phase-II, NH-8, Gurgaon-122002, Haryana, India	U40106HR2012PLC045840	Subsidiary	100	2(87)(ii)
2	Indo Rama Renewables Jath Ltd. 20th Floor, DLF Square, DLF Phase-II, NH-8, Gurgaon-122002, Haryana, India	U40300HR2012PLC046057	Subsidiary of Indo Rama Renewables Ltd.	100	2(87)(ii)
3	Indo Rama Renewables Porbandar Ltd. 20th Floor, DLF Square, DLF Phase-II, NH-8, Gurgaon-122002, Haryana, India	U40102HR2012PLC046056	Subsidiary of Indo Rama Renewables Ltd.	100	2(87)(ii)
4	Indo Rama Renewables Ramgarh Ltd. 20th Floor, DLF Square, DLF Phase-II, NH-8, Gurgaon-122002, Haryana, India	U40300HR2012PLC046070	Subsidiary of Indo Rama Renewables Ltd.	100	2(87)(ii)

ATTACHMENT - C

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

i) Category-wise Shareholding

Category of Shareholders	No. of Share	s held at the (As on 1 Ap	0 0	of the year	No. of Shares held at the end of the year (As on 31 March 2015)			% Change during the	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	year
A. Promoter									
(1) Indian									
a) Individual/ HUF	52,924,848	-	52,924,848	34.86%	53,288,568	-	53,288,568	35.10%	0.24%
b) Central Govt.	_	-	-		-	-	-		-
c) State Govt(s)	-	-	-		-	-	-		
d) Bodies Corp.	4,329,204	-	4,329,204	2.85%	4,329,204	-	4,329,204	2.85%	0.00%
e) Banks / FI	-	-	-		-	-	-		
f) Any other	-	-	-		-	-	-		
Sub Total A(1)	57,254,052	-	57,254,052	37.71%	5,7617,772	-	57,617,772	37.95%	0.24%
(2) Foreign									
a) NRIs - Individuals	961,724	-	961,724	0.63%	961,724	-	961,724	0.63%	0.00%
b) Other - Individuals	-	-	-		-	-	-		
c) Bodies Corp.	43,288,057	-	43,288,057	28.51%	43,288,057	-	43,288,057	28.51%	0.00%
d) Banks/FI	-	-	-		-	-	-		
e) Any Other	-	-	-		-	-	-		



Category of Shareholders					ie year	% Change during the			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	year
Sub-Total A(2)	44,249,781	-	44,249,781	29.15%	44,249,781	-	44,249,781	29.15%	0.00%
Total Shareholding of Promoter A=A(1)+A(2)	101,503,833	-	101,503,833	66.86%	101,867,553	-	101,867,553	67.10%	0.24%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	868,348	5,420	873,768	0.58%	5,376	5,420	10,796	0.01%	-0.57%
b) Banks / FI	2,251,962	144	2,252,106	1.48%	2,251,962	144	2,252,106	1.48%	0.00%
c) Central Govt.		-	-	-	-	-	-	-	
d) State Govt(s)		-	-	-	-	-	-	-	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	_
f) Insurance Companies	4,006,850	-	4,006,850	2.64%	4,006,850	-	4,006,850	2.64%	0.00%
g) FIIs	14,128,829	9,590	14,138,419	9.31%	14,035,074	9,590	14,044,664	9.25%	-0.06%
h) Foreign Venture Capital Funds	-	-	-		-	-	-	-	-
i) Others (Specify)	-	-	-		-	-	-	-	-
Sub-total (B) (1)	21,255,989	15,154	21,271,143	14.01%	20,299,262	15,154	20,314,416	13.38%	-0.63%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3,107,010	16,429	3,123,439	2.06%	3,137,835	16,389	3,154,224	2.08%	0.02%
ii) Overseas	_	-	-	-	-	-	-	-	
b) Individuals									
i) Individuals shareholders holding nominal share capital	5,721,369	891,998	6,613,367	4.36%	5,194,455	873,580	6,068,035	4.00%	-0.36%
upto ₹ 1 Lakh ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	7,140,371	-	7,140,371	4.70%	8,217,950	-	8,217,950	5.41%	0.71%
c) Others (specify)	-	-	-		-	-	-	-	_
Non Resident Indians	1,878,599	130	1,878,729	1.24%	1,909,374	130	1,909,504	1.26%	0.02%
Overseas Corporate Bodies	-	-	-		-	-	-	-	-
Foreign Nationals	-	-	-		-	-	-	-	-
Clearing Members	-	-	-		-	-	-	-	-
Trusts	-	-	-		-	-	-	-	-
Foreign Bodies-D R	-	-	-		-	-	-	-	
Sub-total (B) (2)	17,847,349	908,557	18,755,906	12.35%	18,459,614	890,099	19,349,713	12.74%	0.39%
Total Public Shareholding (B)=(B) (1) + (B) (2)	39,103,338	923,711	40,027,049	26.36%	38,758,876	905,253	39,664,129	26.13%	-0.24%
C. Shares held by Custodian for GDRs & ADRs	10,291,360	-	10,291,360	6.78%	10,290,560	-	10,290,560	6.78%	0.00%
Grand Total (A+B+C)	150,898,531	923,711	151,822,242	100.00%	150,916,989	905,253	151,822,242	100.00%	0.00%

ATTACHMENT - D

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

ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (As on 1 April 2014)			Shareholdir (As c	% change in shareholding		
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of shares Pledged encumbered to total shares	during the year
1	Brookgrange Investments Ltd.	43,288,057	28.51	0.00	43,288,057	28.51	0.00	0.00
2	Mr. Om Prakash Lohia	35,014,630	23.06	0.00	35,378,350	23.30	0.00	0.24
3	Mrs. Urmila Lohia	15,855,314	10.44	0.00	15,855,314	10.44	0.00	0.00
4	Mr. A Lohia	661,696	0.44	0.00	661,696	0.44	0.00	0.00
5	Mr. Mohan Lal Lohia	300,028	0.20	0.00	300,028	0.20	0.00	0.00
6	Mrs.Ritika Kumar	414,796	0.27	0.00	414,796	0.27	0.00	0.00
7	Ms. Aruna Goenka	561,652	0.37	0.00	561,652	0.37	0.00	0.00
8	Mr. Vishal Lohia	275,372	0.18	0.00	275,372	0.18	0.00	0.00
9	Ms. Aradhna Lohia	313,256	0.21	0.00	313,256	0.21	0.00	0.00
10	Mrs.Rimple Lohia	239,940	0.16	0.00	239,940	0.16	0.00	0.00
11	Mr. Yashovardhan Lohia	249,888	0.16	0.00	249,888	0.16	0.00	0.00
12	Indo Rama Retail Holdings	2,000,000	1.32	0.00	2,000,000	1.32	0.00	0.00
	Pvt. Ltd.							
13	Lohia Industries Pvt. Limited	2,329,204	1.53	0.00	2,329,204	1.53	0.00	0.00
	Total	101,503,833	66.86	0.00	101,867,553	67.10	0.00	0.24

ATTACHMENT - E

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

iii) Change in Promoters' Shareholdin	iii)	Change	in	Promoters'	Shareholdin
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Sl. No	Particulars	Shareholding at the beginning of the year (As on 1 April 2014)			Shareholding during As on 31 March 2015)
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year	101,503,833	66.86		
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): #	#		#	
3	At the end of the year	101,867,553	67.10 *		

Note: * Increase in the percentage of total shares of the Promoters from 66.86% to 67.10% due to purchase of 363,720 shares from market. # The details of shares purchased from the market.



ATTACHMENT - E (contd.)

The details of shares purchased from the market, as given below:

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	during	Shareholding the year to 31-03-15)
		No. of shares at the beginning (01-04-14) / end of the year (31-03-15)	% of the total shares of the Company				No. of Shares	% of total shares of the Company
1	Om Prakash Lohia	35,014,630	23.06	1-Apr-14				
				27-Feb-15	40,000		35,054,630	23.09
				28-Feb-15	18,278		35,072,908	23.10
				2-Mar-15	17,214		35,090,122	23.11
				3-Mar-15	701		35,090,823	23.11
				4-Mar-15	10,500		35,101,323	23.12
				5-Mar-15	9,930		35,111,253	23.13
				9-Mar-15	7,297		35,118,550	23.13
				10-Mar-15	21,671		35,140,221	23.15
				11-Mar-15	6,440		35,146,661	23.15
				12-Mar-15	872		35,147,533	23.15
				13-Mar-15	16,483		35,164,016	23.16
				16-Mar-15	9,726	Market Purchase	35,173,742	23.17
				17-Mar-15	13,112	Purchase	35,186,854	23.18
				18-Mar-15	3,735		35,190,589	23.18
				19-Mar-15	2,000		35,192,589	23.18
				20-Mar-15	40,660		35,233,249	23.21
				23-Mar-15	29,333		35,262,582	23.23
				24-Mar-15	36,623		35,299,205	23.25
				25-Mar-15	9,168		35,308,373	23.26
				26-Mar-15	23,882		35,332,255	23.27
				27-Mar-15	41,000		35,373,255	23.30
				30-Mar-15	5,095		35,378,350	23.30
		35,378,350	23.30				35,378,350	23.30

ATTACHMENT - F

- IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
- iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name	Sharehold	ding	Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of shares at the beginning (01-04-14) / end of the year (31-03-15)	% of the total shares of the Company				No. of Shares	% of total shares of the Company
1	APMS Investment Fund Ltd.	12,652,175	8.33 8.33	1-Apr-14 31-Mar-15	-	Nil movement during the year	12,652,175	0.22
2	Life Insurance	12,652,175	1.98				12,032,173	8.33
2	Corporation of India	3,005,152	1.98	1-Apr-14 31-Mar-15	-	Nil movement during the year	2.005.452	1.98
3	IFCI Limited	3,005,152					3,005,152	1.70
3	IFCI LIMITED	2,150,342	1.42	1-Apr-14	-	Nil movement	2450 242	4.12
	A .* . I I I	2,150,342	1.42	31-Mar-15		during the year	2,150,342	1.42
4	Asia Investment Corporation (Mauritus) Limited	1,381,861 1,381,861	0.91	1-Apr-14 31-Mar-15	-	Nil movement during the year	1,381,861	0.91
5.	Monica Burman	1,089,135	0.72	1-Apr-14	-	Nil movement	1,089,135	0.72
		1,089,135	0.72	31-Mar-15		during the year	1,089,135	0.72
6.	United India Insurance Company Ltd.	613,536	0.40	1-Apr-14	-	Nil movement during the year		
		613,536	0.40	31-Mar-15			613,536	0.40
7.	Lal Tolani	383,033	0.25	1-Apr-14				
				25-Apr-14	17,428		400,461	
				2-May-14	15,828		416,289	
				16-May-14	2,631		418,920	
				23-May-14	2,000	Market	420,920	
				23-Jan-15	2,000	Purchase	422,920	
				6-Feb-15	2,000		424,920	
				13-Feb-15	2,000		426,920	
				27-Feb-15	1,825		428,745	
				20-Mar-15	2,000		430,745	
		430,745	0.28	31-Mar-15			430,745	0.28
8	The Oriental Insurance Company Ltd.	388,162	0.26	1-Apr-14	-	Nil movement during the year		
		388,162	0.26	31-Mar-15			388,162	0.26
9	Tanvi J Mehta	113,874	0.08	1-Apr-14				
				2-May-14	15,000		128,874	
				9-May-14	(9,500)		119,374	
				25-Jul-14	(5,000)	Market	114,374	
				8-Aug-14	(4,374)	Purchase/Sale	110,000	
				21-Nov-14	50,000		160,000	
				28-Nov-14	1,400		161,400	



Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative S during t (01-04-14 to	he year
		No. of shares at the beginning (01-04-14) / end of the year (31-03-15)	% of the total shares of the Company				No. of Shares	% of total shares of the Company
				5-Dec-14	13,677		175,077	
				12-Dec-14	23,078		198,155	
				19-Dec-14	40,734	Market	238,889	
				31-Dec-14	38,421	Purchase/	277,310	
				9-Jan-15	30,000	Sale	307,310	
				16-Jan-15	10,436		317,746	
		317,746	0.21	31-Mar-15			317,746	0.21
10	Subhash Chander Kathuria	295,092	0.19	1-Apr-14	-	Nil movement during the year		
		295,092	0.19	31-Mar-15			295,092	0.19

ATTACHMENT - G

- IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
- v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Sh during th (01-04-14 to	ie year
		No. of shares at the beginning (01-04-14) / end of the year (31-03-15)	% of the total shares of the Company				No. of Shares	% of total shares of the Company
Α	DIRECTORS:							
1.	Mr. Mohan Lal Lohia Chairman -	300,028	0.20	1-Apr-14	_	Nil movement during the year		
	Emiratus	300,028	0.20	31-Mar-15			300,028	0.20
2.	Om Prakash Lohia	35,014,630	23.06	1-Apr-14				
	Chairman &			27-Feb-15	40,000		35,054,630	23.09
	Managing Director			28-Feb-15	18,278		35,072,908	23.10
				2-Mar-15	17,214		35,090,122	23.11
				3-Mar-15	701		35,090,823	23.11
				4-Mar-15	10,500		35,101,323	23.12
				5-Mar-15	9,930	Market	35,111,253	23.13
				9-Mar-15	7,297	Purchase/	35,118,550	23.13
				10-Mar-15	21,671	Sale	35,140,221	23.15
				11-Mar-15	6,440		35,146,661	23.15
				12-Mar-15	872		35,147,533	23.15
				13-Mar-15	16,483		35,164,016	23.16
				16-Mar-15	9,726		35,173,742	23.17
				17-Mar-15	13,112		35,186,854	23.18
				18-Mar-15	3,735		35,190,589	23.18

Sl. No.	Name Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Sh during th (01-04-14 to	e year	
		No. of shares at the beginning (01-04-14) / end of the year (31-03-15)	% of the total shares of the Company		2,000		No. of Shares	% of total shares of the Company
				19-Mar-15	2,000		35,192,589	23.18
				20-Mar-15	40,660		35,233,249	23.21
				23-Mar-15	29,333		35,262,582	23.23
				24-Mar-15	36,623		35,299,205	23.25
				25-Mar-15	9,168		35,308,373	23.26
				26-Mar-15	23,882		35,332,255	23.27
				27-Mar-15	41,000		35,373,255	23.30
				30-Mar-15	5,095		35,378,350	23.30
		35,378,350	23.30	31-Mar-15			35,378,350	23.30
3	Mr. Vishal Lohia Whole-time Director	275,372	0.18	1-Apr-14	-	Nil movement during the		
		275,372	0.18	31-Mar-15	-	year	275,372	0.18
4	Mr. Ashok Kumar	17,713	0.01	1-Apr-14				
	Ladha Independent Director					Nil movement during the		
	Director	17,713	0.01	31-Mar-15		year	17,713	0.01
5	Dr. Arvind Pandalai	- 17,713	- 0.01	1-Apr-14			17,713	0.01
J	Independent Director			I-Api-14		Nil Holding/ movement during the		
		-	-	31-Mar-15		year	-	-
6	Mr. Suman Jyoti Khaitan Independent	-	-	1-Apr-14	-	Nil Holding/ movement during the		
	Director			31-Mar-15		year	-	-
7	Mr. Anant Kishore Whole-time Director & CEO	-	-	1-Apr-14		Nil Holding/ movement during the		
				31-Mar-15		year	-	-
В	Key Managerial Perso	onnel						
1	Mr. Sanjeev Aggarwal	-	-	1-Apr-14		Nil Holding/ movement during the		
	President & Chief Financial Officer	_	_	31-Mar-15	_	year	_	_
2	Mr. Jayant K Sood Head-Corporate & Company Secretary	_	-	1-Apr-14	-	Nil Holding/ movement during the year		
		-		31-Mar-15		,	-	-



ATTACHMENT - H

V. INDEBTEDNESS

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

(₹ in Crore)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01-04-14)				
i) Principal Amount	511.02	-	-	511.02
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	1.97	-	-	1.97
TOTAL (i+ii+iii)	512.99	-	-	512.99
Change in Indebtedness during the financial year				
Addition	4.14	-	-	4.14
Reduction	138.99	-	-	138.99
Exchange Difference	4.98	-	-	4.98
Net Change	(139.83)	-	-	(139.83)
Indebtedness at the end of the financial year (31-03-15)				
i) Principal Amount	372.54	-	-	372.54
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.62	-	-	0.62
TOTAL (i+ii+iii)	373.16	-	-	373.16

ATTACHMENT - I

- VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
- A. Remuneration to Managing Director, Whole-time Directors and/ or Manager

(₹ In Crore)

Sl.	Particulars of Remuneration	Name of I	Total Amount		
No.	Particulars of Remuneration	Om Prakash Lohia	Vishal Lohia	Anant Kishore	iotal Amount
1	Gross Salary				
	(a) Salary as per provisions contained in	1.80	1.02	0.36	3.18
	section 17 (1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17 (2) Income-	0.08	0.37	0.02	0.47
	tax Act, 1961				
	(c) Profits in lieu of salary under section	0.65	0.04	0.62	1.30
	17 (3) Income-tax Act, 1961				
2	Stock Option	-	-	-	_
3	Sweat Equity	-	-	-	_
4	Commission				_
	- as % of profit	-	-	-	
	- others	-	-	-	
5	Others	-	-	-	
	Total (A)	2.53	1.43	1.00	4.95
	Ceiling as per the Act:		As per Centra	l Govt. approval	

ATTACHMENT - J

- VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
- B. Remuneration to other Directors

(₹ In Crore)

			Name of D	irectors		Total
Sl. No.	Particulars of Remuneration	Mohan Lal Lohia	Ashok Kumar Ladha	Arvind Pandalai	Suman Jyoti Khaitan	Amount
1	Independent Directors	_				
	- Fee for attending Board /	-	0.03	0.02	0.02	0.07
	Committee meetings					
	- Commission	-	-	-	-	-
	- Others, please specify	-	-	-	-	-
	Total (1)	-	0.03	0.02	0.02	0.07
2	Other Non-Executive Directors					
	- Fee for attending Board /	-	-	-	-	-
	Committee meetings					
	- Commission	-	-	-	-	-
	- Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B) = (1+2)	-	0.03	0.02	0.02	0.07
	Total Managerial Remuneration					5.02
	Overall ceiling as per the Act:		No Remuneration	on, only sitting	fee	



ATTACHMENT - K

- VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
- C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ In Crore)

				Key Ma	anagerial Persor	nnel	
Sl. No.	Particulars of Remuneration		CEO	CFO (Sanjay Syal - ceased to be CFO w.e.f. 07.11.14)	CFO (Sanjeev Aggarwal - appointed as CFO w.e.f. 11.11.14)	Company Secretary (Jayant K Sood)	Total Amount
1		Gross Salary					
	(a)	Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961		0.34	0.31	0.22	0.87
	(b)	Value of perquisites u/s 17 (2) Income-tax Act, 1961	-	0.00	0.00	0.01	0.01
	(c)	Profits in lieu of salary under section 17 (3) Income-tax Act, 1961	Not - Applicable	0.28	0.22	0.16	0.66
2	Sto	ck Option	Applicable			-	-
3	Swe	at Equity	-			-	-
4	Con	nmission					
	-	as % of profit		_		_	-
	-	Others		_		_	-
5	Oth	ers		_	_	-	-
	Tota	al	_	0.62	0.54	0.38	1.54

ATTACHMENT - L

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

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

ANNEXURE-2 TO DIRECTORS' REPORT

FORM NO. MR 3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

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

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

To
The Members
INDO RAMA SYNTHETICS (INDIA) LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indo Rama Synthetics (India) Limited, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the Indo Rama Synthetics (India) Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information and explanation provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31 March 2015** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliancemechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by ("the Company") for the financial year ended on 31 March 2015 according to the applicable provisions of:

- (i) The Companies Act, 2013 ("the Act") and rules made there-under, as amended or re-stated from time to time;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and rules made thereunder, as amended or re-stated from time to time:
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), and as amended or re-stated from time to time:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;



- (vi) The following are other laws as applicable to this specific industry:
 - (a) The Employee Exchange Compulsory Notification of Vacancies Act, 1960;
 - (b) The Factory Act, 1948 & Maharashtra Factory Rules, 1963;
 - (c) The Apprentices Act, 1961;
 - (d) The Bombay Labour Welfare Fund Act, 1953;
 - (e) The Contract Labour (Regulation and Abolition) Act, 1970;
 - (f) The Payment of Bonus Act, 1965;
 - (g) The Employee Provident Fund & Misc Provision Act, 1952:
 - (h) The Boiler Act, 1923;
 - (i) The Water (Prevention & Control of Pollution) Act, 1974;
 - (j) The Air (Prevention & Control of Pollution) Act, 1981;
 - (k) The Hazardous Waste (Management & Handling) Rules. 1989.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Equity Listing Agreement entered into by the Company with BSE Limited and The National Stock Exchange of India Limited; and
- (iii) The Memorandum and Articles of Association of the Company.

During the period under review the Company so far as appears from our examination has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- 1. The composition criteria of the Board is fully compliant with the applicable mandatory requirements of the Act, however constitution of the board in respect of Independent Directors, as required under clause 49(II) (A) of the listing agreement, has not been complied due to not filling of vacancy caused due to demise of Mr. O.P. Vaish, an Independent Director on 18th September 2013.
- 2. In alignment with the requirements of Section 149 of the Act and Clause 49 (II) (A) (1) of the Listing Agreement, the Board of Directors are yet to appoint a Women Director in their board.

I further report that subject to the observations made by me in above paragraphs (points 1 and 2)

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes; wherever required.

I 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.

Subject to above observations, I further report that the Company has in my opinion complied with the provisions of the Act and Rules made thereunder and the Memorandum and Articles of Association of the Company with regard to:

- a) Maintenance of all various Statutory register and documents and making necessary entries therein;
- b) closure of Register of Members/ Debenture holders;

DIRECTORS' REPORT CONTINUED

- form, returns, document and resolution as stipulated under the Act were duly filed with the Registrar of Companies and the Central Government, whenever required;
- d) service of documents by the Company on its Members,
 Debenture holder, Debenture Trustee, Auditors and the Registrar of Companies;
- e) notice of Board meeting and committees meeting of Directors;
- f) the meeting of Directors and committees of Director including passing of resolution by circulation;
- g) the 28th Annual General Meeting held on 1 August 2014;
- h) director disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
- obtained all necessary approvals under the various provisions of the Act;
- payment of remuneration to Directors including the Managing Director and Whole-time Directors;
- k) appointment and remuneration of Auditors and Cost Auditors;
- transfers and transmissions of the Company's shares and debentures, and issue and dispatch of duplicate certificates of shares;
- m) declaration and payment of dividends;
- n) transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
- o) Director's Report;
- p) contracts, common seal, registered office and publication of name of the Company; and
- q) generally, all other applicable provisions of the Act and the Rules made under the Act.

- I further report that during the audit period the Company has:
- no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers;
- ii. complied with the provisions of the Depositories Act, 1996 and the Bye-laws framed thereunder by the Depositories with regard to dematerialisation / rematerialisation of securities and reconciliation of records of dematerialised securities with all securities issued by the Company;
- iii. complied with the provisions of 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;
- iv. complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
- v. complied with the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 with regard to implementation of Employee Stock Option Scheme;
- vi. complied with the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
- vii. complied with the provision of the Securities Contract (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

Rachna Aggarwal

Place: Gurgaon Date: 18 May 2015 ACS No. 15959 C P No. 4819



ANNEXURE-3 TO DIRECTORS' REPORT

Particulars required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the financial year ended 31 March 2015.

A. Conservation of Energy:

Energy Saving measures taken and proposals under implementation.

- Reduction in furnace oil consumption of oil fired heater and reduction of heater firing frequency from 03 to 01 per day.
- To reduce energy consumption by running Dow Feed Pump at lower RPM with inverter for dow feeding to Oil Fired Heater.
- Stoppage of use of LP steam used in Air pre-heater of Oil Fired Heat Transfer Media plant.
- Cost saving by stopping of quench return fan unit No:5
- Increase in steam condensate recovery from PSF & Process.
- Energy efficient spray pumps installation in quench POY- HVAC AHU's.
- Installation of motorized roof top exhaust fan in DTY in place of axial fan.

- Modification of PSF quench AHU 17 to reduce the RPM of quench supply fan.
- Energy saving by auto switch off of baler main motors in draw line 6 & 7.
- Energy saving by removing heating transformer of 100 KVA and applied direct 415 VAC to heaters on DTY machine.
- Energy saving by conversion of DC to AC (motors and drives) for DTY machine and traverse on machine No:18.
- Cost saving by reducing auxiliary power consumption at DG house by heating of FO with steam instead of electrical heaters.
- Installation of Master air pressure controller on air compressors in CPP to control loading.
- Installation and commissioning of energy efficient new DTY machines in place of old machine.
- Hot water generation from CP process & utilization for chilled water generation through hot water based VAM.
- Installation of booster pump in water pipe line to avoid high pressure pumping.
- Use of coal additive on trial basis for reduction in unburnt percentage in slag ash in CFHTM Plant.

FORM – AForm for disclosure of particulars with respect to Conservation of Energy.

Part	Particulars				Previous Year 31 March 2014
(A)	Pov	ver 8	Fuel Consumption		
	1)	ELE	CTRICAL		
		a)	Purchases from MSEDCL & Other		
			Units (kwh in '000)	12,621	9,459
			Total Amount (₹ in '000)	96,026	52,977
			Rate / kwh (in ₹)	7.61	5.60
		b)	Generation for own consumption		
			(Net of power sale including auxiliary consumption)		
			i) Through DG (FO Based)		
			Units (kwh in '000)	2,844	5,328
			Units / Ltr of FO	3.86	4.21
			Cost / Unit (₹ / Unit)	10.20	9.34
			ii) Through STG (Coal based)		
			Units (kwh in '000)	252,308	223,101
			Units / kg of Coal	0.95	0.99
			Cost / Unit (₹ / Unit)	3.48	2.98

DIRECTORS' REPORT CONTINUED

Parti	iculaı	rs		Current Year 31 March 2015	Previous Year 31 March 2014
	2)	COA	L .		
		i)	Consumption in CPP		
			Quantity in MT	305,480	265,100
			Total Cost (₹ in ' 000)	1,008,432	781,665
			Average Rate (₹ / MT)	3,301	2,949
		ii)	Consumed in Utility		
			Quantity in MT	117,357	116,274
			Total Cost (₹ in ' 000)	541,425	443,211
			Average Rate (₹ / MT)	4,613	3,812
	3)	FUR	NACE OIL		
		Qua	antity (KL)	1,720	2,674
		Tota	al Cost (₹ in ' 000)	67,689	105,240
		Ave	rage Rate (₹ / Lt)	39.34	39.35
(B)	Con	sum	ption Per Unit Of Production		
	Prod	ductio	on of Polymer products (Fresh) - MT	383,454	319,677
	Elec	tricity	y / Kg (in kwh)	0.70	0.74

Previous year figures are regrouped to make them comparable.

B. Technology Absorption:

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

Research & Development

- 1. Specific Areas in which R&D carried out by the company:
 - (Product Development & Process Improvement Areas)
- Introduction and commercialization of new POY Product - 260/34SD.
- Introduction and commercialization of new FDY Product- 60/34,SD.
- Development of large no of new DTY Products: 70/48/2NIM crimp(low oil), 150/48/2 Nim Crimp, 75/34 NIM(L), 100/34NIM(L), 150/48/2 LIM low shrinkage, 150/48/2 LIMD low shrinkage, 170/48IM stretch, 150/34NIM crimp, 100/34NIM crimp and 75/48 IM/HIM.
- Optimization of Dow Feed Pump speed and running at lower speed resulting into Energy Saving.
- Glycol plate heat exchanger changeover frequency reduced by optimising operating parameters.
- Air Preheater LP steam stopped by trails and heater parameter fine tuning.
- Optimization of Spin Finish component ratio in PSF

- Spg and reduction in spg wraps leading to waste reduction.
- POY Quench return fan frequency optimization to 35Hz from 50Hz.
- Recycling of 122mm diameter paper tube by adjusting winder parameter.
- PSF Draw Line dryer cooling system optimization and stopping one fan in CP-4.
- POY2/3 area maintaining instrument air pressure by installation of intermediate air receiver and one additional pipe line.
- Rationalization of Air washer pumps in HVAC CP2/3 in POY Quench unit 05 & 07 to save power consumption.
- POY-5 AHU Quench chilled water pressure increased by providing booster pump locally and stopping one large capacity pump in Utility area.
- DTY Phase-1 condition improvement by installation of more number of small size low capacity suction fans against high capacity less no suction fan.
- Recycling of drinking water filter back wash water and thereby water saving.
- Recycling of condensate Water from AHU to Cooling Tower and thereby soft water saving.
- Energy Saving by conversion of DC to AC (motors and Drives) for Main machine and Traverse on Machine No-18.
- DTY area increase in package weight to 3.0Kg from



- 2.75kg in 221/144ST yarn and thereby packing cost / paper tube cost / transportation cost saving.
- Saving by using 3 Ply cartons in place of 5 Ply cartons in IA/PQ/CLQ/JLT Grade.
- Use of effluent treated water in CF HTM area in slag ash silos and thereby saving in Raw water.
- Increased recycling of CFHTM slag ash for maximum utilization of coal.

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

- Development of new POY and FDY products has widen IRSL product range basket and enhanced customer satisfaction.
- Development of DTY new products have increased product basket and are most suited for various applications, as under:
 - DTY product '70/48/2NIM crimp(low oil) and 150/48/2 Nim Crimp are most suited for twisting application.
 - 75/34 NIM(L) and 100/34NIM(L) for weft application and for knitting.
 - 150/48/2 LIM low shrinkage and 150/48/2 LIMD low shrinkage for package dyeing.
 - 170/48IM is perfect for weft application in air jet looms.
 - 150/34NIM crimp and 100/34NIM crimp are excellent for Twisting application.
 - 75/48 IM/HIM is used in Warp knitting.
- Optimization of Dow Feed pump speed has saved energy and cost of ₹ 0.08 million.
- Reduction in Glycol plate heat exchanger changeover has given saving of ₹ 0.016 million.
- Air preheater steam stoppage has given saving of ₹ 0.026 million.
- PSF Spg Spin Finish recipe optimization has given saving of ₹ 0.057 million.
- POY Quench return air fan frequency reduction has yield saving of ₹ 0.066 million.
- Recycling of 122mm paper tube has saved natural resource as well saving of ₹ 0.28 million.
- PSF Draw line Dryer one fan stoppage has given saving of ₹ 0.039 million.
- POY CP-2/3 area maintaining instrument air pressure by installation of intermediate air receiver has given saving of ₹ 0.049 million.
- Rationalization of Air washer pumps in HVAC CP2/3 has given saving of ₹ 0.049 million.
- POY-5 AHU local chilled water booster pump has

- saved energy and cost of ₹ 0.086 million.
- Stopping higher capacity suction fans has saved cost of ₹ 0.147 million.
- Recycling of drinking water filter back wash and use of AHU condensate in Cooling tower has saved ₹ 0.091 million.
- DTY conversion of one M/c from DC to AC has given saving of ₹ 0.0144 million.
- DTY package weight increase in product 221/144ST yarn has given saving of ₹ 0.0248 million.
- DTY packing use of 3 Ply box has given saving of ₹ 0.42 million.
- Use of effluent treated water in slag ash conveying has saved ₹ 0.20 million.
- Increased recycling of Slag ash has given saving of ₹ 0.80 million.

3. Import Substitution:

Indigenous Development:

- Development of Sleeve type crimper roller pair.
- Development of DRR mechanical seals spares from indigenous vendors.
- Indianisation of cross journal bearing of PP feed pump Cardon shaft.
- Reconditioning of N2 Compressor Gasket after cooler in CP 1 area.
- Reconditioning of triple screw pump used for FO Service in HTM area CP 1.
- Development of Est2 & Prepoly Agitator mechanical seal from Indian vendors.
- Polymer Discharge Pump gearbox development from Indian vendor.
- Reconditioning of Grayloc clamp and hub of inlet and outlet spool pieces.
- Development and reconditioning of spares of Est 1 Product pump.
- Reconditioning of CPF torque wrench for CP 4/5.
- Development of UTY-3 cooling towers drive shaft.
- Development of Mushroom button of ACW.
- Indianisation of Insulated Gate Bipolar Junction transistor (IGBT).
- Indianisation of Semi Insulated Gate Bipolar Junction transistor(IGBT) Dual CM.
- Development of drift detector sensor.
- Development for Indian alternate of various drives for load upto 460 Amp.
- Indianised system for heat exchanger air system for FDY M/c electrical panels to enhance the electronic component life.

DIRECTORS' REPORT CONTINUED

- Indigenous development of Brush Rocker Arm.
- Development of Indigenous Spares for Samson make valve positioner.
- Indianisation of E/R Module for automation SRU's.

4. Future Plan of Action (2015-16):

- Conversion of CP-3 into specialty products like home bright, optical bright and Black Fiber.
- Hollow congugate / Siliconised Fiber in CP-1 PSF.
- Addition of 40 new generation DTY M/c.
- CP-1 DCS system upgradation.
- POY Lab testing M/c upgradation from DOS to Windows.
- CP-2/3 packing system Doffer automation, server, PLC upgradation.

5. Expenditure on Research & Development:

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

6. Technology Absorption, Adoption and Innovation:

- CP-5 Packing system automation Kuka robotics modification.
- Trial and process optimization for use of new make of PTA in CP.
- Use of modified pallets in POY export packing.
- ◆ FDY M/c Full bobbin weight increased from 6.9 to 7.5 Kg.

- Optimization of Steam condensate system and increase in condensate recovery to 58% from 49%.
- Modification in PSF Quench system (No 17) to reduce suction fan rpm.
- Optimization of Packing in DTY and thereby reducing one gap plate without affecting Quality.

7. Benefits derived as a result of above efforts:

- Kuka robotics modification helped in packing of 8 layers.
- Trial and process optimization for use of new make PTA has developed new vendor for PTA.
- Reuse of recycled pallets has given saving of ₹ 0.025
- Increase in FDY spool package has given saving of ₹ 0.183 million.
- Optimization of Steam condensate recovery in PSF has saved ₹ 0.077 million.
- Modification in PSF Quench system has saved
 ₹ 0.043 million.
- DTY packing optimisation has resulted in saving of ₹ 0.48 million.
- Supply of Intermingling air through 3.0 bar system against 4.5 bar has given saving of ₹ 0.91 million
- Modification and provision to start 4MW DG from 46 engine air bottle has saved ₹ 0.021 million.
- Energy saving in condensate extraction pump has saved ₹ 0.59 Million.

C. Foreign Exchange Earnings and Outgo of the Company:

Earnings in Foreign Currency (accrual basis)

		(₹ In Crores)
Particulars	2014-15	2013-14
F.O.B. value of exports	596.72	685.62
Dividend	0.52	2.88
Sale of current investments (Gross consideration)	0.92	241.86
Total	598.16	930.36
CIF value of imports Particulars	2014-15	(₹ In Crores) 2013-14
Raw materials	1,331.29	1,625.84
Packing material	0.26	-
Stores and spares	3.98	9.06
Capital goods	2.23	0.52
Total	1,337.76	1,635.42

- Nil



Expenditure in Foreign Currency (accrual basis)

(₹ In Crores)

Particulars	2014-15	2013-14
Travelling	2.24	1.29
Commission	3.16	2.29
Interest	3.03	6.06
Others	0.76	0.66
Total	9.19	10.30

Net dividend remitted in Foreign Exchange*

(₹ In Crores)

Particulars	2014-15	2013-14
Period to which dividend relates to	1 April 2014 to	1 April 2013 to
	31 March 2015	31 March 2014
- Number of non-resident shareholders(Nos.)	2	3
- Number of Equity Shares held on which dividend was due (Nos.)	43,620,465	48,894,465
- Amount remitted USD 720,761 (Previous year USD 729,927 & JPY 8,768,080) (₹ in Crores)	4.36	4.89

^{*} Excluding dividend credited to FCNR/ NRE accounts in India of Non-Resident Indians and also payments of dividend to Foreign Institutional Investors on repatriation basis.

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

Om Prakash Lohia

Chairman & Managing Director DIN: 00206807

Place: Gurgaon Date: 18 May 2015 **DIRECTORS' REPORT CONTINUED**

ANNEXURE-4 TO DIRECTORS' REPORT

		ı	ı	ı	ı	
	₹ in million (8)	Amount Spent: Direct or through implementing agency	Direct	Direct	Direct	
	(7)	Cumulative expenditure upto to the reporting period	1.60	0.12	0.12	1.84
	(9)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	1.60	0.12	0.12	1.84
	(5)	Amount outlay (budget) or project or programs wise	1.60	0.12	0.12	1.84
AL YEAR 2014-15	(4)	Projects or programs 1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Nagpur, Maharashtra	Firozabad, Uttar Pradesh	Jaipur, Rajasthan	
DETAILS OF CSR EXPENSES FOR THE FINANCIAL	(3)	Sector in which the Project is covered	Education	Education	Eye donation	Total
LS OF CSR EXPENSE	(2)	CSR project of activities identified	Promotion of Education	Promotion of Education	Health Care	
DETAI	(1)	No.	-	2	m	



ANNEXURE 5 TO THE DIRECTORS' REPORT

FORM NO. AOC - 2

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

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

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

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

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

						(₹ In Crore)
Sl. No.	Name(s) of the Related Party and nature of Relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ Transactions	Main terms of the Contracts/ Arrangements/ Transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Indorama Petrochem Limited, Thailand, Relative	Buying PTA	General	108	07-Aug-14	-
2	TPT Petrochemicals Public Co. Ltd., Thailand, Relative	Buying PTA	General	93	07-Aug-14	-
	Sub-Total (A)			201		
1	Indorama Petrochem Limited, Thailand, Relative	Buying PTA	General	153	13-Nov-14	-
2	TPT Petrochemicals Public Co. Ltd., Thailand, Relative	Buying PTA	General	93	13-Nov-14	-
	Sub-Total (B)			246		
1	Indorama Petrochem Limited, Thailand, Relative	Buying PTA	General	90	13-Feb-15	-
2	TPT Petrochemicals Public Co. Ltd., Thailand, Relative	Buying PTA	General	55	13-Feb-15	-
	Sub-Total (C)			146		

DIRECTORS' REPORT CONTINUED

Details of material contracts or arrangement or transactions at arm's length basis: (Contd.)

Sl. No.	Name(s) of the Related Party and nature of Relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ Transactions	Main terms of the Contracts/ Arrangements/ Transactions including the value, if any	Date(s) of approval by the Board, if any	(₹ In Crore) Amount paid as advances, if any
1	Indorama Petrochem Limited, Thailand, Relative	Buying PTA	General	59	18-May-15	-
2	TPT Petrochemicals Public Co. Ltd., Thailand, Relative	Buying PTA	General	88	18-May-15	-
3	PT. Indorama Petrochemicals, Indonesia, Relative	Buying PTA	General	17	18-May-15	-
	Sub-Total (D)		-	164		
	Grand Total (A+B+C+D)			757		

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

Om Prakash Lohia

Chairman & Managing Director

DIN: 00206807

Place: Gurgaon Date: 18 May 2015



REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2015. STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND

	_				<u>-</u>			
Last employment held before joining the Company	Designation		ı	ı	Vice President - Projects		Group CFO	Group CFO
Last employment held be joining the Company	Company		ı	ı	Reliance Industries Ltd		Rico Auto Industries Ltd.	BC Jindal Group
Date of Commencement	of Employment	or the year)	26.12.1988	01.04.2007	07.07.1999	er month)	08.10.2013	11.11.2014
Age (Years)		60 Lakhs	65	37	29	₹5 Lakhs p	52	48
Qualification and Total Service	Experience (Years)	ggregate not less than है	B.Com.	Bachelors' Degree in Finance & Eco., USA.	B.SC., Chem. Engg., PGDB & IM	Employee who receives in aggregate not less than ₹ 5 Lakhs per month)	B.Com., CA	B.Com., CA
Remuneration (in₹)		who receives in a	2,74,63,009/-	2,17,36,773/-	1,04,21,184/-	who receives in a	63,43,753/-	55,71,926/-
Designation & Nature of Duties		EMPLOYED THROUGHOUT THE YEAR (name of employee who receives in aggregate not less than ₹ 60 Lakhs for the year)	Chairman & Managing Director	Whole-time Director	Whole-time Director & CEO	OF THE YEAR (name of Employee	President & CFO	President & CFO
SI. Name No.		EMPLOYED THROUGHOU	Mr. Om Prakash Lohia Chairman & Managing	Mr. Vishal Lohia	Mr. Anant Kishore	EMPLOYED FOR A PART OF THE YEAR (name of	Mr. Sanjay Syal	Mr. Sanjeev Aggarwal
SI. No.		8	-:	2.	e,	(B)	-:	2.

Notes:

Remuneration has been calculated on the basis of Section 198 of the Companies Act, 2013 and includes expenditure incurred by the Company on salary and for provision of benefits to the employees, excluding actuarial valuation of Retirement Benefits.

2. The nature of employment in all cases is contractual.

Except Mr. Om Prakash Lohia and Mr. Vishal Lohia, none of the employees is related to any of the Directors of the Company.

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

Om Prakash Lohia

Chairman & Managing Director

DIN: 00206807

Place: Gurgaon Date: 18 May 2015

DIRECTORS' REPORT CONTINUED

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for the financial year 2014-15 (₹ in Crore)	% increase in Remuneration in the financial year 2014-15	Ratio of Remuneration of each Director/to median Remuneration of Employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mr. Mohan Lal Lohia	-	-	-	
	Chairman - Emeritus				
2	Mr. Om Prakash Lohia Chairman and Managing Director	2.83	10	122.51	Loss before tax increased by 34.62%
3	Mr. Vishal Lohia Whole-time Director	2.07	10	89.61	and loss after increased by 2.2%
4	Mr. Anant Kishore Whole-time Director & CEO	1.05	Nil	45.45	in the financial year 2014-15
5	Mr. Ashok Kumar Ladha Non-Executive Independent Director	*	*	*	*
6	Mr. Suman Jyoti Khaitan Non-Executive Independent Director	*	*	*	*
7	Dr. Arvind Pandalai Non-Executive Independent Director	*	*	*	*
8	Mr. Sanjay Syal# President & Chief Financial Officer	0.62	3.32	NA	Loss before tax increased by 34.62%
9	Mr. Sanjeev Aggarwal [#] President & Chief Financial Officer	0.54	NA	NA	and loss after increased by 2.2%
10	Mr. Jayant K Sood Head-Corporate & Company Secretary	0.38	3.32	NA	in the financial year 2014-15

^{*} No Remuneration, only sitting fee paid.

[#] Part of the year ended 31 March, 2015

ii) The median remuneration of employees of the Company during the financial year was ₹ 2.31 Lakhs.

iii) In the financial year, there was an increase of 3% in the median remuneration of employees.

iv) There were 1,514 permanent employees on the rolls of Company as on 31 March 2015.

v) Relationship between average increase in remuneration and company performance: The Loss before Tax for the financial year ended 31 March 2015 increased by 34.62% whereas the increase in median remuneration was 3%. The average increase in median remuneration was in line with the performance of the Company.



- vi) a) Variations in the market capitalisation of the Company: The market capitalisation as on 31 March 2015 was ₹ 288.46 Crore (₹ 223.94 Crore as on 31 March 2014).
 - b) Price Earnings ratio of the Company was ₹ (1.42) as at 31 March 2015 and was ₹ (0.54) as at 31 March 2014.
 - c) Percent increase over/ decrease in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last public offer in the year: The Company had come out with Initial Public Offer (IPO) in the year 1989. An amount of ₹ 1,000/- invested in the said IPO would be worth ₹ 1,900/- as on 31 March 2015. This is excluding the dividend accrued thereon and benefit on account of shares received at the time of right, bonus and demerger, etc.
- vii) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year, i.e., 2014-15 was 3.32% whereas the increase in the managerial remuneration for the same financial year was 6.6%.
- viii) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Human Resources, Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- ix) 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 Not Applicable.
- x) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

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

Om Prakash Lohia

Chairman & Managing Director

DIN: 00206807

Place: Gurgaon Date: 18 May 2015

FINANCIAL STATEMENTS

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Ten Years at a Glance

INDEPENDENT AUDITORS' REPORT

To the Members of Indo Rama Synthetics (India) Limited

1. Report on the Standalone Financial Statements

We have audited the accompanying financial statements ("standalone financial statements") of Indo Rama Synthetics (India) Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Standalone Financial Statements

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

3. Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and of its loss and its cash flows for the year ended on that date.

5. Emphasis of matter

We draw attention to the following matters in the Notes to the standalone financial statement:

- a) Note 42 of the standalone financial statements, which explains the early application, since the year 2010-11, of Accounting Standard 30, "Financial Instruments-Recognition and Measurement", issued by the Institute of Chartered Accountants of India. An amount of ₹ 4.69 Crores has been recognised as expense (previous year expense of ₹ 10.40 Crores) in the financial statements for the year ended 31 March 2015 and included in exceptional items as an adjustment on the said application of Accounting Standard 30.
- Note 41 of the standalone financial statements, which explains the management's position regarding utilisation of Minimum Alternate Tax credit aggregating

₹ 57.33 Crores as at 31 March 2015. Based on the management's assumptions and future business plans, no provision has been considered in the books of account in respect of Minimum Alternate Tax credit.

Our opinion is not modified in respect of this matter.

6. Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2015 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
- (ii) As required by section 143(3) of the Act, we report that:
 - 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;
 - in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement, dealt with by this report, are in agreement with the books of account;
 - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- e. on the basis of the written representations received from the directors, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer notes 36 and 39 to the standalone financial statements;
- ii. the Company did not have any long term contracts, including derivative contracts outstanding as at 31 March 2015 for which there were any material foreseeable losses; and
- iii. there has been no delay in transferring amounts that were required to be transferred to the Investor Education and Protection Fund by the Company.

For B S R and Associates
Chartered Accountants

ICAI Firm registration number: 128901W

Kaushal Kishore

Place : Gurgaon Partner
Date : 18 May 2015 Membership No.: 090075

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 6 of the Independent Auditors' Report to the Members of Indo Rama Synthetics (India) Limited on the Standalone financial statements for the year ended 31 March 2015.

- (i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, the fixed assets are physically verified by the management in accordance with a phased programme designed to cover all items of fixed assets over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and nature of its fixed assets. In accordance with this programme, certain categories of fixed assets at certain locations have been physically verified by the management during the year. As informed to us, no material discrepancies were noticed on such verification.
- (ii) (a) According to the information and explanations given to us, the inventories, except for goods in transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year end, written confirmations are obtained.
 - (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) According to the information and explanations given to us, and on the basis of our examination of the records of inventories, we are of the opinion that the Company is maintaining proper records of inventories. As informed to us, the discrepancies noticed on physical verification of inventories as compared to the book records were not material and have been properly dealt with in the books of account.
- (iii) (a) According to the information and explanations given to us, the Company, during the previous year had granted interest free unsecured loans

- to a wholly owned subsidiary company covered in the register maintained under Section 189 of the Companies Act, 2013.
- (b) According to the information and explanations given to us, in case of loans granted to a wholly owned subsidiary company listed in the register maintained under Section 189 of the Companies Act, 2013, the loans were not due for repayment in the current year in accordance with the stipulations.
- (c) According to the information and explanations given to us, there is no overdue amount of more than Rupees one lakh in respect of loans granted to a wholly owned subsidiary company listed in the register maintained under section 189 of the Companies Act, 2013.
- (iv) According to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale of goods. The activities of the Company do not involve sale of services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instances of major weaknesses in the aforesaid internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from public during the year.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government, the maintenance of cost records has been prescribed under sub section (1) of section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident

ANNEXURE TO THE AUDITORS' REPORT

Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues, to the extent applicable, have generally been regularly deposited with the appropriate authorities, except in respect of Value Added Tax, where there were few serious delays in depositing the same with the appropriate authorities, though the same have been deposited before the year end.

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, Duty of Customs, Duty of Excise, Value Added tax, Cess and other material statutory dues, to the extent applicable, were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

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

Name of the Statute	Nature of dues	Amount of dispute (₹ Crores) #	Amount paid under protest (₹ Crores)	Period to which it relates	Forum where dispute is pending
The Central Excise Act, 1944	Duty of Excise	1.44	-	2002-03 and	Bombay High Court,
				2005-06	Nagpur Bench
		64.29	5.90	1996- 97 to 2008-09	Customs, Excise and Service Tax Appellate Tribunal
		6.75	0.08	1996-97 to 2008-09	Commissioner of Central Excise and Customs (Appeals)
		3.81	-	1997-98 to 2010-11	Commissioner/ Assistant Commissioner/ Deputy Commissioner
Bombay Sales Tax Act, 1959/ Central Sales Tax Act, 1956	Sales tax	0.43	0.13	1998-99 to 1999-00	Joint Commissioner Sales Tax (Appeals), Nagpur
Maharashtra VAT Act, 2002	VAT	13.64	3.60	2006-07 to 2008-09 and 2010-11 to 2013-14	Joint Commissioner sales tax (Appeals), Nagpur
		214.25	-	2006-07	Supreme Court
Customs Act, 1962	Duty of Customs	0.08	-	2002-03	Customs, Excise and Service Tax Appellate Tribunal
	_	6.01	-	2006-07	Commissioner of Customs
		0.04	-	1997- 98 to 1998-99	Assistant Commissioner/ Deputy Commissioner
Finance Act, 1994	Service tax	0.22	0.08	2002-03 to 2009-10	Customs, Excise and Service Tax Appellate Tribunal
		0.22	-	2002-03 to 2005-06	Commissioner, Nagpur
Income tax Act, 1961 *	Income tax	0.26	-	AY 2006-07	Commissioner of Income Tax (Appeals)
		24.55	14.50	AY 2002-03 to AY 2004-05 and AY 2007-08	Income Tax Appellate Tribunal

^{*} excluding cases where losses / unabsorbed depreciation have been adjusted by the tax authorities without raising any demands, though disputed by the Company.

[#] including interest/ penalties, where quantified and demanded by authorities.

ANNEXURE TO THE AUDITORS' REPORT

- (c) According to the information and explanations given to us, the Company has transferred the required amount to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956, (1 of 1956) and rules made thereunder within stipulated time.
- (viii) According to the information and explanations given to us, the Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions or banks. Further, the Company has not issued any debenture during the year.
- (x) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.

- (xi) According to the information and explanations given to us, term loans have been applied for the purpose for which such loans were obtained.
- (xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For B S R and Associates

Chartered Accountants ICAI Firm registration number: 128901W

Kaushal Kishore

Place : Gurgaon Partner
Date : 18 May 2015 Membership No.: 090075

BALANCE SHEET

as at 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

			Note No.	As at 31 March 2015	As at 31 March 2014
I.	EQU	JITY AND LIABILITIES			
	(1)	Shareholders' funds			
		(a) Share capital	3	151.82	151.82
		(b) Reserves and surplus	4	402.09	441.89
				553.91	593.71
	(2)	Non-current liabilities			
		(a) Long-term borrowings	5	107.70	172.84
		(b) Deferred tax liabilities (Net)	6	172.96	186.03
		(c) Other long-term liabilities	7	0.64	0.83
		(d) Long-term provisions	8	19.90	18.14
				301.20	377.84
	(3)	Current liabilities			
		(a) Short-term borrowings	9	204.94	245.85
		(b) Trade payables	10	542.85	530.65
		(c) Other current liabilities	11	124.01	148.14
		(d) Short-term provisions	8	21.13	20.43
				892.93	945.07
		Total		1,748.04	1,916.62
II.	ASS	ETS			
	(1)	Non-current assets			
		(a) Fixed assets			
		(i) Tangible assets	12.1	938.56	1,059.29
		(ii) Intangible assets	12.2	0.05	0.43
		(iii) Capital work-in-progress		3.22	0.17
				941.83	1,059.89
		(b) Non-current investments	13.1	39.85	36.99
		(c) Long-term loans and advances	14.1	123.23	119.82
		(d) Other non-current assets	15.1	8.05	7.61
				171.13	164.42
	(2)	Current assets			
		(a) Current investments	13.2	4.28	4.19
		(b) Inventories	16	273.48	293.61
		(c) Trade receivables	17	115.00	111.79
		(d) Cash and bank balances	18	55.68	42.94
		(e) Short-term loans and advances	14.2	69.60	80.78
		(f) Other current assets	15.2	117.04	159.00
				635.08	692.31
		Total		1,748.04	1,916.62
Signi	ifican	t accounting policies	2		-

The accompanying notes (from 1 to 46) form an integral part of the financial statements.

As per our report attached.

For BSR and Associates

Chartered Accountants

ICAI Firm registration number: 128901W

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

Kaushal Kishore

Partner

Membership No.: 090075

Om Prakash Lohia

Chairman and Managing Director

DIN: 00206807

Jayant K Sood

ICSI Membership No.: FCS 4482

Place : Gurgaon : 18 May 2015 Date:

Sanjeev Aggarwal

Director

DIN: 00089360

President and Chief Financial Officer

ICAI Membership No.: 089369

Ashok Kumar Ladha

Company Secretary

Place : Gurgaon : 18 May 2015 Date

STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

		Note No.	For the year ended 31 March 2015	For the year ended 31 March 2014
INC	OMF			
l.	Revenue from operations	19		
	Sale of products (gross)		2,961.90	2,824.54
	Less: Excise duty		253.00	231.91
	Sale of products (net)		2,708.90	2,592.63
	Other operating revenue		52.48	44.82
	Revenue from operations (net)		2,761.38	2,637.45
II.	Other income	20	9.81	235.68
III.	Total revenue (I+II)		2,771.19	2,873.13
IV.	Expenses:			
	Cost of materials consumed	21	2,192.84	2,125.07
	Changes in inventories of finished goods and work-in-progress	22	(39.84)	90.57
	Employee benefits expense	23	92.09	84.41
	Other expenses	24	393.85	328.49
	Expenditure before finance costs, depreciation/amortisation cost and exceptional items		2,638.94	2,628.54
V.	Profit before finance costs, depreciation/amortisation, exceptional items and tax (III-IV)		132.25	244.59
VI.	Finance costs	25	43.38	35.23
VII.	Profit before depreciation/amortisation, exceptional items and tax (V-VI)		88.87	209.36
VIII.	Depreciation and amortisation expense	12.1	117.16	144.22
	Less : Transferred from revaluation reserve (refer note 2.5)		- 117.16	9.10 135.12
IX.	(Loss)/Profit before exceptional items and tax (VII-VIII)		(28.29)	74.24
X.	Exceptional items			
	-Foreign exchange fluctuation gain/(loss) (refer note 42)		15.02	(99.51)
	-Loss on account of write down of inventories (refer note 21 and 22)		(20.75)	-
XI.	Loss before tax (IX+X)		(34.02)	(25.27)
XII.	Tax expense:			
	Add: MAT credit taken in previous years charged off		0.58	3.97
	Deferred tax credit		(13.07)	(21.06)
XIII.	Loss for the year		(21.53)	(8.18)
	Basic and diluted earnings per equity share (in ₹) [Face value ₹ 10 each]	26	(1.42)	(0.54)
	Significant accounting policies	2		

The accompanying notes (from 1 to 46) form an integral part of the financial statements

As per our report attached.

For BSR and Associates

Chartered Accountants

ICAI Firm registration number: 128901W

Kaushal Kishore

Partner

Membership No.: 090075

Om Prakash Lohia

Chairman and Managing Director

DIN: 00206807

Jayant K Sood

Company Secretary

ICSI Membership No.: FCS 4482

Place : Gurgaon Place : Gurgaon
Date: : 18 May 2015 Date : 18 May 2015

Ashok Kumar Ladha

Director

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

DIN: 00089360

Sanjeev Aggarwal

President and Chief Financial Officer

ICAI Membership No.: 089369

CASH FLOW STATEMENT

for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

		For the year ended 31 March 2015	For the year ended 31 March 2014
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	(Loss)/Profit before taxation	(34.02)	(25.27)
	Adjusted for:		
	Depreciation and amortization (net of transfer from revaluation reserve)	117.16	135.12
	Loss or (gain) on scrap / disposal of fixed asset	(3.33)	0.18
	Provision made/(written back) for diminution in the value of investments	(0.09)	0.29
	Provision for doubtful debts and advances	0.85	4.15
	Profit on sale of current investments	(0.99)	(225.82)
	Interest income	(12.34)	(11.12)
	Dividend income	(0.52)	(2.88)
	Interest expense	28.30	21.27
	Operating profit/(loss) before working capital changes	95.02	(104.08)
	Changes in:		
	Decrease in inventories	20.13	9.99
	(Increase) / Decrease in trade receivables	(4.01)	(26.92)
	(Increase) / Decrease in short term loans and advances and other current assets	55.57	22.25
	Increase in long term loans and advances	(1.02)	(2.40)
	Decrease / (Increase) in other non current assets	(0.44)	12.00
	Decrease in trade payables	12.20	(5.38)
	(Increase) / Decrease in other non current liabilites	(0.19)	(0.01)
	Decrease / (Increase) in other current liabilities	3.24	3.12
	Increase in long term provisions	1.76	3.21
	(Decrease) / Increase in short term provisions	0.19	(1.54)
	Cash generated from operations	182.45	(89.76)
	Income tax paid	(0.51)	(2.79)
	Net cash flow from operating activities (A)	181.94	(92.55)
В.	CASH FLOWS FROM INVESTING ACTIVITIES		
	Purchase of fixed assets	(9.37)	(34.95)
	Sale of fixed assets	17.37	1.39
	Sale of current investments (net)	0.14	231.64
	Income from renunciation of rights issue	0.85	-
	Purchase of non current non trade investments	(2.86)	-
	Movement in bank deposits (net) (having original maturity of more than 3 months)	(1.66)	(4.18)
	Advance to subsidiary company	0.11	(17.44)
	Dividend received	0.52	2.88
	Interest received	11.10	11.40
	Net cash flow from investing activities (B)	16.20	190.74



CASH FLOW STATEMENT

for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

		For the year ended	For the year ended
		31 March 2015	31 March 2014
C. CASI	H FLOWS USED IN FINANCING ACTIVITIES		
Long	-term borrowings repaid during the year	(101.71)	(83.74)
Long	-term borrowings taken during the year	4.14	125.59
Shor	t term borrowings taken/ (repaid) during the year (net)	(40.91)	(96.87)
Paym	nent of dividend	(15.16)	(15.24)
Taxes	on dividend	(2.58)	(2.58)
Inter	est paid	(30.84)	(23.53)
Net o	ash flow used in financing activities (C)	(187.06)	(96.37)
Net o	hanges in cash and cash equivalents (A+B+C)	11.08	1.82
Cash	and cash equivalents - opening balance	12.61	10.79
Cash	and cash equivalents - closing balance	23.69	12.61
Comp	oonents of cash and cash equivalents (refer note 18)		
Cash	in hand	0.27	0.20
Cheq	ues in hand	-	1.05
With	scheduled banks:		
In o	current accounts	10.98	10.05
In r	nargin money accounts (currently not available for use by the Company)	12.44	1.31
Total		23.69	12.61

Notes:

- The accompanying notes (from 1 to 46) form an integral part of the financial statements.
- 2 The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 Cash Flow Statements.

As per our report attached. For B S R and Associates Chartered Accountants

ICAI Firm registration number: 128901W

Kaushal Kishore

Partner Membership No.: 090075

Membership No., 090073

Place : Gurgaon Date: : 18 May 2015 For and on behalf of the Board of Directors of Indo Rama Synthetics (India) Limited

Om Prakash Lohia

Chairman and Managing Director

DIN: 00206807

Company Secretary

ICSI Membership No.: FCS 4482

Jayant K Sood

Place : Gurgaon Date : 18 May 2015 **Ashok Kumar Ladha**

Director DIN: 00089360

Sanjeev Aggarwal

President and Chief Financial Officer ICAI Membership No.: 089369

to the Financial Statements for the year ended 31 March 2015

1. General information

Indo Rama Synthetics (India) Limited (hereinafter referred to as 'the Company' or 'IRSL') is a manufacturer of Polyester Filament Yarn (PFY), Polyester Staple Fibre (PSF), Draw Texturised Yarn (DTY) and Chips. The Company is also engaged in power generation, which is used primarily for captive consumption. The Company's manufacturing facilities are located at Butibori, Nagpur.

2. Significant Accounting Policies

2.1 Basis of preparation

These financial statements have been prepared under the historical cost convention, modified to include revaluation of certain fixed assets, on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP primarily comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014, and other accounting pronouncements of the Institute of Chartered Accountants of India.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the year. Differences between actual results and estimates are recognized in the year in which the results are known or materialized. Examples of such estimates are estimated useful life of assets, classification of assets/ liabilities as current or non-current in certain circumstances, recoverability of minimum alternate tax credit entitlement, provision for doubtful receivables and retirement benefits, etc. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Current/ non-current classification

All assets and liabilities are classified as current and noncurrent.

Assets

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

 it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

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

- it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company considers its operating cycle to be within a year.

2.4 Fixed assets

Fixed assets are stated at cost or at revalued amounts less accumulated depreciation. Cost of fixed assets includes all incidental expenses and interest costs on borrowings, attributable to the acquisition of qualifying assets, upto the date of commissioning of assets.

Foreign currency exchange differences are capitalized as per the policy stated in note 2.12 below.



to the Financial Statements for the year ended 31 March 2015

2.5 Depreciation/amortization

- Leasehold land and cost of leasehold improvements are amortised over the period of lease or their useful lives, whichever is shorter.
- Depreciation on other fixed assets (excluding software) is provided using the straight line method at the rates based on following useful lives of assets estimated by the management:

Particulars	Useful life
Factory buildings/ Non	28 years/ 58 years
factory buildings	
Plant and equipment	18 years
(Continuous Process Plant)	
Furniture and fixtures	15 years
Vehicles	10 years
Office equipment/	20 years/ 6 years
Computer and Peripherals	

The above useful lives are arrived at, based on the internal technical assessment of the management, are currently reflective of the estimated useful lives of the fixed assets.

- Fixed assets individually costing up to rupees five thousand are depreciated at the rate of 100%.
- Upto 31 March 2014 additional depreciation on account of revaluation of assets is charged to the Revaluation Reserve account. Pursuant to an alignment with the requirement of the Companies Act, 2013, the Company has not recouped the additional depreciation on account of revaluation and, therefore, has charged it as an expense during the year. Accordingly, the loss for year ended 31 March 2015 is higher by ₹ 10.52 Crores.
- Software are amortised on straight line method over a period of three years.

2.6 Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated as higher of its net selling price and value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss.

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

2.7 Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to be put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

2.8 Investments

Long-term investments (including its current portion) are carried at cost less diminution, other than temporary, in value. Current investments are carried at the lower of cost and fair value, which is computed category wise.

2.9 Inventories

- Stores and spare parts are valued at cost or under, computed on weighted average basis.
- Raw materials, work-in-progress and finished goods are valued at the lower of cost and net realizable value. Finished goods and work-in- progress include material cost and appropriate portion of manufacturing and other overheads. Cost is ascertained on a weighted average basis.

2.10 Revenue recognition

i) Sale of goods

Revenue from sale of products is recognized when the products are dispatched against orders from customers in accordance with the contract terms, which coincides with the transfer of significant risks and rewards.

Sales are stated inclusive of excise duty and net of rebates, trade discounts, sales tax and sales returns.

ii) Sale of power

Sale of power is recognized on the basis of actual quantity of power sold with reference to the contracted rate.

to the Financial Statements for the year ended 31 March 2015

iii) Insurance claims

Insurance claims are accounted for on an accrual basis, to the extent these are measurable and ultimate collection is reasonably certain (Also refer to note 39).

iv) Dividend

Dividend from investments is recognized when the right to receive dividend is established.

2.11 Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating lease. Operating lease charges are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

2.12 Foreign exchange transactions and forward contracts Foreign exchange transactions

- a) Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rates prevailing at the date of the balance sheet. All exchange differences other than in relation to acquisition of fixed assets and other long term foreign currency monetary liabilities are dealt with in the Statement of Profit and Loss.
- b) In accordance with Accounting Standard 11, "Accounting for the effects of changes in foreign exchange rates", exchange differences arising in respect of long term foreign currency monetary items:
 - used for acquisition of depreciable capital asset, are added to or deducted from the cost of asset and are depreciated over the balance life of asset.
 - used for the purpose other than the acquisition of depreciable capital asset, are accumulated in Foreign Currency Monetary Item Translation Difference Account (FCMITDA) to be amortised over the balance period.
- c) In case of foreign exchange forward contracts taken for underlying transactions, and covered by Accounting Standard 11, "Accounting for the Effects of Changes in Foreign Exchange Rates", the premium or discount is amortised as income or expense over the life of the contract. The exchange difference is calculated as the difference between the foreign currency amount

of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange difference is recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

Any profit or loss arising on the cancellation or renewal of such contracts is recognized as income or expense for the year.

Forward exchange contracts taken for highly probable/ forecast transactions, which are not covered by Accounting Standard 11, are marked to market in accordance with the principles under AS 30 "Financial Instruments: Recognition and Measurement", issued by the Institute of Chartered Accountants of India. The Company records the gain or loss on effective hedges, if any, in the Hedging Reserve until the transactions are complete. On completion, the gain or loss is transferred to the Statement of Profit and Loss of the period in which such transaction is concluded. To designate a forward contract or option as an effective hedge, management objectively evaluates with appropriate supporting documents at the inception of each contract whether the contract is effective in achieving offsetting cash flows attributable to the hedged risk. In the absence of a designation as effective hedge, a gain or loss is recognized in the Statement of Profit and Loss.

2.13 Employee benefits

a) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus, etc., are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

b) Post-employment benefits Defined contribution plan

The Company deposits the contributions for provident fund to the appropriate government authorities and these contributions are recognized in the Statement of Profit and Loss in the financial year to which they relate.



to the Financial Statements for the year ended 31 March 2015

Defined benefit plan

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

c) Other long term employee benefits

Entitlements to annual leave are recognized when they accrue to employees. Leave entitlements may be availed while in service or encashed at the time of retirement/ termination of employment, subject to a restriction on the maximum number of accumulation. The Company determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

2.14 Taxation

Income tax expense comprises current tax and deferred tax charge or credit. Current tax provision is made based on the tax liability computed after considering tax allowances and exemptions under the Income tax Act, 1961. The deferred tax charge or credit and the corresponding deferred tax liability and assets are recognized using the tax rates that have been enacted or substantively enacted on the balance sheet date.

Deferred tax assets arising from unabsorbed depreciation or carry forward losses are recognized only if there is virtual certainty of realization of such amounts. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets are reviewed at each balance sheet date to reassess their realisability.

The credits arising from Minimum Alternate Tax paid are recognized as receivable only if there is reasonable certainty together with convincing/ reliable evidence that the Company will have sufficient taxable income in future years to utilize such credits.

2.15 Government grants

Government grants specifically receivable as a reduction of interest charge under the grants scheme is netted off from the interest charge for the year.

2.16 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

2.17 Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligations and the amount of such obligation can be reliably estimated. Provisions are not discounted to their present value and are determined based on the management's estimation of the outflow required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events, not wholly within the control of the Company.

When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 3: Share capital

	As at	As at
	31 March 2015	31 March 2014
Authorised		
185,000,000 (previous year 185,000,000) equity shares of ₹ 10 each	185.00	185.00
Issued, subscribed and fully paid-up		
151,822,242 (previous year 151,822,242) equity shares of ₹ 10 each fully paid-up	151.82	151.82
	151.82	151.82

Foot notes:

- During the current year and in the previous year, there have been no movements in the number of outstanding equity shares.
- 2. The Company has only one class of equity shares, having a par value of ₹ 10 per share. Each shareholder is eligible to one vote per share held, except for shares held against Global Depository Receipts (GDR). The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
- 3. Shares in the Company held by each shareholder holding more than 5% shares (also refer to note 4 below) are as under:-

	As at 31 Ma	As at 31 March 2015		arch 2014
Names	Number of shares	% of shares held	Number of shares	% of shares held
Brookgrange Investments Limited	43,288,057	28.51	43,288,057	28.51
Mr. Om Prakash Lohia (Chairman and Managing Director)	35,378,350	23.30	35,014,630	23.06
Mrs. Urmila Lohia	15,855,314	10.44	15,855,314	10.44
APMS Investment Fund Limited	12,652,175	8.33	12,652,175	8.33
(Formerly known as Mavi Investment Limited)				
	107,173,896	70.58	106,810,176	70.34

4. Above equity shares of ₹ 10 each include 10,290,560 equity shares (representing 6.78% of total number of shares), outstanding against 1,286,320 Global Depository Receipts (GDR), each GDR comprising 8 underlying fully paid up equity shares of ₹ 10 each [previous year 10,291,360 equity shares (representing 6.78% of total number of shares), outstanding against 1,286,420 GDRs]. Since, the same are held by depository, details of individual beneficiaries is not available with the Company.

to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 4: Reserves and surplus

	As at	As at
	31 March 2015	31 March 2014
Capital reserve		
Opening balance	20.38	0.08
Forfeiture of money received against share warrants *	-	20.30
Closing balance	20.38	20.38
Securities premium account	166.22	166.22
Revaluation reserve (refer note 2.5)		
Opening balance	25.43	34.53
Less: adjustment on account of depreciation on revalued assets	-	9.10
Less: transferred to General Reserve	10.52	-
Closing balance	14.91	25.43
General reserve		
Opening balance	47.61	47.61
Add: amount transferred from Revaluation Reserve	10.52	-
Closing balance	58.13	47.61
Surplus in the Statement of Profit and Loss		
Opening balance	182.25	208.19
Loss for the year	(21.53)	(8.18)
Less: Appropriations :		
Proposed dividend (refer note 8)	(15.18)	(15.18)
Tax on dividend (refer note 8)	(3.09)	(2.58)
Net surplus in the Statement of Profit and Loss	142.45	182.25
Total reserves and surplus	402.09	441.89

^{*} On 9 November 2010, the Company had allotted 20,000,000 Fully Convertible Preferential warrants (FCPs) at ₹ 40.60 per warrant (aggregating ₹ 81.20 Crores) as per Securities and Exchange Board of India (SEBI) and other guidelines, as applicable. As per the terms of the warrants, ₹ 10.15 per warrant (aggregating ₹ 20.30 Crores) had been received and balance amount of ₹ 30.45 per warrant (aggregating ₹ 60.90 Crores) was payable within 18 months of allotment of the warrants. The warrants were convertible into equity shares within a period of 18 months from the date of allotment of warrants at the option of the warrant holders. Upon conversion, one warrant would have been converted into one fully paid equity share of ₹ 10 each and amount of ₹ 30.60 would have been adjusted towards share premium account. Subsequently, the Company had received request from warrant holders for extending period upto May 2014 for payment of balance amount of ₹ 60.90 Crores. The Company made an application to SEBI for the extension of the period which had not been approved by SEBI vide its letter dated 4 December 2013. Accordingly, the money received against share warrants had been forfeited and transferred to capital reserve in the previous year.

to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 5: Long-term borrowings

	Total		Non-curre	Non-current portion		Current maturities	
	As at	As at	As at	As at	As at	As at	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014	
Secured:							
Loans from banks							
Term loans							
- Rupee loans	95.68	112.10	71.78	91.82	23.90	20.28	
- Foreign currency loans	71.92	129.69	35.92	81.02	36.00	48.67	
Other loans							
- Foreign currency loans	-	23.38	-		-	23.38	
	167.60	265.17	107.70	172.84	59.90	92.33	
Less:							
Amounts disclosed under the head	-		-		(59.90)	(92.33)	
"other current liabilities" (refer							
note 11)							
	167.60	265.17	107.70	172.84	-	-	

NAT	URE	OF SECURITY	TERMS OF REPAYMENT		
a)	Rup	ee term loans from banks:			
	i)	amounting to ₹ 8.00 Crores (previous year ₹ 14.67 Crores) are secured by first specific charge over the specific assets to be purchased under the loan agreement.	Repayable in 18 equal quarterly installments of ₹ 1.33 Crores each commencing from June 2012, along with interest at bank rate plus 1% plus 0.50%.		
	ii)	amounting to ₹ 20.82 Crores (previous year ₹ 25.00 Crores) are secured collaterally by exclusive charge on the captive power plant at Butibori, Maharashtra.	Repayable in 18 equal quarterly installments of ₹ 1.39 Crores each commencing from the end of third quarter from the date of first disbursement i.e. 30 September 2014 along with interest at 3.25% over base rate.		
	iii)	current assets and collaterally by first pari-passu charge	Repayable in 8 equal quarterly installments of ₹ 3.12 Crores each commencing after 6 months from the date of first disbursement i.e 30 September 2014 and 10 equal quarterly installments of ₹ 5 Crores thereafter, along with interest at 3% over base rate.		
	iv)	aggregating to ₹ 1.23 Crores (previous year ₹ 0.12 Crores) are secured by hypothecation of specific vehicles.	 (a) ₹ Nil (previous year 0.02 Crores) repayable in 36 monthly installments commencing from August 2011. (b) ₹ 0.05 Crores (previous year ₹ 0.10 Crores) repayable in 36 monthly installments commencing from January 2013. (c) ₹ 0.91 Crores (previous year ₹ Nil) repayable in 36 monthly instalments commencing from September 2014. (d) ₹ 0.14 Crores (previous year ₹ Nil) repayable in 36 monthly instalments commencing from June 2014. (e) ₹ 0.08 Crores (Previous year ₹ Nil) repayable in 36 monthly instalments commencing from May 2014. (f) ₹ 0.05 Crores (previous year ₹ Nil) repayable in 36 monthly instalments commencing from June 2014. The outstanding amount of long term borrowings taken for vehicles is ₹ 1.23 Crores (previous year ₹ 0.12 Crores) out of which current maturity payable next year amounts to ₹ 0.51 Crores (previous year ₹ 0.07 Crores). 		



to the Financial Statements for the year ended 31 March 2015

rupee and foreign currency term loans.

(All amounts in ₹ Crores, unless otherwise stated)

NAT	URE	OF SECURITY	TERMS OF REPAYMENT
b)	Fore	eign currency term loans from banks:	
	i)	amounting to ₹ 45.46 Crores (previous year ₹ 89.12 Crores), are secured by first pari-passu specific charge on the equipment purchased under the loan agreement for the Company's Polyester Expansion Project and a first charge on the land situated at Mehsana, Gujarat.	Repayable in 20 equal half yearly installments commencing from April 2007 along with interest at six month EURIBOR plus 0.95%. Further, two installments due on 15 April 2009 and 15 October 2009 have been rescheduled to be paid in 10 equal half yearly installments from 30 September 2010 along with interest at six month EURIBOR plus 1.65%. Amount payable within one year amounts to ₹ 22.77 Crores (previous year ₹ 33.45 Crores).
	ii)	amounting to ₹ 26.46 Crores (previous year ₹ 40.57 Crores) are secured by first pari-passu specific charge on the equipment purchased under the loan agreement for the Company's Polyester Expansion Project and a first charge on the land situated at Mehsana, Gujarat.	Repayable in 20 equal half yearly installments commencing from April 2007 along with interest at six month LIBOR plus 0.95%. Further, two installments due on 15 April 2009 and 15 October 2009 have been rescheduled to be paid in 10 equal half yearly installments from 30 September 2010 along with interest at six month LIBOR plus 1.65%. Amount payable within one year amounts to ₹ 13.23 Crores (previous year ₹ 15.22 Crores).
c)	Fore	eign currency term loans from others:	
	secu (exc dee (sav to b mad futu	nunting to ₹ Nil Crores (previous year ₹ 23.38 Crores) was used by equitable mortgage on all the immovable properties luding land in the state of Gujarat), by way of deposit of title ds and hypothecation of movable assets of the Company e and except book debts and assets exclusively hypothecated ranks and bodies corporate) including movable machinery, thinery spares, tools and accessories, both present and tre, ranking pari-passu with the charges created/to be sted in favour of banks and financial institution for securing	The loan has been repaid in the current year.

to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 6: Deferred tax liabilities (net)

	As at	As at
	31 March 2015	31 March 2014
Deferred tax liability on account of :		
-Fixed assets	179.47	192.14
Deferred tax assets on account of:		
-Unabsorbed depreciation and tax losses*	-	-
-Effect of expenditure debited to statement of profit and loss in the current/earlier years but allowable for tax purposes in following years	4.72	4.61
-Provision for doubtful debts and advances	1.79	1.50
	6.51	6.11
Net deferred tax liability	172.96	186.03

^{*} excluding deferred tax assets aggregating ₹ 322.01 Crores (previous year ₹ 306.31 Crores) in relation to unabsorbed depreciation amounting to ₹ 947.37 Crores (previous year ₹ 901.20 Crores), which have not been recorded. The same have been a subject matter of litigation by the Income Tax Authorities and appeals in this regard are pending with the higher authorities.

Note 7: Other long-term liabilities

	As at	As at
	31 March 2015	31 March 2014
Lease equalisation charges	0.64	0.83
	0.64	0.83

Note 8: Long-term and short-term provisions

	Long	-term	Short	Short-term		
	As at	As at	As at	As at		
	31 March 2015	31 March 2014	31 March 2015	31 March 2014		
Provision for employee benefits						
- Gratuity (refer note 32)	12.65	11.72	1.00	0.88		
- Compensated absences (refer note 32)	7.25	7.25 6.42	6.42	1.86	1.86	
	19.90	18.14	2.86	2.67		
Others						
Proposed dividend *	-	-	15.18	15.18		
Tax on proposed dividend	-	-	3.09	2.58		
	-	-	18.27	17.76		
	19.90	18.14	21.13	20.43		

^{*} During the current year, the Company has declared a dividend of ₹ 1 per equity share of ₹ 10 each (previous year ₹ 1 per equity share).

Note 9: Short-term borrowings

	As at	As at
	31 March 2015	31 March 2014
Loans repayable on demand (secured)		
From banks:		
Cash credit and working capital facilities	204.94	245.85
	204.94	245.85



to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Nature of security

Cash credit and other working capital facilities from banks are secured by way of hypothecation of stocks of raw materials, work-inprogress, finished goods, stores and spares, packing material, goods at port/in transit/under shipment, outstanding money, book debts, receivables and other current assets of the Company, both present and future. These are further secured by a second charge on all the immovable properties of the Company, both present and future.

Note 10: Trade payables

	As at	As at
	31 March 2015	31 March 2014
Acceptances	163.52	138.74
Sundry creditors		
- micro and small enterprises (refer note 40)	-	0.01
- others	379.33	391.90
	542.85	530.65

Note 11: Other current liabilities

	As at	: As at
	31 March 2015	31 March 2014
Current maturities of long-term borrowings (refer note 5)	59.90	92.33
Interest accrued but not due on borrowings	0.62	1.97
Unpaid dividends*	0.38	0.36
Advances from customers	12.55	9.01
Lease equalisation charges	0.17	-
Other payables:		
Payable to employees	16.15	15.27
Creditors towards fixed assets	8.38	1.99
Statutory dues payable		
- Excise duty on finished goods	8.91	5.14
- Customs duty	15.00	20.11
- Tax deducted at source	0.88	0.90
- Other statutory dues	1.07	1.06
	124.01	148.14

Note

^{*}There are no outstanding dues to be paid to Investor Education and Protection Fund.

to the Financial Statements for the year ended 31 March 2015

NOTES

(All amounts in ₹ Crores, unless otherwise stated)

Note 12.1: Fixed Assets - Tangible assets

105.18 814.65 2.12 3.02 31 March 2015 0.16 7.38 1.27 938.56 Net Block Upto 31 March 1.95 2,197.04 51.53 6.70 3.51 14.20 2015 2,276.69 0.08 0.11 0.16 28.05 27.70 In respect of adjustments disposals/ 3.78 0.36 111.32 0.20 0.41 Depreciation 0.61 116.78 Depreciation for the year Upto 31 March 47.75 1.59 2,113.42 6.58 1.66 3.21 13.75 2014 2,187.96 2015 9.14 156.71 3.22 3,011.69 8.82 6.53 18.98 0.16 3,215.25 31 March 41.54 0.12 0.15 0.28 42.09 adjustments Disposals/ **Gross block** Additions 0.01 1.70 0.23 10.09 8.15 156.71 3.22 8.93 4.98 19.03 2014 9.14 3,045.08 0.16 3,247.25 31 March Leasehold improvements Furniture and fixtures Plant and equipment As at 31 March 2015 Office equipments Asset description leasehold - freehold Buildings Vehicles Total

As at 31 March 2014

As at 31 Maicil 2014		,	10014 000						Joold to M
		91055	DIOCK			Depreciation			Net block
Asset description	As at 31 March 2013	Additions	Disposals/ adjustments	As at 31 March 2014	Upto 31 March 2013	Depreciation for the year	In respect of disposals/adjustments	Upto 31 March 2014	As at 31 March 2014
Land:									
- freehold	0.16	'	1	0.16	1	1	1	1	0.16
- leasehold	9.14	ı	1	9.14	1.56	0.10	1	1.66	7.48
Buildings	156.71	'	1	156.71	43.97	3.78	1	47.75	108.96
Leasehold improvements	3.22	1	1	3.22	1.23	0.36	1	1.59	1.63
Plant and equipment	3,017.67	31.93	4.52	3,045.08	1,978.82	138.14	3.54	2,113.42	931.66
Furniture and fixtures	8.97	0.08	0.12	8.93	0.40	0.22	0.04	6.58	2.35
Vehicles	5.40	'	0.42	4.98	2.98	0.38	0.15	3.21	1.77
Office equipments	19.02	0.48	0.47	19.03	13.25	0.73	0.23	13.75	5.28
Total	3,220.29	32.49	5.53	3,247.25	2,048.21	143.71	3.96	2,187.96	1,059.29

Notes:-

relevant indices and resulted in increase in the gross block by ₹ 203.20 Crores at that time. The balance of revaluation reserve as at the end of the year amounts to ₹ 14.91 Crores (previous Fixed assets comprising of plant and equipment, buildings and land were revalued by an external valuer as on 31 March 2000. The valuation was based on fair market price/ other year ₹ 25.43 Crores).

Disposal/adjustments to plant and equipment include gain on foreign exchange fluctuation 🤻 11.65 Crores (Previous year 🤻 Nil).

Additions to plant and equipment include loss on foreign exchange fluctuation ₹ Nil (Previous year ₹ 29.17 Crores). 3 .



to the Financial Statements for the year ended 31 March 2015

Note 12.2: Fixed Assets - Intangible As at 31 March 2015	- Intangible	assets					(All amounts in ₹ Crores, unless otherwise stated)	Crores, unless otl	nerwise stated)
		Gross block	block			Amortisation			Net Block
: : : : : : : : : : : : : : : : : : :	Asat	Additions	Disposals/	As at	Upto	Amortisation	In respect of	Upto	Asat
Asset description	31 March		adjustments	31 March	31 March	for the year	disposals/	31 March	31 March
	2014			2015	2014		adjustments	2015	2015
Computer software	3.24	1	1	3.24	2.81	0.38	1	3.19	0.05
Total	3.24	ı	1	3.24	2.81	0.38	1	3.19	0.02
As at 31 March 2014									
		Gross block	block			Amortisation			Net Block
· · · · · · · · · · · · · · · · · · ·	As at	Additions	Disposals/	As at	Upto	Amortisation	In respect of	Upto	As at
Asset description	31 March		adjustments	31 March	31 March	for the year	disposals/	31 March	31 March
	2013			2014	2013		adjustments	2014	2014
Computer software	3.24	1	 '	3.24	2.30	0.51	1	2.81	0.43
Total	3.24	ı	 	3.24	2.30	0.51	'	2.81	0.43

to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 13.1 Non-current investments (valued at cost unless otherwise stated)

	No.	As at 31 March 2015	No.	As at 31 March 2014
Other than trade investments (Unquoted)				
Equity shares				
Fully paid up equity shares of ₹ 10 each				
Indo Rama Renewables Limited (wholly owned subsidiary)	3,98,43,677	39.85	3,69,84,825	36.99
Ritspin Synthetics Limited	15,00,000	1.50	15,00,000	1.50
Less: Provision for diminution in the value of long term investments		(1.50)		(1.50)
		-		
Aggregate book value of unquoted investments		39.85		36.99

Note 13.2 Current investments

		No.	As at 31 March 2015	No.	As at 31 March 2014
Cur	rent investments (at the lower of cost and fair value)				
A)	Equity shares, quoted				
	Fully paid up equity shares of ₹ 10 each				
	Optel Telecommunications Limited	52,501	0.37	52,501	0.37
	Sanghi Polyesters Limited	7,08,400	2.34	7,08,400	2.34
	Reliance Industries Limited	10	_*	10	_*
	Fully paid up equity shares of ₹ 5 each				
	Balasore Alloys Limited	72,601	0.17	72,601	0.17
	Fully paid up equity shares of 1 Baht each				
	Indorama Ventures Public Company Limited, Thailand	75,09,200	0.83	75,09,200	0.83
			3.71		3.71
B)	Preference shares, quoted				
	Fully paid-up preference shares of ₹ 10 each				
	0.01% Cumulative redeemable preference shares				
	JSW Ispat Steel Limited	8,92,000	0.89	8,92,000	0.89
	Less: Provision for diminution in the value of current investments		0.32		0.41
			0.57		0.48
C)	Government securities, unquoted				
	National Savings Certificates VIth issue				
	(pledged with sales tax authorities)		_ **		_ **
			4.28		4.19

	As at 31 M	arch 2015	As at 31 N	As at 31 March 2014	
	Aggregate Book Value	Market Value/ Net Asset Value #	Aggregate Book Value	Market Value/ Net Asset Value #	
Additional disclosures for current investments:					
Quoted investments					
-Equity shares	3.71	37.62	3.71	31.79	
-Preference shares	0.57 0.57	0.48	0.48		
	4.28 38.19		4.19	32.27	
Book value of uquoted investments	_ **		_**		
Aggregate diminution in the value of current investments	0.32		0.41		

^{* ₹ 7,780 (}previous year ₹ 7,780)

^{** ₹ 4,000 (}previous year ₹ 4,000)

[#] excluding for equity shares of Sanghi Polyesters Limited and Optel Telecommunications Limited in respect of which market value are not available.



to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 14.1: Long-term loans and advances

	As at	As at
	31 March 2015	31 March 2014
To parties other than related (unsecured)		
Considered good:		
Capital advances	2.72	0.10
Security deposits	1.97	1.91
Other loans and advances:		
Surrender value of keyman insurance	4.80	4.05
MAT credit entitlement (refer note 41)	57.33	57.91
Advance tax [net of provision ₹ 106.42 Crores (previous year ₹ 106.42 Crores)]	10.43	9.92
Others	0.64	0.48
	77.89	74.37
Considered doubtful:		
Advances to vendors	1.80	1.75
Less : Provision for doubtful advances	1.80	1.75
	77.89	74.37
To related parties (unsecured, considered good)	77.07	74.57
Indo Rama Renewables Limited (wholly owned subsidiary) (refer note 37)	45.34	45.45
	123.23	119.82

Note 14.2: Short-term loans and advances

	As at	As at
	31 March 2015	31 March 2014
To parties other than related (unsecured)		
Considered good :		
Others:		
Customs and excise duty	37.50	57.40
Prepaid expenses	5.04	5.04
Advances to vendors	26.01	17.38
Advances to employees	1.05	0.96
	69.60	80.78

Note 15.1: Other non-current assets

	As at	As at
	31 March 2015	31 March 2014
Claims and other receivables	8.05	7.61
	8.05	7.61

to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 15.2: Other current assets

	As at	As at
	31 March 2015	31 March 2014
Claims and other receivables	100.41	133.29
Forward cover receivable (net)	13.90	23.89
Unearned income	-	0.33
Interest accrued on deposits and others	2.73	1.49
	117.04	159.00

Note 16: Inventories

	As at	As at
	31 March 2015	31 March 2014
Raw materials [include in transit ₹ 84.92 Crores (previous year ₹ 101.67 Crores)]	152.27	201.28
Work- in-progress *	14.08	10.01
Finished goods [include in transit ₹ 8.59 Crores (previous year ₹ 14.57 Crores)]*	91.04	60.73
Stores and spares [include in transit ₹ 0.05 Crores (previous year ₹ Nil)]#	13.01	19.15
Packing material #	2.64	1.97
Waste \$	0.44	0.47
	273.48	293.61

^{*} valued at the lower of cost and net realisable value. The finished goods were reduced by ₹ 1.10 Crores (previous year ₹ 1.17 Crores) on account of net realisable value being lower than the cost.

valued at cost or under.

\$ at realisable value.

Additional disclosures regarding inventories		
Raw materials		
Purified Terepthalic Acid	98.08	88.87
Mono Ethylene Glycol	45.98	101.17
Others	8.21	11.24
	152.27	201.28
Work-in-progress		
Polyester Staple Fibre	7.08	3.87
Polyester Filament Yarn	4.25	3.41
Draw Texturised Yarn	2.75	2.72
Polyester Chips	-	0.01
	14.08	10.01
Finished goods		
Polyester Staple Fibre	36.96	25.63
Polyester Filament Yarn	21.28	9.82
Draw Texturised Yarn	32.58	25.28
Polyester Chips	0.22	
	91.04	60.73



to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 17: Trade receivables

	As at	As at
	31 March 2015	31 March 2014
- Receivables outstanding for a period exceeding six months from the date they became due for payment.		
-Unsecured, considered good	2.15	3.09
-Unsecured, considered doubtful	3.46	2.66
	5.61	5.75
Less: Provision	3.46	2.66
	2.15	3.09
- Other receivables, unsecured and considered good	112.85	108.70
	115.00	111.79

Note 18: Cash and bank balances

	Curre	Current	
	As at	As at	
	31 March 2015	31 March 2014	
Cash and cash equivalents			
Cash on hand	0.27	0.20	
Cheques in hand	-	1.05	
Balances with banks:			
- Current accounts	10.98	10.05	
Fixed deposits with original maturity period of upto three months #	12.44	1.31	
	23.69	12.61	
Other bank balances :			
Fixed deposits with banks due to mature with in 12 months of the reporting date #	31.53	29.89	
Balances with bank:			
- Unpaid dividends *	0.38	0.36	
Margin money accounts **	0.08	0.08	
	31.99	30.33	
	55.68	42.94	

[#] Pledged with banks for credit limits

Note 19: Revenue from operations

	For the year ended	For the year ended
	31 March 2015	31 March 2014
Sale of products		
Finished goods	2,961.90	2,824.54
Less: Excise duty	253.00	231.91
	2,708.90	2,592.63
Other operating revenue		
Scrap sales	9.16	8.67
VAT refund	27.83	24.82
Interest from customers (refer note 45)	9.41	8.33
Others	6.08	3.00
	52.48	44.82
Revenue from operations (net)	2,761.38	2,637.45

^{*} Earmarked against the corresponding provision

^{**} Pledged with banks for performance guarantees issued to government authorities on behalf of the Company

to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

	For the year ended	For the year ended
	31 March 2015	31 March 2014
Breakup of revenue from sale of products :		
Sale of finished goods		
Polyester Staple Fibre	1,641.67	1,488.18
Polyester Filament Yarn	555.13	557.10
Draw Texturised Yarn	750.47	761.82
Polyester Chips	0.48	4.48
Power	0.75	0.27
Product Waste	13.40	12.69
	2,961.90	2,824.54

Note 20: Other income

	For the year ended	For the year ended
	31 March 2015	31 March 2014
Interest on fixed deposits	2.93	2.79
Dividend income from current investments	0.52	2.88
Profit on sale of current investments	0.99	225.82
Reversal of provision for diminution in the value of current investments	0.09	-
Gain on sale of fixed assets	3.33	-
Provision/liability no longer required written back	-	4.19
Miscellaneous income	1.95	
	9.81	235.68

Note 21: Cost of materials consumed

	For the year ended	For the year ended
	31 March 2015	31 March 2014
Raw materials:		
Purified Terephthalic Acid	1,540.54	1,520.29
Mono Ethylene Glycol	611.70	561.77
Others	55.86	43.01
	2,208.10	2,125.07
Less: Write down of inventory, considered as exceptional item (refer note 43)	(15.26)	
	2,192.84	2,125.07

Note 22: Changes in inventories of finished goods and work-in-progress

As at 31 March 2015	As at 31 March 2014	(Increase) / decrease during the year ended 31 March 2015
91.04	60.73	(30.31)
14.08	10.01	(4.07)
0.44	0.47	0.03
105.56	71.21	(34.35)
		31 March 2014
60.73	152.36	91.63
10.01	8.78	(1.23)
0.47	0.64	0.17
71.21	161.78	90.57
(5.49)	-	
(39.84)	90.57	
	91.04 14.08 0.44 105.56 60.73 10.01 0.47 71.21 (5.49)	31 March 2015 31 March 2014 91.04 60.73 14.08 10.01 0.44 0.47 105.56 71.21 60.73 152.36 10.01 8.78 0.47 0.64 71.21 161.78 (5.49)



to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 23: Employee benefits expense

	For the year ended	For the year ended
	31 March 2015	31 March 2014
Salaries, wages and bonus	82.49	74.92
Contribution to provident and other funds	4.92	4.94
Workmen and staff welfare expenses	4.68	4.55
	92.09	84.41

Note 24: Other expenses

		year ended March 2015	Fort	the year ended 31 March 2014
Consumption of stores and spares		33.05		30.52
Power and fuel		183.25		148.56
Rent and hire charges		5.65		4.75
Repairs and maintenance:				
- plant and machinery		14.93		17.43
- buildings		2.30		1.59
- others		6.19		5.58
Insurance	1.73		1.93	
Less: Recovery	0.91	0.82	1.26	0.67
Rates and taxes		1.43		2.75
Packing materials consumed		50.67		41.40
Freight and forwarding charges	106.73		89.54	
Less : Recovery	67.90	38.83	54.40	35.14
Brokerage and commission on sales (other than to sole selling agents)		10.04		8.43
Cash discounts and claims		3.84		2.47
Directors' sitting fee		0.07		0.08
Legal and professional charges		4.49		5.72
Auditors' remuneration:				
- for audit		0.40		0.40
- for tax audit		0.06		0.06
- for other services		0.28		0.33
- for reimbursement of out of pocket expenses		0.04		0.03
Donations		0.10		0.07
Corporate social responsibility expenses (refer note 44)		0.18		-
Provision for doubtful debts and advances		0.85		4.15
Provision for diminution in the value of current investments		-		0.29
Loss on discard / disposal of fixed assets		-		0.18
Increase / (decrease) in excise duty on stocks of finished goods and waste		3.77		(8.83)
Miscellaneous expenses		32.61		26.72
		393.85		328.49

to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 25: Finance costs

	For the year ended 31 March 2015	For the year ended 31 March 2014
Interest	28.30	21.27
Bank and other charges	15.08	13.96
	43.38	35.23

Note 26: Earnings per equity share (EPS)

	For the year ended	For the year ended
	31 March 2015	31 March 2014
Net loss as per Statement of Profit and Loss	(21.53)	(8.18)
Number of equity shares of ₹ 10 each at the beginning of the year	151,822,242	151,822,242
Number of equity shares of ₹ 10 each at the end of the year	151,822,242	151,822,242
Weighted average number of equity shares of ₹ 10 each at the end of the year for	151,822,242	151,822,242
calculation of basic and diluted EPS		
Basic and diluted earnings per share (in ₹) (Per share of ₹ 10 each)	(1.42)	(0.54)

Note 27: CIF value of imports

Particulars	roi tile year ellueu	For the year ended
Particulars	31 March 2015	31 March 2014
Raw materials	1331.29	1,625.84
Packing material	0.26	_
Stores and spares	3.98	9.06
Capital goods	2.23	0.52

Note 28: Expenditure in foreign currency (accrual basis)

Particulars	For the year ended	For the year ended
Particulars	31 March 2015	31 March 2014
Travelling	2.24	1.29
Commission	3.16	2.29
Interest	3.03	6.06
Others	0.76	0.66

Note 29: Value of raw materials, stores & spares and packing materials consumed:

	Percentage of tota	l consumption (%)	Value	
Particulars	For the year	For the year	For the year	For the year
raiticulais	ended	ended	ended	ended
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Raw materials				
Imported	66	76	1,466.94	1,615.95
Indigenous	34	24	741.16	509.12
Total	100	100	2,208.10	2125.07
Stores and spares				
Imported	12	20	3.85	6.19
Indigenous	88	80	29.20	24.33
Total	100	100	33.05	30.52
Packing materials				
Imported	1	1	0.26	0.21
Indigenous	99	99	50.41	41.19
Total	100	100	50.67	41.40



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(All amounts in ₹ Crores, unless otherwise stated)

Note 30: Net dividend remitted in foreign exchange

Daukiaulaua	For the year ended	For the year ended
Particulars	31 March 2015	31 March 2014
Period to which dividend relates to	2013-14	2012-13
Number of non-resident shareholders (Nos.)	2	3
Number of equity shares held on which dividend was due (Nos.)	43,620,465	48,894,465
Amount remitted USD 720,761 (Previous year USD 729,927 and JPY 8,768,080) (₹ in Crores)	4.36	4.89

Note 31: Earnings in foreign currency (accrual basis)

Particulars	For the year ended	For the year ended
Particulars	31 March 2015	31 March 2014
F.O.B. value of exports	596.72	685.62
Dividend	0.52	2.88
Sale of current investments (Gross consideration)	0.92	241.86

Note 32: Disclosure pursuant to Accounting Standard 15 on "Employee Benefits"

a) Defined contribution plans

An amount of ₹ 4.33 Crores (previous year ₹ 4.36 Crores) for the year has been recognized as an expense in respect of the Company's contributions towards Provident Fund which is deposited with the government authorities and has been included under employee benefit expenses in the Statement of Profit and Loss.

b) Defined benefit plans

Gratuity is payable to all eligible employees of the Company on superannuation, death or permanent disablement in terms of the provisions of the Payment of Gratuity Act or as per the Company's Scheme, whichever is more beneficial.

The following table sets forth the status of the gratuity plan of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss:

Postfeedow	For the year ended	For the year ended
Particulars	31 March 2015	31 March 2014
Changes in present value of obligation		
Present value of obligation as at the beginning of the year	12.60	12.00
Interest cost	1.05	1.00
Current service cost	0.99	0.98
Past service cost	-	
Benefits paid	(0.53)	(0.78)
Actuarial (gain) / loss on obligation	(0.46)	(0.60)
Present value of obligation as at end of the year	13.65	12.60
- Long term	12.65	11.72
- Short term	1.00	0.88
Expenses recognized in the Statement of Profit and Loss		
Current service cost	0.99	0.98
Past service cost	-	-
Interest cost on benefit obligation	1.05	1.00
Net actuarial (gain) / loss recognised in the year	(0.46)	(0.60)
Expenses recognised in the Statement of Profit and Loss	1.58	1.38

to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Experience adjustments

	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012	For the year ended 31 March 2011
Defined benefit obligation	13.64	12.60	12.00	11.26	11.11
Plan assets	-	-	-	-	-
Surplus / (deficit)	(13.64)	(12.60)	(12.00)	(11.26)	(11.11)
Experience adjustment on plan liabilities	0.81	0.59	0.22	(0.29)	(0.03)
Past service cost	-		-	-	0.43
Experience adjustment on plan assets	-	-	-	_	-

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	For the year ended	For the year ended
Particulars	31 March 2015	31 March 2014
Discounting rate	8.10%	8.30%
Retirement age	58 Years	58 Years
Salary Escalation Rate (per annum)	5%	5%
Withdrawal rates		
Age- Upto 30 years	3%	3%
31-44 years	2%	2%
Above 44 years	1%	1%
Mortality table	IALM (2006-08)	IALM (2006-08)

Discounting Rate: The discount rate is estimated based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligation.

Salary Escalation Rate: The estimates of salary increases, considered in actuarial valuation, take account of inflation, promotion and other relevant factors.

c) Other long term benefits:

An amount of ₹ 1.76 Crores (previous year ₹ 1.82 Crores) pertains to expense towards compensated absences and included in "Employee benefits expense."

Note 33: Segment information:

(a) Information about primary business segment

The Company recognises 'Polyester' as its only primary segment since its operations consist of manufacturing of this product and related activities. Accordingly, 'Polyester' segment is the only segment comprising the primary basis of segmental information set out in these financial statements.

(b) Information on secondary/ geographical segment

The Company sells its products to various manufacturers within the country and also exports to other companies. Considering the size and proportion of exports to local sales, the Company considers sales made within the country and exports as two geographical segments. Information of geographical segment is based on the geographical location of the customers.



to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	2014-15	2013-14
Segment revenue		
Domestic	2,145.35	1,932.95
Overseas	616.03	704.50
Total	2,761.38	2,637.45
Segment receivables		
Domestic	91.36	70.28
Overseas	23.64	41.51
Total	115.00	111.79

Note: All assets of the Company are located in India except as mentioned above

Note 34: Related party disclosures (As per Accounting Standard – 18)

(i)	Related parties where control exists:	
(a)	Wholly owned subsidiaries	Indo Rama Renewables Limited ('IRRL')
		Indo Rama Renewables Porbandar Limited
		Indo Rama Renewables Ramgarh Limited
		Indo Rama Renewables Jath Limited
(ii)	Other related parties with whom Company had	transactions:
(a)	Key management personnel and their relatives	Mr. Mohan Lal Lohia, Chairman Emeritus
		Mr. Om Prakash Lohia, Chairman cum Managing Director ('CMD')
		Mr. Vishal Lohia, Whole Time Director ('WTD')
		Mr. Ashok Jagjivan Gupta (Executive Director till 30 June 2013)
		Mr. Anant Kishore (Executive Director with effect from 8 August 2013)
		Mrs. Urmila Lohia, Wife of CMD
		Mr. Aloke Lohia, Brother of CMD
		Mrs. Ritika Kumar, Daughter of CMD
		Ms. Aruna Goenka, Sister of CMD
		Mrs. Rimple Lohia, Wife of WTD
(b)	Enterprises over which key management personnel	Indorama Petrochem Limited, Thailand
	or their relatives have significant influence	T P T Petrochemicals Public Co. Limited, Thailand
		PT. Indorama Petrochemicals, Indonesia
		P.T. Indo Rama Synthetics TBK, Jakarta
(c)	Enterprises having significant influence	Brookgrange Investments Limited

to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

(iii) Transactions with related parties:

Particulars	Wholly owned subsidiaries	Key Management Personnel	Enterprises over which key management personnel or their relatives have significant influence	Enterprises having significant influence	Total
Investment made in the equity shares	_				
- IRRL	2.86				2.86
	(-)				(-)
Loans and advances given during the year					
- IRRL	(2544)				(2544)
Loans and advances renaid during the year	(25.14)				(25.14)
Loans and advances repaid during the year					0.11
-IRRL	(7.70)				(7.70)
Purchases of raw material					(7.70)
- Indorama Petrochem Limited			410.83		410.83
- muorama retrochem Emiteu			(562.50)		(562.50)
- TPT Petrochemicals Public Co. Limited			329.25		329.25
Ti i recipenemento i unite con Emilica			(346.07)		(346.07)
-PT. Indorama Petrochemicals			16.94		16.94
			(-)		(-)
Sale of finished goods and purchase of spares					,
P.T. Indo Rama Synthetics TBK			-		-
			(0.03)		(0.03)
Managerial remuneration *					
- Mr. Om Prakash Lohia		2.83			2.83
		(2.55)			(2.55)
- Mr. Vishal Lohia		2.08			2.08
		(1.89)			(1.89)
- Mr. Ashok Jagjivan Gupta					-
		(0.42)			(0.42)
-Mr. Anant Kishore		1.06			1.06
P. 11 1		(0.58)			(0.58)
Dividend					/ 22
-Brookgrange Investments Limited				<u>4.33</u> (4.33)	(4.33)
- Mr. Om Prakash Lohia		3.54		(4.55)	3.54
- MI. OIII FIARASII LOIIIA		(3.50)			(3.50)
-Mrs. Urmila Lohia		1.59			1.59
mo. omita zoma		(1.59)			(1.59)
-Others		0.73			0.73
		(0.73)			(0.73)
Balances outstanding as at the year end:	_				. ,
- IRRL	45.34				45.34
(Loans and advances receivable)	(45.45)				(45.45)
- Indorama Petrochem Limited			61.15		61.15
(Trade payable)			(148.16)		(148.16)
- TPT Petrochemicals Public Co. Limited			90.80		90.80
(Trade payable)			(66.54)		(66.54)



to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Wholly owned subsidiaries	Key Management Personnel	Enterprises over which key management personnel or their relatives have significant influence	Enterprises having significant influence	Total
- P T Indorama Synthetics TBK			-		_
(Trade receivable)			(0.03)		(0.03)
-P T Indorama Petrochemicals			16.95		16.95
(Trade Payable)			(-)		(-)

^{*} excludes expenditure towards retirement benefits and compensated absences, since the same are based on actuarial valuations for the Company as a whole. Personal guarantee has been given by Mr. Om Prakash Lohia (CMD) and Mr. Vishal Lohia (WTD) in respect of loan taken by the Company amounting to ₹ 65.63 Crores (previous year ₹ 72.31 Crores).

Note: previous year figures have been given in brackets.

Note 35: Long-term obligations in respect of operating lease

The Company has taken office space on operating lease. The lease rentals charged during the year in respect of cancellable and non cancellable operating leases and maximum obligations on long term non-cancellable operating lease payable as per the rentals stated in the agreement are as follows:

Postforders	For the year ended	For the year ended
Particulars	31 March 2015	31 March 2014
Lease rental expense	5.65	4.75
	Total future	Total future
Postforders	minimum lease	minimum lease
Particulars	rentals payable as	rentals payable as
	on 31 March 2015	on 31 March 2014
Within one year	1.67	1.68
Later than one year and not later than five years	3.98	5.64
Later than five years	-	
Total	5.65	7.32

Note 36: Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities:

Claims against the Company not acknowledged as debts.

Particulars	As at 31 March 2015	As at 31 March 2014
Excise / customs / service tax matters in dispute/ under appeal	62.83	63.19
Income tax matters in dispute/ under appeal	11.88	15.52
Sales tax/ VAT matters in dispute/ under appeal	11.04	6.46
Claims by ex-employees, vendors, customers and civil cases	0.84	0.71

Customs duty claims (including penalties) against the Company aggregating to ₹ 214.25 Crores (previous year ₹ 214.25 Crores) have not been considered contingent as favourable orders have been received, in some of the cases, by the Company from the CESTAT. The Company believes that its position is strong in this regard. The matter is pending with the Honorable Supreme Court. In addition, the Company has also received a show cause notice amounting to ₹ 6 Crores.

to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

The Company is in the process of finalizing a compensation arrangement with its workers union for the past few years, starting November 2011 and the matter is pending with the Labour Court of Nagpur. During the previous year, the Company received an interim order from the Court to pay an interim increment w.e.f. November 2013, pending the final judgment. As and when the final judgment is received, the Company would accrue and pay for any differential compensation.

The Company believes that the above issues, when finally settled, are not likely to have any significant impact on the financial position of the Company.

Commitments:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 25.48 Crores (previous year ₹ nil).
- b) On 25 January 2012, the Company entered into a memorandum of understanding ('MOU') with Indorama Ventures PCL, Thailand, for manufacturing of Purified Terepthalic Acid (PTA) and downstream products Polyethylene (PET) and Polyester Staple Fibre (PSF). As a part of the above process, the Company has entered into a Memorandum of Understanding (MOU) with the Government of Tamil Nadu to set up the above project. The project continues to be at an initial stage of conceptualization.
- c) The Company has commitments to export 285,985 MT (previous year 264,077 MT) of finished goods as per foreign trade policy pursuant to import of duty free material under advance license scheme.

Note 37: Supplementary statutory information required to be given pursuant to Clause 32 of the listing agreement, in respect of the loans given

Interest free loans to wholly owned subsidiary given for the purpose of setting up of renewable power project, are to be converted, on mutual agreement, into equity, quasi equity or debentures or repayable on or before 31 March 2017:

Name of Subsidiary	Balance as at 31 March 2015	Maximum outstanding during the year 2014-15	Balance as at 31 March 2014	Maximum outstanding during the year 2013-14
Indo Rama Renewables Limited	45.34	45.45	45.45	47.30

Note 38: Derivative instruments and unhedged foreign currency exposure

(a) Foreign currency forward contracts outstanding:

Purpose	As at		As a	į	
	31 March 2015		31 Marcl	1 2014	
	USD	INR	USD	INR	
	Millions	Crores	Millions	Crores	
Hedging of expected future exports (Sell)	126.40	789.93	141.35	846.82	
Hedging of underlying imports (Buy)	-	-	25.15	150.68	



to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

(b) Particulars of unhedged foreign currency exposure:

Particulars	Currency	As at 31 March 2015		As	at 31 March 20)14	
		Amount in foreign currency (Millions)	Exchange rate (in absolute ₹)	Amount (in ₹ Crores)	Amount in foreign currency (Millions)	Exchange rate (in absolute ₹)	Amount (in ₹ Crores)
Trade payables	USD	51.31	62.505	320.73	55.63	59.92	333.31
	Euro	0.02	67.21	0.15	0.02	82.28	0.16
	JPY	79.52	0.52	4.14	49.17	0.59	2.88
	AED	4.81	17.02	8.19	-	-	-
Advance from customers	USD	0.70	62.505	4.36	0.25	59.92	1.52
Loans (including interest payable)	USD	32.23	62.505	201.43	35.87	59.92	214.94
	Euro	6.81	67.21	45.77	13.76	82.28	113.23

Note 39: Insurance claim receivables:

(a) The Company had lodged claims with its insurance company for the loss of certain assets and loss suffered due to business interruption under loss of profit policy relating to a fire incidence at Butibori plant in 2007-08. Since the matter has been under dispute with the insurance company, as per the terms and conditions of the above policy, the Company has, during the previous years, initiated the arbitration process for a claim of ₹72.94 Crores for loss of business interruption and for the claim of ₹ 6.43 Crores for loss of assets. While the said matter was pending conclusion by the Arbitral Tribunal, the Company, on a conservative basis, carried forward insurance recoverable (recorded in the financial year ended 31 March 2008) to the extent of ₹ 33.53 Crores (net of receipt/adjustment) as advances recoverable, without prejudice to its right to claims aggregating ₹ 79.37 Crores. On 1 August 2012, the Arbitral Tribunal decided the matter in the favour of the Company with an award of ₹ 32.45 Crores (net off receipt/adjustment) and interest at 9% per annum from July 2008 till the date of payment. Pursuant to the above award, the Company had during the year 2012-13 recorded the interest receivable amounting to ₹ 11.69 Crores upto July 2012 (the date of order) and aligned the carrying amount of insurance claim. The Insurance Company had filed an appeal in the Delhi High Court against the same. On 20 January 2015, the

Delhi High Court Single bench pronounced the order wherein the Court has remanded the matter back to Arbitral Tribunal for computation of claim on "turnover basis". Subsequently, the Company had filed an appeal with the Delhi High Court double bench and an interim stay has been awarded pending disposal. As a matter of prudence, the Company has not recognized the interest for the period after July 2012 based on the earlier arbitral tribunal's favourable judgment and also as legally advised, the Company is of the view that the amounts carried forward are fully recoverable.

(b) Consequent to an incident of fire during the year 2011-12, the Company had spent ₹ 7.58 Crores on refurbishment of the concerned plant and machinery, which has been recognized as a receivable from the insurance company under other current assets. During the previous year, the management has submitted the claims to the surveyor. The final settlement is pending with insurance company.

Further, the Company strongly believes and is reasonably certain that the above cases do not have any significant impact on the financial position of the Company and it will be able to realize the above amounts in the normal course and, therefore, all the claims have been classified as current.

to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 40: Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of 'The Micro, Small and Medium Enterprises Development Act', 2006, are given below:

Sl. no.	Particulars	2014-15	2013-14
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
	- principal amount - interest thereon	*	*
(ii)	the amount of interest paid in terms of section 16, along with the amounts of the payment made to the suppliers beyond the appointed day:		
	-principal amount -interest thereon	**	**
(iii)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	#	#
(iv)	the amount of interest accrued and remaining unpaid	##	##
(v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

^{* ₹ 24} thousand (previous year ₹ 99 thousand)

Note 41: The Company's business mainly comprises manufacture of polyester.

During the past few years, there has been significant volatility in raw material prices which are linked with crude oil prices and is subject to foreign exchange fluctuations. In comparison, the sales realization in the industry has been low in comparison to the raw material price variations. In addition, stiff competition in certain products, low capacity utilisation, high inflation, high interest rates and weakened rupee has resulted in a temporary phase of low operating margins/losses in the recent past and also accumulation of significant unabsorbed depreciation as per tax laws. However, the Company's products command a premium in the market due to cost competitiveness and quality standards and its premium product lines are operating at full capacity. The Company has internally assessed its position and the future outlook and has also initiated various measures including strategic steps to ensure profitable operations. To achieve the projected level of profitability, the Company has initiated steps including increase in the capacity for its premium products by making further investment in the product line and is also confident of the market demand for the increased production. These actions would be coupled with other initiatives which include cost saving measures, exploration of new markets

especially exports, streamlined utilisation of export benefits, developing backward integration facilities towards producing certain key input materials. The Company is also arranging for funds to meet the above plans. Accordingly, the Company believes that considering the expected investment and resultant profitability over the next years & in future years, no provision is required for impairment of assets and is confident that the MAT Credits carried at the end of the year is fully recoverable and there are no indications of impairment of assets.

Note 42: The Company had made an early application, since the year 2010-11, of Accounting Standard 30 "Financial Instruments- Recognition and Measurement", issued by the Institute of Chartered Accountants of India for accounting for forward exchange contracts taken for highly probable / forecast transactions, which are not covered by Accounting Standard 11. An amount of ₹ 4.69 Crores has been recognized as expense (previous year an expense of ₹ 10.40 Crores) in the financial statements for the year ended 31 March 2015 and included in exceptional items as an adjustment on the said application of Accounting Standard 30. During the current and previous year, due to significant volatility in the foreign currency vis-à-vis local currency, the Company has considered the foreign exchange fluctuation as an exceptional item in the Statement of Profit and Loss.

^{** ₹ 893} thousand (previous year ₹ 396 thousand)

^{#₹15} thousand (previous year ₹8 thousand)

^{## ₹ 99} thousand (previous year ₹ 84 thousand)



to the Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 43: During the current year, due to unprecedented fall in global prices of crude oil, the Company has incurred a loss of ₹ 20.75 Crores (i.e.₹ 15.26 Crores for raw material and ₹ 5.49 Crores for finished goods) on account of write down of inventories which has been considered as an exceptional item.

Note 44: CSR expenditure

- (a) Gross amount required to be spent by the Company during the year: ₹ 0.36 Crores
- (b) Amount spent during the year is as follows:

Sr. No.	Particulars	In cash	Yet to be paid in cash	Total
1	Promotion of Education	0.17	-	0.17
2	Health Care	0.01	-	0.01

Note 45: The Company has considered it as appropriate to include interest of ₹ 9.41 Crore (previous year ₹ 8.33 Crore), received from customers as other operating income which hitherto was considered as other income upto the previous year.

Note 46: The figures relating to the previous year have been regrouped and reclassified, wherever necessary, to confirm to the current year's classification.

As per our report attached. For BSR and Associates

Chartered Accountants ICAI Firm registration number: 128901W For and on behalf of the Board of Directors of Indo Rama Synthetics (India) Limited

Kaushal Kishore Partner

Membership No.: 090075

Place : Gurgaon Date: : 18 May 2015 **Om Prakash Lohia**

Chairman and Managing Director

DIN: 00206807

Jayant K Sood Company Secretary

ICSI Membership No.: FCS 4482

: Gurgaon Place Date : 18 May 2015 **Ashok Kumar Ladha**

Director DIN: 00089360

Sanjeev Aggarwal

President and Chief Financial Officer ICAI Membership No.: 089369

INDEPENDENT AUDITORS' REPORT

To the Members of Indo Rama Synthetics (India) Limited

1. Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Indo Rama Synthetics (India) Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at 31st March, 2015, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. 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 requirements of the Companies Act, 2013 (hereinafter referred to as "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 the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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.

3. Auditors' 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 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 controls 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, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the 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 is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

5. Emphasis of matter

We draw attention to the following matters in the Notes to the consolidated financial statement:

 a) note 42 of the consolidated financial statements, which explains the early application, since the year 2010-11, of Accounting Standard 30, "Financial Instruments-



Recognition and Measurement", issued by the Institute of Chartered Accountants of India. An amount of ₹ 4.69 Crores has been recognized as expense (previous year expense of ₹ 10.40 Crores) in the consolidated financial statements for the year ended 31 March 2015 and included in exceptional items as an adjustment on the said application of Accounting Standard 30; and

b) note 41 of the consolidated financial statements, which explains the management's position regarding utilization of Minimum Alternate Tax credit aggregating ₹ 57.33 Crores as at 31 March 2015. Based on the management's assumptions and future business plans, no provision has been considered in the books of accounts in respect of Minimum Alternate Tax credit. Our opinion is not modified in respect of these matter.

6. Report on Other Legal and Regulatory requirements

- I. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company and subsidiary companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. As required by section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
 - (c) the consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated 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;
- (e) on the basis of the written representations received from the directors of the Holding Company and subsidiary companies incorporated in India and taken on record by the Board of Directors of the Holding Company and subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (refer to notes 37 and 39 to the consolidated financial statements);
- ii. the Group did not have any long term contracts, including derivative contracts outstanding as at 31 March 2015 for which there were any material foreseeable losses; and
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India.

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by subsidiary companies incorporated in India.

For B S R and Associates

Chartered Accountants ICAI Firm registration number: 128901W

Kaushal Kishore

Place : Gurgaon Partner
Date : 18 May 2015 Membership No.: 090075

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 6 of the Independent Auditors' Report to the Members of Indo Rama Synthetics (India) Limited on the Consolidated financial statements for the year ended 31 March 2015.

- (i) (a) According to the information and explanations given to us, the Holding Company, and two of its subsidiaries namely Indo Rama Renewables Limited (IRRL) and Indo Rama Renewables Jath Limited (IRRJL) have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - Further, in case of other two subsidiaries namely Indo Rama Renewables Porbandar Limited (IRRPL) and Indo Rama Renewables Ramgarh Limited (IRRRL), fixed assets comprising capital work in progress consist of directly attributable preoperative expenses only. Accordingly, para 3(1) (a) to 3(1)(b) are not applicable in those cases.
 - (b) As explained to us, the fixed assets are physically verified by the Holding Company in accordance with a phased programme designed to cover all items of fixed assets over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and nature of its fixed assets. In accordance with this programme, certain categories of fixed assets at certain locations have been physically verified by the management during the year. As informed to us, no material discrepancies were noticed on such verification.
 - Further, according to the information and explanations given to us, IRRL and IRRJL have physically verified their fixed assets during the year. In our opinion, the process of physical verification is reasonable having regard to the size of the respective Companies and the nature of their fixed assets. As informed to us, no material discrepancies were noticed on such verification.
- (ii) (a) According to the information and explanations given to us, the inventories held by the Holding Company, except for goods in transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year end, written confirmations are obtained.

Further, according to the information and explanations given to us, the subsidiary companies did not hold any physical inventory as at 31 March 2015. Thus para 3(ii) of the Order is not applicable in those cases.

- (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Holding Company and the nature of its business.
- (c) According to the information and explanations given to us, and on the basis of our examination of the records of inventories, we are of the opinion that the Holding Company is maintaining proper records of inventories. As informed to us, the discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) (a) According to the information and explanations given to us, the Holding Company, during the previous year had granted interest free unsecured loans to a wholly owned subsidiary company covered in the register maintained under Section 189 of the Companies Act, 2013.

Further, according to the information and explanations given to us, IRRL, during the previous year, had also granted interest free unsecured loans to three of its wholly owned subsidiary companies (namely IRRJL, IRRPL and IRRRL) covered in the register maintained under Section 189 of the Companies Act, 2013.

These three wholly owned subsidiary companies have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, para 3(iii) of the Order is not applicable in those cases.

(b) According to the information and explanations given to us, in case of loans granted to wholly owned subsidiary companies (as per (a) above) listed in the register maintained under Section 189 of the Companies Act, 2013, the loans are not due for repayment in the current year in accordance with the stipulations agreed. (c) According to the information and explanations given to us, there is no overdue amounts of more than Rupees one lakh in respect of loans granted to wholly owned subsidiary companies (as per (a) above) listed in the register maintained under section 189 of the Companies Act, 2013.

All the above loans are eliminated on consolidation being within the Group.

(iv) According to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Holding Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale of goods. The activities of the Holding Company do not involve sale of services.

Further, according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of IRRL and the nature of its business with regard to purchase of fixed assets. The activities of the Company did not involve purchase of inventories and sale of goods and services.

Further, according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of IRRJL and the nature of its business with regard to purchase of fixed assets and with regard to the sale of power. The activities of the Company did not involve purchase of inventories and sale of services.

Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instances of major weaknesses in the aforesaid internal control system.

According to the information and explanations given to us, IRRPL and IRRRL have only capital work-in-progress which consists of attributable expenses and does not have purchase of fixed assets, inventories and sale of goods and services. Accordingly Para 3(iv) of the Order is not applicable in these cases.

- (v) According to the information and explanations given to us, the Group has not accepted any deposits from public during the year.
- (vi) We have broadly reviewed the books of account maintained by the Holding Company and IRRJL in respect of products where, pursuant to the rules made

by the Central Government, the maintenance of cost records has been prescribed under sub section (1) of section 148 of the Companies Act, 2013 and, are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such records with a view to determine whether they are accurate or complete.

Further, according to the information and explanations given to us, other subsidiary companies have not commenced their business operations and therefore the provisions for maintenance of cost records under sub-section (1) to Section 148 of the Companies Act, 2013 are not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Group, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Duty of Customs, Duty of Excise duty, Cess and other material statutory dues, to the extent applicable, have generally been regularly deposited with the appropriate authorities, except in respect of Value Added Tax payable by the Holding Company, where there were few serious delays in depositing the same with the appropriate authorities, though the same have been deposited before the year end.

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, Duty of Customs, Duty of Excise, Value Added tax, Cess and other material statutory dues, to the extent applicable, were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

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

The Central Excise Act, 1944 Dut	ty of Excise	1.44 64.29	-	2002-03 and	Bombay High Court,
	-	64.29	_		., 3,
		64.29		2005-06	Nagpur Bench
	_		5.90	1996- 97 to	Customs, Excise and
	_			2008-09	Service Tax Appellate
		6.75	0.08	1996-97 to	Tribunal Commissioner of Central
		0./5	0.08	2008-09	Excise and Customs
				2008-09	(Appeals)
	_	3.81	-	1997-98 to	Commissioner/ Assistant
				2010-11	Commissioner/ Deputy
Develor Calas Tay Act 4050/		0.72	0.42	4000 00 1	Commissioner
	les tax	0.43	0.13	1998-99 to	Joint Commissioner Sales
Central Sales Tax Act, 1956		12.67	2.60	1999-00 2006-07 to 2008-09 and	Tax (Appeals), Nagpur Ioint Commissioner sales
Maharashtra VAT Act, 2002 VAT	I	13.64	3.60		,
		24/ 25		2010-11 to 2013-14	tax (Appeals), Nagpur
	_	214.25		2006-07	Supreme Court Customs, Excise and
		0.08	-	2002-03	,
Customs Act, 1962 Dut	ty of Customs				Service Tax Appellate Tribunal
	_	6.01	-	2006-07	Commissioner of Customs
	_	0.04	-	1997- 98 to	Assistant Commissioner/
				1998-99	Deputy Commissioner
Finance Act, 1994 Ser	rvice tax	0.22	0.08	2002-03 to	Customs, Excise and
				2009-10	Service Tax Appellate
					Tribunal
	_	0.22	-	2002-03 to 2005-06	Commissioner, Nagpur
Income tax Act, 1961 * Inc	come tax	0.26	-	AY 2006-07	Commissioner of Income Tax (Appeals)
	_	24.55	14.50	AY 2002-03 to AY 2004-05 and AY 2007-08	Income Tax Appellate Tribunal

^{*} excluding cases where losses / unabsorbed depreciation have been adjusted by the tax authorities without raising any demands, though disputed by the Company.

[#] including interest/ penalties, where quantified and demanded by authorities.



According to the information and explanations given to us, and on the basis of the records of the subsidiary companies examined by us, there are no dues of Sales tax, Wealth Tax, Service tax, Duty of Customs, Duty of Excise, Value Added tax, Income tax and Cess, which have not been deposited with the appropriate authorities on account of any dispute.

- (c) According to the information and explanations given to us, the Holding Company has transferred the required amount to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder within the stipulated time.
 - The subsidiary companies did not have any dues on account of Investor Education and Protection Fund.
- (viii) The Holding Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
 - Further, the subsidiary companies were incorporated and registered for a period of less than five years. Thus, the provisions of clause 3(viii) of the Order are not applicable to the subsidiary companies.
- (ix) According to the information and explanations given to us, the Holding Company has not defaulted in the repayment of dues to financial institutions or banks. Further, the Company has not issued any debenture during the year.

- According to the information and explanations given to us, the subsidiary companies did not have any outstanding dues to any financial institution or banks or debenture holders during the year.
- (x) According to the information and explanations given to us, the Holding Company and the subsidiary companies have not given any guarantees for loans taken by others from banks and financial institutions, except the guarantees given by IRRL which are in respect of loans taken by a wholly owned subsidiary company. We are of the opinion that the terms and conditions on which guarantees have been given to lenders are not prejudicial to the interest of IRRL.
- (xi) According to the information and explanations given to us, term loans have been applied for the purpose for which such loans were obtained.
- (xii) According to the information and explanations given to us, no fraud on or by the Group has been noticed or reported during the year.

For B S R and Associates Chartered Accountants

ICAI Firm registration number: 128901W

Kaushal Kishore

Place : Gurgaon Partner
Date : 18 May 2015 Membership No.: 090075

CONSOLIDATED BALANCE SHEET

(All amounts in ₹ Crores, unless otherwise stated)

			Note No.	As at 31 March 2015	As at 31 March 2014
I.	EQI	JITY AND LIABILITIES			
	(1)	Shareholders' funds			
		(a) Share capital	3	151.82	151.82
		(b) Reserves and surplus	4	396.56	435.52
				548.38	587.34
	(2)	Non-current liabilities			
		(a) Long-term borrowings	5	242.58	310.91
		(b) Deferred tax liabilities (Net)	6	172.96	186.03
		(c) Other long-term liabilities	7	0.64	0.83
		(d) Long-term provisions	8	19.90	18.18
				436.08	515.95
	(3)	Current liabilities			
		(a) Short-term borrowings	9	204.94	245.85
		(b) Trade payables	10	542.88	531.02
		(c) Other current liabilities	11	134.62	168.58
		(d) Short-term provisions	8	21.13	20.43
				903.57	965.88
		Total		1,888.03	2,069.17
II.	ASS	SETS			
	(1)	Non-current assets			
		(a) Fixed assets			
		(i) Tangible assets	12.1	1,133.71	1,270.00
		(ii) Intangible assets	12.2	0.05	0.43
		(iii) Capital work-in-progress	12.3	6.36	3.25
		·		1,140.12	1,273.68
		(b) Non-current investments	13.1	-	-
		(c) Deferred tax assets (net)	14	2.13	_
		(d) Long-term loans and advances	15.1	83.40	80.06
		(e) Other non-current assets	16.1	8.05	7.61
				93.58	87.67
	(2)	Current assets			
		(a) Current investments	13.2	16.26	4.19
		(b) Inventories	17	273.48	293.61
		(c) Trade receivables	18	119.77	114.16
		(d) Cash and bank balances	19	55.77	44.02
		(e) Short-term loans and advances	15.2	69.80	81.04
		(f) Other current assets	16.2	119.25	170.80
				654.33	707.82
		Total		1,888.03	2,069.17
Sig	nificar	nt accounting policies	2		

The accompanying notes (from 1 to 46) form an integral part of the financial statements.

As per our report attached.

For BSR and Associates

Chartered Accountants

ICAI Firm registration number: 128901W

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

Kaushal Kishore

Partner

Membership No.: 090075

Chairman and Managing Director

Company Secretary ICSI Membership No.: FCS 4482

Place : Gurgaon

Place : Gurgaon Date: : 18 May 2015 **Om Prakash Lohia**

DIN: 00206807

Jayant K Sood

Date : 18 May 2015 **Ashok Kumar Ladha**

Director DIN: 00089360

Sanjeev Aggarwal

President and Chief Financial Officer

ICAI Membership No.: 089369



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

		Note No.	For the year ended 31 March 2015	For the year ended 31 March 2014
INC	OME			
l.	Revenue from operations	20		
	Sale of products (gross)		2,994,41	2,843.80
	Less: Excise duty		253.00	231.91
	Sale of products (net)		2,741.41	2,611.89
	Other operating revenue		55.36	46.48
	Revenue from operations (net)		2,796.77	2,658.37
II.	Other income	21	9.83	235.68
III.	Total revenue (I+II)		2,806.60	2,894.05
IV.	Expenses:		,	,
	Cost of materials consumed	22	2,192.84	2,125.07
	Changes in inventories of finished goods and work-in-progress	23	(39.84)	90.57
	Employee benefits expense	24	92.40	85.36
	Other expenses	25	394.46	330.97
	Expenditure before finance costs, depreciation/amortisation cost and exceptional items		2,639.86	2,631.97
V.	Profit before finance costs, depreciation/amortisation, exceptional items and tax (III-IV)		166.74	262.08
VI.	Finance costs	26	64.00	49.73
VII.	Profit before depreciation/amortisation, exceptional items and tax (V-VI)		102.74	212.35
VIII.	Depreciation and amortisation expense		132.32	152.58
	Less : Transferred from revaluation reserve (refer note 2.6)		- 132.32	9.10 143.48
IX.	(Loss) / Profit before exceptional items and tax (VII-VIII)		(29.58)	68.87
X.	Exceptional items			
	-Foreign exchange fluctuation gain / (loss) (refer note 42)		15.02	(99.51)
	-Loss on account of write down of inventories (refer note 22 and 23)		(20.75)	-
XI.	Loss before tax (IX+X)		(35.31)	(30.64)
XII.	Tax expense:			,
	Add : MAT credit taken in previous years charged off		0.58	3.97
	Deferred tax credit		(15.20)	(21.06)
XIII.	Loss for the year		(20.69)	(13.55)
	Basic and diluted earnings per equity share (in ₹) [Face value ₹ 10 each]	27	(1.36)	(0.89)
	Significant accounting policies	2		

The accompanying notes (from 1 to 46) form an integral part of the financial statements.

As per our report attached.

For BSR and Associates

Chartered Accountants

ICAI Firm registration number: 128901W

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

Kaushal Kishore Partner

Membership No.: 090075

Place : Gurgaon : 18 May 2015 Date:

Chairman and Managing Director

DIN: 00206807

Jayant K Sood

Company Secretary

Om Prakash Lohia

ICSI Membership No.: FCS 4482

Place : Gurgaon : 18 May 2015 Date

Ashok Kumar Ladha

Director DIN: 00089360

Sanjeev Aggarwal

President and Chief Financial Officer ICAI Membership No.: 089369

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

		For the year ended 31 March 2015	For the year ended 31 March 2014
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Loss before taxation	(35.31)	(30.64)
	Adjusted for:		
	Depreciation and amortisation (net of transfer from revaluation reserve)	132.32	143.48
	Loss or (gain) on scrap / disposal of fixed asset	(3.19)	0.19
	Provision made/(written back) for diminution in the value of investments	(0.09)	0.29
	Provision for doubtful debts & advances	0.85	4.15
	Profit on sale of current investments	(1.13)	(225.82)
	Interest income	(12.36)	(11.12)
	Dividend income	(0.52)	(2.88)
	Interest expense	48.73	35.58
	Operating profit / (Loss) before working capital changes	129.30	(86.77)
	Changes in:		
	Decrease in inventories	20.13	9.99
	Increase in trade receivables	(6.41)	(29.29)
	Decrease in short term loans and advances and other current assets	63.65	10.43
	Increase in long term loans and advances	(0.84)	(2.40)
	(Increase) / decrease in other non current assets	(0.44)	12.00
	Increase / (decrease) in trade payables	11.86	(5.06)
	Decrease in other non current liabilites	(0.19)	(0.01)
	Increase in other current liabilities	2.88	3.09
	Increase in long term provisions	1.72	3.17
	Increase / (decrease) in short term provisions	0.19	(1.54)
	Cash generated from operations	221.85	(86.39)
	Income tax paid	(0.51)	(2.79)
	Net cash flow (used)/ from operating activities (A)	221.34	(89.18)
В.	CASH FLOWS FROM INVESTING ACTIVITIES		
	Purchase of fixed assets	(19.49)	(36.03)
	Sale of fixed assets	17.59	1.44
	Purchase of current investments	(11.98)	
	Sale of current investments (net)	0.28	231.64
	Income from renunciation of rights issue	0.85	
	Movement in bank deposits (net) (having originial maturity of more than 3 months)	(1.66)	(4.18)
	Dividend received	0.52	2.88
	Interest received	11.12	11.40
	Net cash (used)/ from in investing activities (B)	(2.77)	207.15



CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

		For the year ended	For the year ended
		31 March 2015	31 March 2014
C.	CASH FLOWS USED IN FINANCING ACTIVITIES		
	Long-term borrowings repaid during the year	(112.18)	(90.87)
	Long-term borrowings taken during the year	11.97	132.63
	Short term borrowings taken/ (repaid) during the year (net)	(40.91)	(96.87)
	Payment of dividend	(15.16)	(15.24)
	Taxes on dividend	(2.58)	(2.58)
	Interest and ancillary costs of borrowing paid	(49.62)	(42.24)
	Net cash (used)/ generated in financing activities	(208.48)	(115.17)
	Net changes in cash and cash equivalents (A+B+C)	10.09	2.80
	Cash and cash equivalents - opening balance	13.69	10.89
	Cash and cash equivalents - closing balance	23.78	13.69
	Components of cash and cash equivalents (refer note 19)		
	Cash in hand	0.28	0.21
	Cheques in hand	-	1.05
	With scheduled banks:		
	In current accounts	11.06	11.12
	Fixed deposits with original maturity period of upto three months	12.44	1.31
	TOTAL	23.78	13.69

Notes:

- The accompanying notes (from 1 to 46) form an integral part of the financial statements. 1
- The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 Cash Flow Statements.

As per our report attached. For BSR and Associates

Chartered Accountants

ICAI Firm registration number: 128901W

Kaushal Kishore

Membership No.: 090075

: Gurgaon Place

Date:

: 18 May 2015

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

Om Prakash Lohia

Chairman and Managing Director

DIN: 00206807

Jayant K Sood

Place

Date

Company Secretary

ICSI Membership No.: FCS 4482 : Gurgaon

: 18 May 2015

Ashok Kumar Ladha

Director DIN: 00089360

Sanjeev Aggarwal

President and Chief Financial Officer

ICAI Membership No.: 089369

to the Consolidated Financial Statements for the year ended 31 March 2015

1. General information

Indo Rama Synthetics (India) Limited (hereinafter referred to as 'the Holding Company' or 'IRSL') is a manufacturer of Polyester Filament Yarn (PFY), Polyester Staple Fibre (PSF), Draw Texturised Yarn (DTY) and Chips. The Company is also engaged in power generation, which is used primarily for captive consumption. The Company's manufacturing facilities are located at Butibori, Nagpur.

The Holding Company has invested in certain subsidiaries which are directly or indirectly engaged in the business of generation and supply of energy from renewable resources. During the previous year, one of the subsidiaries, Indo Rama Renewables Jath Limited had commissioned the 30 MW wind turbine plant and commenced revenue operations at Jath, Maharastra. The Holding Company along with its subsidiaries has been referred to as "the Group".

2. Significant Accounting Policies

2.1 Basis of preparation and consolidation

These consolidated financial statements have been prepared under the historical cost convention, modified to include revaluation of certain fixed assets, on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP primarily comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014, and other accounting pronouncements of the Institute of Chartered Accountants of India.

2.2 Principles of consolidation

The consolidated financial statements relate to the Group, all being incorporated in India. The consolidated financial statements have been prepared in accordance with the principles and procedures for the preparation and presentation as laid down in Accounting Standard-21.

The consolidated financial statements have been prepared on the following basis:

- i) The consolidated financial statements of the Group have been combined on a line-by-line basis by adding the book values of all items of assets, liabilities, incomes and expenses after eliminating intra-group balances/ transactions and unrealised profits in full.
- ii) The consolidated financial statements are prepared by using uniform accounting policies for similar significant transactions and other events in similar circumstances. The financial statements of the subsidiaries are adjusted for the accounting principles and policies followed by the Group.
- iii) The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Group for its separate financial statements.
- (iv) The companies considered in the consolidated financial statements are:

Name of the company	Date of incorporation	Percentage of shareholding as at 31 March 2015
Indo Rama Synthetics (India) Limited ('IRSL')	28 April 1986	Ultimate holding company
Indo Rama Renewables Limited ('IRRL')	3 May 2012	100
Indo Rama Renewables Jath Limited ('IRRJL')	23 May 2012	100
Indo Rama Renewables Porbandar Limited ('IRRPL')	23 May 2012	100
Indo Rama Renewables Ramgarh Limited ('IRRRL')	25 May 2012	100

2.3 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the year. Differences between actual results and estimates are recognized in the year in which the results are known or materialized. Examples of such estimates are estimated useful life of assets, classification of assets/

liabilities as current or non-current in certain circumstances, recoverability of minimum alternate tax credit entitlement, provision for doubtful receivables and retirement benefits, etc. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.4 Current/ non-current classification

All assets and liabilities are classified as current and non-current.



to the Consolidated Financial Statements for the year ended 31 March 2015

Assets

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

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

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

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company considers its operating cycle to be within a year.

2.5 Fixed assets

Fixed assets are stated at cost or at revalued amounts less accumulated depreciation. Cost of fixed assets includes all incidental expenses and interest costs on borrowings, attributable to the acquisition of qualifying assets, upto the date of commissioning of assets.

Foreign currency exchange differences are capitalized as per the policy stated in note 2.13 below.

2.6 Depreciation/ amortization

Holding Company (Polyester business)

- Leasehold land and cost of leasehold improvements are amortised over the period of lease or their useful lives, whichever is shorter.
- Depreciation on other fixed assets (excluding software) is provided using the straight line method at the rates based on following useful lives of assets estimated by the management:

Particulars	Useful life
Factory buildings/ Non factory buildings	28 years/ 58 years
Plant and equipment (Continuous Process Plant)	18 years
Furniture and fixtures	15 years
Vehicles	10 years
Office equipment/ Computer and Peripherals	20 years/ 6 years

The above useful lives are arrived at, based on the internal technical assessment of the management, are currently reflective of the estimated useful lives of the fixed assets.

- Fixed assets individually costing up to rupees five thousand are depreciated at the rate of 100%.
- Upto 31 March 2014 additional depreciation on account of revaluation of assets is charged to the Revaluation Reserve account. Pursuant to an alignment with the requirement of the Companies Act, 2013, the Company has not recouped the additional depreciation on account of revaluation and, therefore, has charged it as an expense during the year. Accordingly, the loss for the year ended 31 March 2015 is higher by ₹ 10.52 Crores.

to the Consolidated Financial Statements for the year ended 31 March 2015

 Software are amortised on straight line method over a period of three years.

Subsidiaries (Power Generation)

- Upto 31 March 2014, depreciation on fixed assets was provided using the straight line method at the rates based on useful lives of assets estimated by the management, which were equal to or higher than the rates prescribed under Schedule XIV to the Companies Act, 1956. The management's estimates of the useful life of Plant and Equipment (which comprises the significant portion of fixed assets) was 18 years.
- During the current year, in respect of assets used in generation and supply of energy from renewable sources, the depreciation is provided at the rates as well as methodology notified by the Maharashtra Electricity Regulatory Commission in its order dated March 22, 2013 for Determination of Generic Tariff under Regulation 8 of the Maharashtra Electricity Regulatory Commission (Terms and Conditions for determination of Renewable Energy Tariff) Regulations 2010. As per the regulations, the depreciation is to be allowed upto a maximum of 90% of the Capital Cost of the asset and the depreciation rate for the first 10 years of the Tariff Period shall be 7% per annum and the remaining depreciation shall be spread over the remaining useful life of the project from 11th year onwards. The effect of change in depreciation rate amounting to ₹ 3.72 crores has been charged to the statement of profit and loss.

Further, office equipment are depreciated over useful life of 20 years.

The useful life is arrived at, based on the internal technical evaluation of the management, primarily consisting of plant and machinery. As per this evaluation, the useful life of assets does not require a change from the previous estimates.

2.7 Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated as higher of its net selling price and value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss.

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

2.8 Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to be put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

2.9 Investments

Long-term investments (including its current portion) are carried at cost less diminution, other than temporary, in value. Current investments are carried at the lower of cost and fair value, which is computed category wise.

2.10 Inventories

- Stores and spare parts are valued at cost or under, computed on weighted average basis.
- Raw materials, work-in-progress and finished goods are valued at the lower of cost and net realizable value. Finished goods and work-in- progress include material cost and appropriate portion of manufacturing and other overheads. Cost is ascertained on a weighted average basis.

2.11 Revenue recognition

i) Sale of goods

Revenue from sale of products is recognized when the products are dispatched against orders from customers in accordance with the contract terms, which coincides with the transfer of significant risks and rewards.

Sales are stated inclusive of excise duty and net of rebates, trade discounts, sales tax and sales returns.

ii) Sale of power

Sale of power is recognized on the basis of actual quantity of power sold with reference to the contracted rate.

to the Consolidated Financial Statements for the year ended 31 March 2015

iii) Sale of electricity

Revenue from the sale of wind power is recognised when earned on the basis of contractual arrangements and reflects the number of units supplied in accordance with joint meter readings undertaken on a monthly basis by representatives of the buyer and the Company at rates stated in the contract.

iv) Generation-based incentives

Revenue from generation-based incentives are recognised based on the number of units supplied and when the eligibility criteria under the Indian Renewable Energy Development Agency Limited - Generation Based Incentive scheme are met.

v) Insurance claims

Insurance claims are accounted for on an accrual basis, to the extent these are measurable and ultimate collection is reasonably certain (Also refer to note 39).

vi) Dividend

Dividend from investments is recognized when the right to receive dividend is established.

2.12 Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating lease. Operating lease charges are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

2.13 Foreign exchange transactions and forward contracts Foreign exchange transactions

- a) Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rates prevailing at the date of the balance sheet. All exchange differences other than in relation to acquisition of fixed assets and other long term foreign currency monetary liabilities are dealt with in the Statement of Profit and Loss.
- b) In accordance with Accounting Standard 11, "Accounting for the effects of changes in foreign exchange rates", exchange differences arising in respect of long term foreign currency monetary items:
 - used for acquisition of depreciable capital asset, are added to or deducted from the cost of asset and are depreciated over the balance life of asset.

- used for the purpose other than the acquisition of depreciable capital asset, are accumulated in Foreign Currency Monetary Item Translation Difference Account (FCMITDA) to be amortised over the balance period.
- In case of foreign exchange forward contracts taken for underlying transactions, and covered by Accounting Standard 11, "Accounting for the Effects of Changes in Foreign Exchange Rates", the premium or discount is amortised as income or expense over the life of the contract. The exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange difference is recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

Any profit or loss arising on the cancellation or renewal of such contracts is recognized as income or expense for the year.

Forward exchange contracts taken for highly probable/ forecast transactions, which are not covered by Accounting Standard 11, are marked to market in accordance with the principles under AS 30 "Financial Instruments: Recognition and Measurement", issued by the Institute of Chartered Accountants of India. The Company records the gain or loss on effective hedges, if any, in the Hedging Reserve until the transactions are complete. On completion, the gain or loss is transferred to the Statement of Profit and Loss of the period in which such transaction is concluded. To designate a contract or option as an effective hedge, management objectively evaluates with appropriate supporting documents at the inception of each contract whether the contract is effective in achieving offsetting cash flows attributable to the hedged risk. In the absence of a designation as effective hedge, a gain or loss is recognized in the Statement of Profit and Loss.

2.14 Employee benefits

a) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-

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term employee benefits. Benefits such as salaries, wages, and bonus, etc., are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

b) Post-employment benefits Defined contribution plan

The Company deposits the contributions for provident fund to the appropriate government authorities and these contributions are recognized in the Statement of Profit and Loss in the financial year to which they relate.

Defined benefit plan

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

c) Other long term employee benefits

Entitlements to annual leave are recognized when they accrue to employees. Leave entitlements may be availed while in service or encashed at the time of retirement/termination of employment, subject to a restriction on the maximum number of accumulation. The Company determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

2.15 Taxation

Income tax expense comprises current tax and deferred tax charge or credit. Current tax provision is made based on the tax liability computed after considering tax allowances and exemptions under the Income tax Act, 1961. The deferred tax charge or credit and the corresponding deferred tax liability and assets are recognized using the tax rates that have been enacted or substantively enacted on the balance sheet date.

Deferred tax assets arising from unabsorbed depreciation or carry forward losses are recognized only if there is virtual certainty of realization of such amounts. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets are reviewed at each balance sheet date to reassess their realisability.

The credits arising from Minimum Alternate Tax paid are recognized as receivable only if there is reasonable certainty together with convincing/ reliable evidence that the Company will have sufficient taxable income in future years to utilize such credits.

Deferred tax is not recognized on timing differences which reverse during the tax holiday period.

2.16 Government grants

Government grants specifically receivable as a reduction of interest charge under the grants scheme is netted off from the interest charge for the year.

2.17 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

2.18 Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligations and the amount of such obligation can be reliably estimated. Provisions are not discounted to their present value and are determined based on the management's estimation of the outflow required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence



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(All amounts in ₹ Crores, unless otherwise stated)

or non-occurrence of future events, not wholly within the control of the Company.

When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Note 3: Share capital

	As at 31 March 2015	As at 31 March 2014
Authorised		
185,000,000 (previous year 185,000,000) equity shares of ₹ 10 each	185.00	185.00
Issued, subscribed and fully paid-up		
151,822,242 (previous year 151,822,242) equity shares of ₹ 10 each fully paid-up	151.82	151.82
	151.82	151.82

Foot notes:

- During the current year and in the previous year, there have been no movements in the number of outstanding equity shares.
- 2. The Company has only one class of equity shares, having a par value of ₹ 10 per share. Each shareholder is eligible to one vote per share held, except for shares held against Global Depository Receipts (GDR). The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding
- 3. Shares in the Company held by each shareholder holding more than 5% shares (also refer to note 4 below) are as under:-

	As at 31 March 2015		As at 31 March 2014		
Names	Number of shares	% of shares held	Number of shares	% of shares held	
Brookgrange Investments Limited	43,288,057	28.51	43,288,057	28.51	
Mr. Om Prakash Lohia (Chairman & Managing Director)	35,378,350	23.30	35,014,630	23.06	
Mrs. Urmila Lohia	15,855,314	10.44	15,855,314	10.44	
APMS Investment Fund Limited	12,652,175	8.33	12,652,175	8.33	
(Formerly known as Mavi Investment Limited)					
	107,173,896	70.58	106,810,176	70.34	

4. Above equity shares of ₹ 10 each include 10,290,560 equity shares (representing 6.78% of total number of shares), outstanding against 1,286,320 Global Depository Receipts (GDR), each GDR comprising 8 underlying fully paid up equity shares of ₹ 10 each [previous year 10,291,360 equity shares (representing 6.78% of total number of shares), outstanding against 1,286,420 GDRs]. Since, the same are held by depository, details of individual beneficiaries is not available with the Company.

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(All amounts in ₹ Crores, unless otherwise stated)

Note 4: Reserves and surplus

	As at	As at
	31 March 2015	31 March 2014
Capital reserve		
Opening balance	20.38	0.08
Forfeiture of money received against share warrants *	-	20.30
Closing balance	20.38	20.38
Securities premium account	166.22	166.22
Revaluation reserve (refer note 2.6)		
Opening balance	25.43	34.53
Less: adjustment on account of depreciation on revalued assets	-	9.10
Less: transferred to General Reserve	10.52	-
Closing balance	14.91	25.43
General reserve		
Opening balance	47.61	47.61
Add: amount transferred from Revaluation Reserve	10.52	-
Closing balance	58.13	47.61
Surplus in the Statement of Profit and Loss		
Opening balance	175.88	207.19
Loss for the year	(20.69)	(13.55)
Less: Appropriations :		
Proposed dividend (refer note 8)	(15.18)	(15.18)
Tax on dividend (refer note 8)	(3.09)	(2.58)
Net surplus in the Statement of Profit and Loss	136.92	175.88
Total reserves and surplus	396.56	435.52

^{*} On 9 November 2010, the Company had allotted 20,000,000 Fully Convertible Preferential warrants (FCPs) at ₹ 40.60 per warrant (aggregating ₹ 81.20 Crores) as per Securities and Exchange Board of India (SEBI) and other guidelines, as applicable. As per the terms of the warrants, ₹ 10.15 per warrant (aggregating ₹ 20.30 Crores) had been received and balance amount of ₹ 30.45 per warrant (aggregating ₹ 60.90 Crores) was payable within 18 months of allotment of the warrants. The warrants were convertible into equity shares within a period of 18 months from the date of allotment of warrants at the option of the warrant holders. Upon conversion, one warrant would have been converted into one fully paid equity share of ₹ 10 each and amount of ₹ 30.60 would have been adjusted towards share premium account. Subsequently, the Company had received request from warrant holders for extending period upto May 2014 for payment of balance amount of ₹ 60.90 Crores. The Company made an application to SEBI for the extension of the period which had not been approved by SEBI vide its letter dated 4 December 2013. Accordingly, the money received against share warrants had been forfeited and transferred to capital reserve in the previous year.



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(All amounts in ₹ Crores, unless otherwise stated)

Note 5: Long-term borrowings

	Total		Non-current portion		Current maturities	
	As at	As at As at		As at As at		As at
	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Secured:						
Loans from banks						
Term loans						
- Rupee loans	95.68	112.10	71.78	91.82	23.90	20.28
- Foreign currency loans	71.92	129.69	35.92	81.02	36.00	48.67
Other loans						
- Rupee loans	144.68	147.32	134.88	138.07	9.80	9.25
- Foreign currency loans	-	23.38	-	_	-	23.38
	312.28	412.49	242.58	310.91	69.70	101.58
Less:						
Amounts disclosed under the head "other current liabilities" (refer note 11)	-	-	-	-	(69.70)	(101.58)
	312.28	412.49	242.58	310.91	-	-

NAT	URE	OF SECURITY	TERMS OF REPAYMENT		
a)	Rup	ee term loans from banks:			
	i)	amounting to ₹ 8.00 Crores (previous year ₹ 14.67 Crores) are secured by first specific charge over the specific assets to be purchased under the loan agreement.	Repayable in 18 equal quarterly installments of ₹ 1.33 Crores each commencing from June 2012, along with interest at bank rate plus 1% plus 0.50%.		
	ii)	amounting to ₹ 20.82 Crores (previous year ₹ 25.00 Crores) are secured collaterally by exclusive charge on the captive power plant at Butibori, Maharashtra.	Repayable in 18 equal quarterly installments of ₹ 1.39 Crores each commencing from the end of third quarter from the date of first disbursement i.e. 30 September 2014 along with interest at 3.25% over base rate.		
	iii)	are secured primarily by first pari-passu charge on the current assets and collaterally by first pari-passu charge	Repayable in 8 equal quarterly installments of ₹ 3.12 Crores each commencing after 6 months from the date of first disbursement i.e. 30 September 2014 and 10 equal quarterly installments of ₹ 5 Crores thereafter, along with interest at 3% over base rate.		
	iv)	aggregating to ₹ 1.23 Crores (previous year ₹ 0.12 Crores) are secured by hypothecation of specific vehicles.	 (a) ₹ Nil (previous year ₹ 0.02 Crores) repayable in 36 monthly installments commencing from August 2011. (b) ₹ 0.05 Crores (previous year ₹ 0.10 Crores) repayable in 36 monthly installments commencing from January 2013. (c) ₹ 0.91 Crores (previous year ₹ Nil) repayable in 36 monthly instalments commencing from September 2014. (d) ₹ 0.14 Crores (previous year ₹ Nil) repayable in 36 monthly instalments commencing from June 2014. (e) ₹ 0.08 Crores (Previous year ₹ Nil) repayable in 36 monthly instalments commencing from May 2014. (f) ₹ 0.05 Crores (previous year ₹ Nil) repayable in 36 monthly instalments commencing from June 2014. The outstanding amount of long term borrowings taken for vehicles is ₹ 1.23 Crores (previous year ₹ 0.12 Crores) out of which current maturity payable next year amounts to ₹ 0.51 Crores (previous year ₹ 0.07 Crores). 		

to the Consolidated Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

NATURE OF SECURITY

Foreign currency term loans from banks:

- i) amounting to ₹ 45.46 Crores (previous year ₹ 89.12 Crores), are secured by first pari-passu specific charge on the equipment purchased under the loan agreement for the Company's Polyester Expansion Project and a first charge on the land situated at Mehsana, Gujarat.
- ii) amounting to ₹ 26.46 Crores (previous year ₹ 40.57 Crores) are secured by first pari-passu specific charge on the equipment purchased under the loan agreement for the Company's Polyester Expansion Project and a first charge on the land situated at Mehsana, Gujarat.

TERMS OF REPAYMENT

Repayable in 20 equal half yearly installments commencing from April 2007 along with interest at six month EURIBOR plus 0.95%. Further, two installments due on 15 April 2009 and 15 October 2009 have been rescheduled to be paid in 10 equal half yearly installments from 30 September 2010 along with interest at six month EURIBOR plus 1.65%. Amount payable within one year amounts to ₹ 22.77 Crores (previous year ₹ 33.45 Crores).

Repayable in 20 equal half yearly installments commencing from April 2007 along with interest at six month LIBOR plus 0.95%. Further, two installments due on 15 April 2009 and 15 October 2009 have been rescheduled to be paid in 10 equal half yearly installments from 30 September 2010 along with interest at six month LIBOR plus 1.65%. Amount payable within one year amounts to ₹ 13.23 Crores (previous year ₹ 15.22 Crores).

c) Rupee term loans from others:

As at 31 March 2015, the breakup of secured loan is as follows:

- 1) L&T Infra ₹ 73.42 Crores (previous year ₹ 77.08 Crores)
- 2) TCCL ₹ 10.70 Crores (previous year ₹ 10.91 Crores)
- 3) TCFSL ₹ 16.06 Crores (previous year ₹ 16.36 Crores)
- 4) PFS ₹ 44.50 Crores (previous year ₹ 42.97 Crores)

The Loan is Secured/to be secured in all respect pari passu among all lenders with the below mentioned charges/pledges/mortgages and guarantees:

- (a) First mortgage and charge of all the borrower's immovable properties (freehold/leased subject to provisions of applicable law in relation to forest land and revenue land, if any) together with all structures and appurtenances thereon and thereunder, both present and future;
- (b) First charge by way of hypothecation of all the borrower's movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets, both present and future;
- (c) First charge on all intangible assets of the borrower including but not limited to goodwill and uncalled capital of the borrower, both present and future;
- (d) First charge on all accounts, revenue, all receivables, operating cash flows, commissions, reserves, book debts and DSR of the borrower including without limitation, the trust and retention accounts/escrow accounts (or any account in substitution thereof) and of all funds from time to time deposited therein and in all Permitted Investments or other securities representing all amounts credited to the trust and retention accounts both present and future;
- (e) First charge by way of assignment, both present and future, of:

144 structured monthly installments post moratorium period of 6 months from the Date of Commencement of Commercial Operation (DCCO) i.e. 1 October 2013.

Interest rate

- (i) Rate of interest: The rate of interest is "L&T Infra" prime lending rate(PLR) minus spread per annum with monthly rests ("Applicable Interest Rate") payable monthly.
- (ii) "Spread" is calculated as the difference between "L&T Infra"
 PLR and the Applicable Interest Rate amounting to 2.5%
 per annum. The spread was determined at the time of first
 disbursement based on the L& T Infra PLR on that date.
- (iii) The interest rate for each subsequent tranche of disbursement has been indexed to the then prevailing L&T Infra PLR minus the spread.
- (iv) The Applicable Interest Rate shall be reset on the first day of the subsequent month at the end of one year from the date of first disbursement ("First Reset Date") and every anniversary of such date thereafter ("Reset Date"), based on the then prevailing L&T Infra PLR.
- (v) In case the account is irregular for more than one month at time of reset, no benefit for reduction in interest would be passed on, though the increase in interest will be loaded.



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(All amounts in ₹ Crores, unless otherwise stated)

NATURE OF SECURITY

(i) All rights, title, interest, benefits, claims and demands, whatsoever of the borrower in, to and under all of the project documents as may be amended, varied and supplemented from time to time, including erection & commissioning contract, supply contract, operation and maintenance agreement (O&M) etc. duly acknowledged/consented in writing by relevant counter parties to such project document(s);

- (ii) All rights, title and interest, claims and demands, whatsoever of the borrower in, to and under all the permits, approvals, clearance(s) and the government approvals;
- (iii) All rights, title, interest benefits, claims and demands, whatsoever of the borrower in, to and under all the guarantees/ letter of credit other performance bonds warranties, corporate guarantee, bank guarantee, indemnities and securities that may be furnished in favour of the borrower by the various contractors and any party under the project documents, after obtaining the written consent of the parties thereto, if necessary;
- (iv) All rights, title, benefits, claims, demands and interest, whatsoever under all the Insurance contracts/insurance proceeds pertaining to the project.
- (f) Pledge of 76% (seventy six per cent) of the paid up and voting equity share capital and of preference share capital (if any) held by the promoter in the share capital of the borrower till final settlement date, and;
- (g) An irrevocable and unconditional corporate guarantee from the promoter in favour of the security trustee acting for the benefit of lenders for the due payment/repayment of secured obligations.
- d) Foreign currency term loans from others:

amounting to ₹ Nil Crores (previous year ₹ 23.38 Crores) was secured by equitable mortgage on all the immovable properties (excluding land in the state of Gujarat), by way of deposit of title deeds and hypothecation of movable assets of the Company (save and except book debts and assets exclusively hypothecated to banks and bodies corporate) including movable machinery, machinery spares, tools and accessories, both present and future, ranking pari-passu with the charges created/to be created in favour of banks and financial institution for securing rupee and foreign currency term loans.

TERMS OF REPAYMENT

amounting to ₹ Nil Crores (previous year ₹ 23.38 Crores) was The loan has been repaid in the current year

to the Consolidated Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 6: Deferred tax liabilities (net)

	As at	As at
	31 March 2015	31 March 2014
Deferred tax liability on account of :		
-Fixed assets	179.47	192.14
Deferred tax assets on account of:		
-Unabsorbed depreciation and tax losses*	-	-
-Effect of expenditure debited to statement of profit and loss in the current/earlier years but allowable for tax purposes in following years	4.72	4.61
-Provision for doubtful debts and advances	1.79	1.50
	6.51	6.11
Net deferred tax liability	172.96	186.03

^{*} excluding deferred tax assets aggregating ₹ 322.01 Crores (previous year ₹ 306.31 Crores) in relation to unabsorbed depreciation amounting to ₹ 947.37 Crores (previous year ₹ 901.20 Crores), which have not been recorded. The same have been a subject matter of litigation by the Income Tax Authorities and appeals in this regard are pending with the higher authorities.

Note 7: Other long-term liabilities

	As at	As at
	31 March 2015	31 March 2014
Lease equalisation charges	0.64	0.83
	0.64	0.83

Note 8: Long-term and short-term provisions

Long-term		Short	Short-term	
As at	As at	As at	As at	
31 March 2015	31 March 2014	31 March 2015	31 March 2014	
12.65	11.73	1.00	0.88	
7.25	6.45	1.86	1.79	
19.90	18.18	2.86	2.67	
-	-	15.18	15.18	
-	-	3.09	2.58	
-	-	18.27	17.76	
19.90	18.18	21.13	20.43	
	As at 31 March 2015 12.65 7.25 19.90 -	As at 31 March 2015 31 March 2014 31 March 2	As at 31 March 2015 31 March 2014 31 March 2015 31 March 2	

^{*} During the current year, the Company has declared a dividend of ₹ 1 per equity share of ₹ 10 each (previous year ₹ 1 per equity share).

Note 9: Short-term borrowings

	As at	As at
	31 March 2015	31 March 2014
Loans repayable on demand (secured)		
From banks:		
Cash credit and working capital facilities	204.94	245.85
	204.94	245.85



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(All amounts in ₹ Crores, unless otherwise stated)

Nature of security

Cash credit and other working capital facilities from banks are secured by way of hypothecation of stocks of raw materials, work-in-progress, finished goods, stores and spares, packing material, goods at port/in transit/under shipment, outstanding money, book debts, receivables and other current assets of the Company, both present and future. These are further secured by a second charge on all the immovable properties of the Company, both present and future.

Note 10: Trade payables

	As at	As at
	31 March 2015	31 March 2014
Acceptances	163.52	138.74
Sundry creditors		
- micro and small enterprises (refer note 40)	-	0.01
- others	379.36	392.27
	542.88	531.02

Note 11: Other current liabilities

As at	As at
31 March 2015	31 March 2014
69.70	101.58
1.19	2.46
0.38	0.36
12.55	9.01
0.17	-
16.15	15.38
8.38	12.09
8.91	5.14
15.00	20.11
1.12	1.38
1.07	1.07
134.62	168.58
	31 March 2015 69.70 1.19 0.38 12.55 0.17 16.15 8.38 8.91 15.00 1.12 1.07

Note

^{*}There are no outstanding dues to be paid to Investor Education and Protection Fund

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NOTES

(All amounts in ₹ Crores, unless otherwise stated)

Note 12.1: Fixed Assets - Tangible assets

As at 31 March 2015

105.18 3.02 As at 2015 1.27 Net Block 31 March 1.61 7.38 1,008.32 2.12 4.81 1,133.71 Upto 51.53 1.95 2,220.63 6.70 3.51 2015 14.21 2,300.29 31 March 0.11 0.16 27.73 0.08 28.08 In respect of adjustments disposals/ 3.78 0.36 126.52 0.20 0.41 Depreciation 0.61 131.98 Depreciation for the year Upto 31 March 47.75 1.59 6.58 3.21 2014 1.66 2,121.84 13.76 2,196.39 3,228.95 2015 156.71 3.22 8.82 6.53 19.02 31 March 3,434.00 1.61 41.93 0.12 0.15 0.28 42.48 adjustments Disposals/ **Gross block** Additions 0.01 1.70 0.23 10.09 8.15 As at 156.71 3.22 3,262.73 8.93 4.98 9.14 19.07 1.61 3,466.39 31 March Leasehold improvements Plant and equipment Furniture and fixtures Office equipments Asset description leasehold freehold Buildings Vehicles Total

As at 31 March 2014

As at 31 March 2014									
		Gross block	block			Depreciation			Net Block
Asset description	As at 31 March 2013	Additions	Disposals/ adjustments	As at 31 March 2014	Upto 31 March 2013	Depreciation for the year	In respect of disposals/adjustments	Upto 31 March 2014	As at 31 March 2014
Land:									
- freehold	1.61	1	1	1.61	1	1	1	1	1.61
- leasehold	9.14	1	1	9.14	1.56	0.10	1	1.66	7.48
Buildings	156.71	1	1	156.71	43.97	3.78	1	47.75	108.96
Leasehold improvements	3.22	1	1	3.22	1.23	0.36	1	1.59	1.63
Plant and equipment	3,018.62	248.63	4.52	3,262.73	1,978.83	146.55	3.54	2,121.84	1,140.89
Furniture and fixtures	8.97	0.08	0.12	8.93	6.40	0.22	0.04	6.58	2.35
Vehicles	5.40	1	0.42	4.98	2.98	0.38	0.15	3.21	1.77
Office equipments	19.12	0.48	0.53	19.07	13.26	0.74	0.24	13.76	5.31
Total	3,222.79	249.19	5.59	3,466.39	2,048.23	152.13	3.97	2,196.39	1,270.00

Notes:-

- Fixed assets comprising of plant and equipment, buildings and land were revalued by an external valuer as on 31 March 2000. The valuation was based on fair market price/other elevant indices and resulted in increase in the gross block by ₹ 203.20 Crores at that time. The balance of revaluation reserve as at the end of the year amounts to ₹ 14.91 Crores (previous year ₹ 25.43 Crores).
 - Disposal/adjustments to plant and equipment include gain on foreign exchange fluctuation ₹ 11.65 Crores (previous year ₹ Nil). 2.
 - 3. Additions to plant and equipment include loss on foreign exchange fluctuation ₹ Nil (previous year ₹ 29.17 Crores).



NOTES

to the Consolidated Financial Statements for the year ended 31 March 2015

Note 12.2: Fixed Assets - Intangible assets As at 31 March 2015	- Intangible	assets					(All amounts in ₹ Crores, unless otherwise stated)	rores, unless oth	nerwise stated)
		Gross block	block			Depreciation			Net Block
Asset description	As at 31 March	Additions	Disposals/ adjustments	As at 31 March	Upto 31 March	Depreciation for the year	In respect of disposals/	Upto 31 March	As at 31 March
	2014			2015	2014		adjustments	2015	2015
Computer software	3.24	1	'	3.24	2.81	0.38	1	3.19	0.05
Total	3.24	•	'	3.24	2.81	0.38	•	3.19	0.02
As at 31 March 2014									
		Gross block	block			Depreciation			Net Block
Asset description	As at	Additions	Disposals/	As at	Upto	Depreciation	In respect of	Upto	Asat
	31 March 2013		adjustments	31 March 2014	31 March 2013	for the year	disposals/ adiustments	31 March 2014	31 March 2014
Computer software	3.24	'	 - 	3.24	2.30	0.51	 	2.81	0.43
Total	3.24	1	 -	3.24	2.30	0.51		2.81	0.43
Note 12 3: Canital work in progress comprises	in progress	comprises							
Particulars								As at	As at
							31 March 2015		31 March 2014
-Plant and equipment								3.11	0.17
-Borrowing cost								0.01	1
-Salaries, wages and bonus								69.0	0.62
-Legal and professional charges	ges							1.10	1.10
-Project consultancy expenses	es							0.64	0.64
-Travelling expenses								0.05	0.05
-Rates and taxes								0.59	0.59
-Miscellaneous expenses								0.17	0.08
Total								6.36	3.25

to the Consolidated Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 13.1 Non-current investments (valued at cost unless otherwise stated)

	No.	As at 31 March 2015	No.	As at 31 March 2014
Other than trade investments (Unquoted)				
Equity shares				
Fully paid up equity shares of ₹ 10 each				
Ritspin Synthetics Limited	15,00,000	1.50	15,00,000	1.50
Less: Provision for diminution in the value of long term investments		(1.50)		(1.50)
Aggregate book value of unquoted investments		-		

Note 13.2 Current investments

		No.	As at 31 March 2015	No.	As at 31 March 2014
Cur	rent investments (at the lower of cost and fair value)				
A)	Equity shares, quoted				
	Fully paid up equity shares of ₹ 10 each				
	Optel Telecommunications Limited	52,501	0.37	52,501	0.37
	Sanghi Polyesters Limited	7,08,400	2.34	7,08,400	2.34
	Reliance Industries Limited	10	_*	10	_*
	Fully paid up equity shares of ₹ 5 each				
	Balasore Alloys Limited	72,601	0.17	72,601	0.17
	Fully paid up equity shares of 1 Baht each				
	Indorama Ventures Public Company Limited, Thailand	75,09,200	0.83	75,09,200	0.83
			3.71		3.71
B)	Preference shares, quoted				
	Fully paid-up preference shares of ₹10 each				
	0.01% Cumulative redeemable preference shares				
	JSW Ispat Steel Limited	8,92,000	0.89	8,92,000	0.89
	Less: Provision for diminution in the value of current investments		0.32		0.41
			0.57		0.48
C)	Government securities, unquoted				
	National Savings Certificates VIth issue				
	(pledged with sales tax authorities)		_ **		_ **
D)	Units of Mutual Fund of ₹ 10 each				
	L & T Ultra Short Term Fund Direct Plan - Growth	52,65,177	11.65	_	-
	L & T Liquid Fund Direct Plan - Growth	1,758	0.33	-	-
			11.98		-
			16.26		4.19

	As at 31 M	arch 2015	As at 31 M	arch 2014
	Aggregate Book Value	Market Value/ Net Asset Value #	Aggregate Book Value	Market Value/ Net Asset Value #
Additional disclosures for current investments:				
Quoted investments				
-Equity shares	3.71	37.62	3.71	31.79
-Preference shares	0.57	0.57	0.48	0.48
-Mutual Fund	11.98	12.35	-	-
	16.26	50.54	4.19	32.27
Book value of uquoted investments	_ **		_ **	
Aggregate diminution in the value of current investments	0.32		0.41	

^{* ₹ 7,780 (}previous year ₹ 7,780)

^{** ₹ 4,000 (}previous year ₹ 4,000)

[#] excluding for equity shares of Sanghi Polyesters Limited and Optel Telecommunications Limited in respect of which market value are not available.



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(All amounts in ₹ Crores, unless otherwise stated)

Note 14: Deferred tax assets

	As at	As at
	31 March 2015	31 March 2014
Deferred tax assets on account of:		
-Unabsorbed depreciation	17.85	24.51
Deferred tax liability on account of :		
-Fixed assets	15.72	22.92
Net deferred tax asset	2.13	1.59
Net deferred tax asset / liabilities recognized	2.13	

During the previous year, in view of the absence of virtual certainty of realisation of carried forward tax losses and unabsorbed depreciation allowance, deferred tax assets are recognised only to the extent of deferred tax liability.

NOTE 15.1: Long-term loans and advances (unsecured)

	As at	As at
	31 March 2015	31 March 2014
Considered good:		
Capital advances	6.46	3.84
Security deposits	1.97	1.91
Other loans and advances:		
Surrender value of keyman insurance	4.80	4.05
MAT credit entitlement (refer note 41)	57.33	57.91
Advance tax [net of provision ₹ 106.42Crores (previous year ₹ 106.42 Crores)]	10.43	9.92
Prepaid expenses	1.77	1.95
Others	0.64	0.48
	83.40	80.06
Considered doubtful:		
Advances to vendors	1.80	1.75
Less : Provision for doubtful advances	1.80	1.75
	-	-
	83.40	80.06

Note 15.2: Short-term loans and advances (unsecured, considered good)

	As at	As at
	31 March 2015	31 March 2014
Others:		
Customs and excise duty	37.50	57.40
Prepaid expenses	5.23	5.23
Advances to vendors	26.01	17.43
Advances to employees	1.06	0.98
	69.80	81.04

to the Consolidated Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 16.1: Other non-current assets

	As at	As at
	31 March 2015	31 March 2014
Claims and other receivables	8.05	7.61
	8.05	7.61

Note 16.2: Other current assets

	As at	As at
	31 March 2015	31 March 2014
Claims and other receivables	100.97	134.95
Forward cover receivable (net)	13.90	23.89
Unearned income	-	0.33
Unbilled revenue	1.65	10.14
Interest accrued on deposits and others	2.73	1.49
	119.25	170.80

Note 17: Inventories

As at	As at
31 March 2015	31 March 2014
152.27	201.28
14.08	10.01
91.04	60.73
13.01	19.15
2.64	1.97
0.44	0.47
273.48	293.61
	31 March 2015 152.27 14.08 91.04 13.01 2.64 0.44

^{*} valued at the lower of cost and net realisable value. The finished goods were reduced by ₹ 1.10 Crores (previous year ₹ 1.17 Crores) on account of net realisable value being lower than the cost.

^{\$} at realisable value.

Additional disclosures regarding inventories		
Raw materials		
Purified Terepthalic Acid	98.08	88.87
Mono Ethylene Glycol	45.98	101.17
Others	8.21	11.24
	152.27	201.28
Work-in-progress		
Polyester Staple Fibre	7.08	3.87
Polyester Filament Yarn	4.25	3.41
Draw Texturised Yarn	2.75	2.72
Polyester Chips	-	0.01
	14.08	10.01
Finished goods		
Polyester Staple Fibre	36.96	25.63
Polyester Filament Yarn	21.28	9.82
Draw Texturised Yarn	32.58	25.28
Polyester Chips	0.22	
	91.04	60.73

[#] valued at cost or under.



to the Consolidated Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 18: Trade receivables

	As at	As at
	31 March 2015	31 March 2014
Unsecured, considered good		
- Receivables outstanding for a period exceeding six months from the date they became due for		
payment		
Unsecured, considered good	2.15	3.09
Unsecured, considered doubtful	3.46	2.66
	5.61	5.75
Less: Provision towards doubtful debts	3.46	2.66
	2.15	3.09
- Other receivables, unsecured and considered good	117.62	111.07
	119.77	114.16

Note 19: Cash and bank balances

	Curre	Current		
	As at	As at		
	31 March 2015	31 March 2014		
Cash and cash equivalents				
Cash on hand	0.28	0.21		
Cheques in hand	-	1.05		
Balances with banks:				
- Current accounts	11.06	11.12		
Fixed deposits with original maturity period of upto three months #	12.44	1.31		
	23.78	13.69		
Other bank balances :				
Fixed deposits with banks due to mature with in 12 months of the reporting date #	31.53	29.89		
Balances with banks:				
- Unpaid dividends *	0.38	0.36		
Margin money accounts **	0.08	0.08		
	31.99	30.33		
	55.77	44.02		

[#] Pledged with banks for credit limits

Note 20: Revenue from operations

	For the year ended	For the year ended
	31 March 2015	31 March 2014
Sale of products		
Finished goods	2,994.41	2,843.80
Less: Excise duty	253.00	231.91
	2,741.41	2,611.89
Other operating revenue		
Scrap sales	9.16	8.67
VAT refund	27.83	24.82
Interest from customers (refer note 45)	9.41	8.33
Generation Based Incentive (GBI)	2.80	1.66
Others	6.16	3.00
	55.36	46.48
Revenue from operations (net)	2,796.77	2,658.37

^{*} Earmarked against the corresponding provision

^{**} Pledged with banks for performance guarantees issued to government authorities on behalf of the Company

to the Consolidated Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

	For the year ended	For the year ended
	31 March 2015	31 March 2014
Breakup of revenue from sale of products :		
Sale of finished goods		
Polyester Staple Fibre	1,641.67	1,488.18
Polyester Filament Yarn	555.13	557.10
Draw Texturised Yarn	750.47	761.82
Polyester Chips	0.48	4.48
Power	33.26	19.53
Product Waste	13.40	12.69
	2,994.41	2,843.80

Note 21: Other income

	For the year ended	For the year ended
	31 March 2015	31 March 2014
Interest on fixed deposits	2.95	2.79
Dividend income from current investments	0.52	2.88
Profit on sale of current investments	1.13	225.82
Gain on sale of fixed assets	3.19	-
Reversal of provision for diminution in the value of current investments	0.09	-
Provision/liability no longer required written back	-	4.19
Miscellaneous income	1.95	-
	9.83	235.68

Note 22: Cost of materials consumed

	For the year ended	For the year ended
	31 March 2015	31 March 2014
Raw materials:		
Purified Terephthalic Acid	1,540.54	1,520.29
Mono Ethylene Glycol	611.70	561.77
Others	55.86	43.01
	2,208.10	2,125.07
Less: Write down of inventory considered as exceptional item (refer note 43)	(15.26)	-
	2,192.84	2,125.07

Note 23: Changes in inventories of finished goods and work-in-progress

	As at 31 March 2015	As at 31 March 2014	(Increase) / decrease during the year ended 31 March 2015
Inventories at the end of the year			
- Finished goods	91.04	60.73	(30.31)
- Work-in-progress	14.08	10.01	(4.07)
- Waste	0.44	0.47	0.03
	105.56	71.21	(34.35)
Inventories at the beginning of the year			31 March 2014
-Finished goods	60.73	152.36	91.63
-Work-in-progress	10.01	8.78	(1.23)
-Waste	0.47	0.64	0.17
	71.21	161.78	90.57
Write down of inventory, considered as exceptional item (refer note 43)	(5.49)		
(Increase) / decrease during the year	(39.84)	90.57	



to the Consolidated Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 24: Employee benefits expense

	For the year ended	For the year ended
	31 March 2015	31 March 2014
Salaries, wages and bonus	82.78	75.81
Contribution to provident and other funds	4.93	4.98
Workmen and staff welfare expenses	4.69	4.57
	92.40	85.36

Note 25: Other expenses

		e year ended 1 March 2015		year ended March 2014
Consumption of stores and spares		33.05		30.52
Power and fuel		183.25		148.56
Rent and hire charges		5.66		4.76
Repairs and maintenance:				
- plant and machinery		14.94		17.48
- buildings		2.30		1.59
- others		6.19		5.58
Insurance	1.81		2.03	
Less: Recovery	0.91	0.90	1.26	0.77
Rates and taxes		1.49		3.14
Packing materials consumed		50.67		41.40
Freight and forwarding charges	106.73		89.54	
Less : Recovery	67.90	38.83	54.40	35.14
Brokerage and commission on sales (other than to sole selling agents)		10.04		8.43
Cash discounts and claims		3.84		2.47
Directors' sitting fee		0.07		0.08
Legal and professional charges		4.65		7.07
Auditors' remuneration:				
- for audit		0.43		0.43
- for tax audit		0.07		0.06
- for other services		0.28		0.33
- for reimbursement of out of pocket expenses		0.05		0.04
Donations		0.10		0.07
Corporate social responsibility expenses (refer note 44)		0.18		-
Provision for doubtful debts and advances		0.85		4.15
Provision for diminution in the value of current investments		-		0.29
Loss on discard / disposal of fixed assets		-		0.19
Increase / (decrease) in excise duty on stocks of finished goods and waste		3.77		(8.83)
Miscellaneous expenses		32.85		27.25
		394.46		330.97

to the Consolidated Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 26: Finance costs

	For the year ended 31 March 2015		Fort	he year ended 31 March 2014
Interest	48.73		40.82	
Less: Capitalised/ transferred to capital work-in-progress	-	48.73	5.24	35.58
Bank and other charges		15.27		14.15
		64.00		49.73

Note 27: Earnings per equity share (EPS)

	For the year ended	For the year ended
	31 March 2015	31 March 2014
Net loss as per Statement of Profit and Loss	(20.69)	(13.55)
Number of equity shares of ₹ 10 each at the beginning of the year	151,822,242	151,822,242
Number of equity shares of ₹ 10 each at the end of the year	151,822,242	151,822,242
Weighted average number of equity shares of ₹ 10 each at the end of the year for calculation of basic and diluted EPS	151,822,242	151,822,242
Basic and diluted earnings per share (in ₹) (Per share of ₹ 10 each)	(1.36)	(0.89)

Note 28: CIF value of imports

Particulars	For the year ended	For the year ended
	31 March 2015	31 March 2014
Raw materials	1,331.29	1,625.84
Packing material	0.26	
Stores and spares	3.98	9.06
Capital goods	2.23	0.52

Note 29: Expenditure in foreign currency (accrual basis)

Particulars	For the year ended	For the year ended
Particulars	31 March 2015	31 March 2014
Travelling	2.24	1.29
Commission	3.16	2.29
Interest	3.03	6.06
Others	0.76	0.75

Note 30: Value of raw materials, stores and spares and packing materials consumed:

	Percentage of total	l consumption (%)	Va	lue
Particulars	For the year	For the year	For the year	For the year
i di dedidi 3	ended	ended	ended	ended
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Raw materials				
Imported	66	76	1,466.94	1,615.95
Indigenous	34	24	741.16	509.12
Total	100	100	2,208.10	2,125.07
Stores and spares				
Imported	12	20	3.85	6.19
Indigenous	88	80	29.20	24.33
Total	100	100	33.05	30.52
Packing materials				
Imported	1	1	0.26	0.21
Indigenous	99	99	50.41	41.19
Total	100	100	50.67	41.40



to the Consolidated Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 31: Net dividend remitted in foreign exchange

Particulars	For the year ended	For the year ended
Particulars	31 March 2015	31 March 2014
Period to which dividend relates to	2013-14	2012-13
Number of non-resident shareholders (Nos.)	2	3
Number of equity shares held on which dividend was due (Nos.)	43,620,465	48,894,465
Amount remitted USD 720,761 (Previous year USD 729,927 and JPY 8,768,080) (₹ in Crores)	4.36	4.89

Note 32: Earnings in foreign currency (accrual basis)

Particulars	For the year ended	For the year ended
Particulars	31 March 2015	31 March 2014
F.O.B. value of exports	596.72	685.62
Dividend	0.52	2.88
Sale of current investments (Gross consideration)	0.92	241.86

Note 33: Disclosure pursuant to Accounting Standard 15 on "Employee Benefits"

a) Defined contribution plans

An amount of ₹ 4.34 Crores (Previous year ₹ 4.98 Crores) for the year has been recognized as an expense in respect of the Holding Company's contributions towards Provident Fund which is deposited with the government authorities and has been included under employee benefit expenses in the Statement of Profit and Loss.

b) Defined benefit plans

Gratuity is payable to all eligible employees of the Holding Company on superannuation, death or permanent disablement in terms of the provisions of the Payment of Gratuity Act or as per the Group's Scheme, whichever is more beneficial.

The following table sets forth the status of the gratuity plan of the Group and the amounts recognised in the Balance Sheet and Statement of Profit and Loss:

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Changes in present value of obligation		
Present value of obligation as at the beginning of the year	12.61	12.01
Interest cost	1.05	1.00
Current service cost	0.99	0.99
Past service cost	-	-
Benefits paid	(0.54)	(0.78)
Actuarial (gain) / loss on obligation	(0.46)	(0.61)
Present value of obligation as at end of the year	13.65	12.61
- Long term	12.65	11.73
- Short term	1.00	0.88
Expenses recognized in the Statement of Profit and Loss		
Current service cost	0.99	0.99
Past service cost	-	-
Interest cost on benefit obligation	1.05	1.00
Net actuarial (gain) / loss recognised in the year	(0.46)	(0.61)
Expenses recognised in the Statement of Profit and Loss	1.58	1.38

to the Consolidated Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Experience adjustments (IRSL)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012	For the year ended 31 March 2011
Defined benefit obligation	13.64	12.61	12.00	11.26	11.11
Plan assets	-	-	-	-	-
Surplus / (deficit)	(13.64)	(12.61)	(12.00)	(11.26)	(11.11)
Experience adjustment on plan liabilities	0.81	0.59	0.22	(0.29)	(0.03)
Past service cost	-	-	-	-	0.43
Experience adjustment on plan assets	-	-	-	-	-

The principal assumptions used in determining gratuity for the Holding Company's plans are shown below:

Particulars	For the year ended	For the year ended
Particulars	31 March 2015	31 March 2014
Discounting rate	8.10%	8.30%
Retirement age	58 years	58 years
Salary Escalation Rate (per annum)	5%	5%
Withdrawal rates		
Age- Upto 30 years	3%	3%
31-44 years	2%	2%
Above 44 years	1%	1%
Mortality table	IALM (2006-08)	IALM (2006-08)

Discounting Rate: The discount rate is estimated based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligation.

Salary Escalation Rate: The estimates of salary increases, considered in actuarial valuation, take account of inflation, promotion and other relevant factors.

c) Other long term benefits:

An amount of ₹ 1.79 Crores (previous year ₹ 1.90 Crores) pertains to expense towards compensated absences and included in "Employee benefits expenses".



to the Consolidated Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

Note 34: Segment information:

(a) Information about primary business segment

The primary reporting of the Group has been performed on the basis of business segments. The Group is organised into two business segments – (a) Polyester (b) Renewable energy. Segments have been identified and reported based on the nature of the products/services, the risks and returns, the organisation structure and the internal financial reporting system.

For the year ended 31 March 2015

Revenue 2,708.90 32.51 2,741.41 Other operating income 52.48 2.88 55.36 Total revenue 2,761.38 35.39 2,796.77 Results Eagment profit 5.28 19.17 24.45 Unallocated income (other than interest income) 7.02 7.02 Profit before interest, taxation and exceptional items 31.47 1.47 Interest expense 6(4,00) 6(4,00) Interest income 2.95 (64,00) Interest income 2.95 (64,00) Interest expense 6(4,00) 15.02 Loss) before taxation and exceptional items (29.58) Exceptional items 15.02 Loss on inventory write down 15.02 Net Loss before tax 35.31 Income taxes (14.62) Net Loss after tax (20.69) Segment assets 1,590.81 211.07 1,801.88 Unallocated corporate assets 1,590.81 211.07 1,801.88 Segment liabilities 629.36 <t< th=""><th>Particulars</th><th>Polyester</th><th>Renewable Energy</th><th>Total</th></t<>	Particulars	Polyester	Renewable Energy	Total
Other operating income 52.48 2.88 55.36 Total revenue 2,761.38 35.39 2,796.77 Results	Revenue			
Total revenue 2,761.38 35.39 2,796.77 Results Capital Segment profit 5.28 19.17 24.45 Unallocated income (other than interest income) 7.02 7.02 Profit before interest, taxation and exceptional items (64.00) 31.47 Interest expense (64.00) (29.58) Interest income 2.95 (29.58) Exceptional items (29.58) (29.58) Exceptional items 15.02 (20.75) Loss on inventory write down (20.75) (20.75) Net Loss before tax (35.31) (35.31) Income taxes (14.62) (20.69) Net Loss after tax 20.69) 20.69) Segment assets 1,590.81 211.07 1,801.88 Unallocated corporate assets 1,590.81 211.07 1,888.03 Segment liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 548.38 70.02	Segment revenue (net of excise)	2,708.90	32.51	2,741.41
Results 5.28 19.17 24.45 Unallocated income (other than interest income) 7.02 Profit before interest, taxation and exceptional items 31.47 Interest expense (64.00) Interest income 2.95 (Loss) before taxation and exceptional items (29.58) Exceptional items - Foreign exchange fluctuation - Foreign exchange fluctuation 15.02 - Loss on inventory write down (20.75) Net Loss before tax (35.31) Income taxes (14.62) Net Loss after tax (20.69) Segment assets 1,590.81 211.07 1,801.88 Unallocated corporate assets 1,590.81 211.07 1,881.80 Segment liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 548.38 70.02 548.38 Total labilities 1,888.03 548.38 70.02 70.02 Capital expenditure 15.01 0.10 15.11 <td>Other operating income</td> <td>52.48</td> <td>2.88</td> <td>55.36</td>	Other operating income	52.48	2.88	55.36
Segment profit 5.28 19.17 24.45 Unallocated income (other than interest income) 7.02 Profit before interest, taxation and exceptional items 31.47 Interest expense (64.00) Interest income 2.95 (Loss) before taxation and exceptional items (29.58) Exceptional items - Foreign exchange fluctuation - Foreign exchange fluctuation 15.02 - Loss on inventory write down (20.75) Net Loss before tax (35.31) Income taxes (14.62) Net Loss after tax (20.69) Segment assets 1,590.81 211.07 1,801.88 Unallocated corporate assets 1,590.81 211.07 1,801.88 Segment liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 629.36 0.27 629.63 Shareholder's fund 548.38 548.38 Total liabilities 1,888.03 Capital expenditure 15.01 0.10 15.11	Total revenue	2,761.38	35.39	2,796.77
Unallocated income (other than interest income) 7.02 Profit before interest, taxation and exceptional items 31.47 Interest expense (64.00) Interest income 2.95 (Loss) before taxation and exceptional items (29.58) Exceptional items - Foreign exchange fluctuation - Foreign exchange fluctuation 15.02 - Loss on inventory write down (20.75) Net Loss before tax (35.31) Income taxes (14.62) Net Loss after tax (20.69) Segment assets 1,590.81 211.07 1,801.88 Unallocated corporate assets 86.15 86.15 1,888.03 Segment liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 710.02 548.38 Total liabilities 1,888.03 1,888.03 Capital expenditure 15.01 0.10 15.11	Results			
Profit before interest, taxation and exceptional items 31.47 Interest expense (64.00) Interest income 2.95 (Loss) before taxation and exceptional items (29.58) Exceptional items - - Foreign exchange fluctuation 15.02 - Loss on inventory write down (20.75) Net Loss before tax (35.31) Income taxes (14.62) Net Loss after tax (20.69) Segment assets 1,590.81 211.07 1,801.88 Unallocated corporate assets 86.15 1,888.03 Segment liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 710.02 548.38 Total liabilities 548.38 Total liabilities 1,888.03 Capital expenditure 15.01 0.10 15.11	Segment profit	5.28	19.17	24.45
Interest expense (64.00) Interest income 2.95 (Loss) before taxation and exceptional items (29.58) Exceptional items ————————————————————————————————————	Unallocated income (other than interest income)			7.02
Interest income 2.95 (Loss) before taxation and exceptional items (29.58) Exceptional items 15.02 - Foreign exchange fluctuation 15.02 - Loss on inventory write down (20.75) Net Loss before tax (35.31) Income taxes (20.69) Net Loss after tax (20.69) Segment assets 1,590.81 211.07 1,801.88 Unallocated corporate assets 86.15 86.15 70tal assets 1,888.03 Segment liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 710.02 548.38 Total liabilities 548.38 Total liabilities 1,888.03 Capital expenditure 15.01 0.10 15.11	Profit before interest, taxation and exceptional items			31.47
(Loss) before taxation and exceptional items (29.58) Exceptional items 15.02 - Foreign exchange fluctuation 15.02 - Loss on inventory write down (20.75) Net Loss before tax (35.31) Income taxes (14.62) Net Loss after tax (20.69) Segment assets 1,590.81 211.07 1,801.88 Unallocated corporate assets 86.15 Total assets 1,888.03 Segment liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 710.02 Shareholder's fund 548.38 Total liabilities 1,888.03 Capital expenditure 15.01 0.10 15.11	Interest expense			(64.00)
Exceptional items 15.02 - Foreign exchange fluctuation 15.02 - Loss on inventory write down (20.75) Net Loss before tax (35.31) Income taxes (14.62) Net Loss after tax (20.69) Segment assets 1,590.81 211.07 1,801.88 Unallocated corporate assets 86.15 Total assets 86.15 Segment liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 710.02 Shareholder's fund 548.38 Total liabilities 1,888.03 Capital expenditure 15.01 0.10 15.11	Interest income			2.95
- Foreign exchange fluctuation 15.02 - Loss on inventory write down (20.75) Net Loss before tax (35.31) Income taxes (14.62) Net Loss after tax (20.69) Segment assets 1,590.81 211.07 1,801.88 Unallocated corporate assets 86.15 Total assets 1,888.03 Segment liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 710.02 Shareholder's fund 548.38 Total liabilities 1,888.03 Capital expenditure 15.01 0.10 15.11	(Loss) before taxation and exceptional items			(29.58)
- Loss on inventory write down (20.75) Net Loss before tax (35.31) Income taxes (14.62) Net Loss after tax (20.69) Segment assets 1,590.81 211.07 1,801.88 Unallocated corporate assets 86.15 Total assets 86.15 Total of Liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 710.02 Shareholder's fund 548.38 Total liabilities 1,888.03 Capital expenditure 15.01 0.10 15.11	Exceptional items			
Net Loss before tax (35.31) Income taxes (14.62) Net Loss after tax (20.69) Segment assets 1,590.81 211.07 1,801.88 Unallocated corporate assets 86.15 Total assets 1,888.03 Segment liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 710.02 Shareholder's fund 548.38 Total liabilities 1,888.03 Capital expenditure 15.01 0.10 15.11	- Foreign exchange fluctuation			15.02
Income taxes (14.62) Net Loss after tax (20.69) Segment assets 1,590.81 211.07 1,801.88 Unallocated corporate assets 86.15 Total assets 1,888.03 Segment liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 710.02 Shareholder's fund 548.38 Total liabilities 1,888.03 Capital expenditure 15.01 0.10 15.11	- Loss on inventory write down			(20.75)
Net Loss after tax (20.69) Segment assets 1,590.81 211.07 1,801.88 Unallocated corporate assets 86.15 Total assets 1,888.03 Segment liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 710.02 Shareholder's fund 548.38 Total liabilities 1,888.03 Capital expenditure 15.01 0.10 15.11	Net Loss before tax			(35.31)
Segment assets 1,590.81 211.07 1,801.88 Unallocated corporate assets 86.15 Total assets 1,888.03 Segment liabilities 629.36 0.27 629.63 Unallocated corporate liabilities 710.02 Shareholder's fund 548.38 Total liabilities 1,888.03 Capital expenditure 15.01 0.10 15.11	Income taxes			(14.62)
Unallocated corporate assets86.15Total assets1,888.03Segment liabilities629.360.27629.63Unallocated corporate liabilities710.02Shareholder's fund548.38Total liabilities1,888.03Capital expenditure15.010.1015.11	Net Loss after tax			(20.69)
Total assets1,888.03Segment liabilities629.360.27629.63Unallocated corporate liabilities710.02Shareholder's fund548.38Total liabilities1,888.03Capital expenditure15.010.1015.11	Segment assets	1,590.81	211.07	1,801.88
Segment liabilities629.360.27629.63Unallocated corporate liabilities710.02Shareholder's fund548.38Total liabilities1,888.03Capital expenditure15.010.1015.11	Unallocated corporate assets			86.15
Unallocated corporate liabilities710.02Shareholder's fund548.38Total liabilities1,888.03Capital expenditure15.010.1015.11	Total assets			1,888.03
Shareholder's fund 548.38 Total liabilities 1,888.03 Capital expenditure 15.01 0.10 15.11	Segment liabilities	629.36	0.27	629.63
Total liabilities 1,888.03 Capital expenditure 15.01 0.10 15.11	Unallocated corporate liabilities			710.02
Capital expenditure 15.01 0.10 15.11	Shareholder's fund			548.38
	Total liabilities			1,888.03
Depreciation and amortisation 117.16 15.16 132.32	Capital expenditure	15.01	0.10	15.11
	Depreciation and amortisation	117.16	15.16	132.32

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(All amounts in ₹ Crores, unless otherwise stated)

For the year ended 31 March 2014

Revenue 2,592.63 19.26 2,611.89 Other operating income 44.82 1.66 46.48 Total revenue 2,637.45 20.92 2,658.37 Results (126.21) 9.13 (117.08) Segment profit/(loss) (126.21) 9.13 (117.08) Unallocated income (other than interest income) 232.89 115.81 Interest expense (49.73) 115.81 Interest expense (49.73) 2.79 Profit/(loss) before interest, taxation and exceptional items 68.87 2.79 Profit/(loss) before taxation and exceptional items 68.87 68.87 Exceptional items (99.51) (99.51) Net Loss before tax (30.64) (17.09) Net Loss after tax (30.64) (17.09) Net Loss after tax (13.55) 235.01 1,997.16 Unallocated corporate assets 1,762.15 235.01 1,997.16 Unallocated corporate liabilities 605.75 11.13 616.88 Unallocated corporate liabilities 6	Particulars	Polyester	Renewable Energy	Total
Other operating income 44.82 1.66 46.48 Total revenue 2,637.45 20.92 2,658.37 Results Comment of the control o	Revenue			
Total revenue 2,637.45 20.92 2,658.37 Results (126.21) 9.13 (117.08) Unallocated income (other than interest income) 232.89 Profit/(loss) before interest, taxation and exceptional items (19.32) Interest expense (49.73) Interest income 2.79 Profit/(loss) before taxation and exceptional items 6.279 Exceptional items 6.279 Foreign exchange fluctuation (99.51) Net Loss before tax (30.64) Income taxes (17.09) Net Loss after tax (30.64) Segment assets 1,762.15 235.01 1,997.16 Unallocated corporate assets 1,762.15 235.01 1,997.16 Total assets 605.75 11.13 616.88 Unallocated corporate liabilities 605.75 11.13 616.88 Unallocated corporate liabilities 605.75 11.13 616.88 <t< td=""><td>Segment revenue (net of excise)</td><td>2,592.63</td><td>19.26</td><td>2,611.89</td></t<>	Segment revenue (net of excise)	2,592.63	19.26	2,611.89
Results (126.21) 9.13 (117.08) Unallocated income (other than interest income) 232.89 Profit/(loss) before interest, taxation and exceptional items 115.81 Interest expense (49.73) Interest income 2.79 Profit/(loss) before taxation and exceptional items 68.87 Exceptional items (99.51) Foreign exchange fluctuation (99.51) Net Loss before tax (30.64) Income taxes (17.09) Net Loss after tax (17.09) Segment assets 1,762.15 235.01 1,997.16 Unallocated corporate assets 605.75 235.01 1,997.16 Segment liabilities 605.75 11.13 616.82 Unallocated corporate liabilities 605.75 11.13 616.82 Shareholder's fund 587.34 70.06 70.07 Total liabilities 2,069.17 70.07 70.07 70.07 70.07 70.07 70.07 70.07 70.07 70.07 70.07 70.07 70.07 70.07	Other operating income	44.82	1.66	46.48
Segment profit/(loss) (126.21) 9.13 (117.08) Unallocated income (other than interest income) 232.89 Profit/(loss) before interest, taxation and exceptional items 115.81 Interest expense (49.73) Interest income 2.79 Profit/(loss) before taxation and exceptional items 68.87 Exceptional items - Foreign exchange fluctuation (99.51) Net Loss before tax (30.64) Income taxes (17.09) Net Loss after tax (13.55) Segment assets 1,762.15 235.01 1,997.16 Unallocated corporate assets 72.01 Total assets 2,069.17 2,069.17 Segment liabilities 605.75 11.13 616.88 Unallocated corporate liabilities 864.95 587.34 Total liabilities 2,069.17 587.34 Total liabilities 2,069.17 60.00 60.00 60.00 60.00 60.00 60.00 60.00 60.00 60.00 60.00 60.00 60.00 60.00 60.00	Total revenue	2,637.45	20.92	2,658.37
Unallocated income (other than interest income) 232.89 Profit/(loss) before interest, taxation and exceptional items 115.81 Interest expense (49.73) Interest income 2.79 Profit/(loss) before taxation and exceptional items 68.87 Exceptional items (99.51) Foreign exchange fluctuation (99.51) Net Loss before tax (17.09) Income taxes (17.09) Net Loss after tax (13.55) Segment assets 1,762.15 235.01 1,997.16 Unallocated corporate assets 72.01 Total assets 605.75 11.13 616.88 Unallocated corporate liabilities 605.75 11.13 616.88 Unallocated corporate liabilities 864.95 587.34 Total liabilities 2,069.17 Capital expenditure (net) 30.02 16.42 46.44	Results			
Profit/(loss) before interest, taxation and exceptional items 115.81 Interest expense (49.73) Interest income 2.79 Profit/(loss) before taxation and exceptional items 68.87 Exceptional items (99.51) For eign exchange fluctuation (99.51) Net Loss before tax (30.64) Income taxes (17.09) Net Loss after tax (13.55) Segment assets 1,762.15 235.01 1,997.16 Unallocated corporate assets 72.01 72.01 Total assets 2,069.17 605.75 11.13 616.88 Unallocated corporate liabilities 605.75 11.13 616.88 Unallocated corporate liabilities 864.95 587.34 Total liabilities 2,069.17 Capital expenditure (net) 30.02 16.42 46.44	Segment profit/(loss)	(126.21)	9.13	(117.08)
Interest expense (49.73) Interest income 2.79 Profit/(loss) before taxation and exceptional items 68.87 Exceptional items (99.51) - Foreign exchange fluctuation (99.51) Net Loss before tax (30.64) Income taxes (17.09) Net Loss after tax (13.55) Segment assets 1,762.15 235.01 1,997.16 Unallocated corporate assets 72.01 72.01 Total assets 2,069.17 605.75 11.13 616.88 Unallocated corporate liabilities 864.95 864.95 864.95 Shareholder's fund 587.34 70tal liabilities 2,069.17 Capital expenditure (net) 30.02 16.42 46.44	Unallocated income (other than interest income)	<u> </u>		232.89
Description	Profit/(loss) before interest, taxation and exceptional items			115.81
Profit/(loss) before taxation and exceptional itemsExceptional items(99.51)- Foreign exchange fluctuation(99.51)Net Loss before tax(30.64)Income taxes(17.09)Net Loss after tax(13.55)Segment assets1,762.15235.01Unallocated corporate assets72.01Total assets2,069.17Segment liabilities605.7511.13616.88Unallocated corporate liabilities864.95Shareholder's fund587.34Total liabilities2,069.17Capital expenditure (net)30.0216.4246.44	Interest expense	<u> </u>		(49.73)
Exceptional items (99.51) - Foreign exchange fluctuation (99.51) Net Loss before tax (30.64) Income taxes (17.09) Net Loss after tax (13.55) Segment assets 1,762.15 235.01 1,997.16 Unallocated corporate assets 72.01 Total assets 2,069.17 Segment liabilities 605.75 11.13 616.88 Unallocated corporate liabilities 864.95 Shareholder's fund 587.34 Total liabilities 2,069.17 Capital expenditure (net) 30.02 16.42 46.44	Interest income	<u> </u>		2.79
- Foreign exchange fluctuation (99.51) Net Loss before tax (30.64) Income taxes (17.09) Net Loss after tax (13.55) Segment assets 1,762.15 235.01 1,997.16 Unallocated corporate assets 72.01 Total assets 2,069.17 Segment liabilities 605.75 11.13 616.88 Unallocated corporate liabilities 864.95 Shareholder's fund 587.34 Total liabilities 2,069.17 Capital expenditure (net) 30.02 16.42 46.44	Profit/(loss) before taxation and exceptional items			68.87
Net Loss before tax (30.64) Income taxes (17.09) Net Loss after tax (13.55) Segment assets 1,762.15 235.01 1,997.16 Unallocated corporate assets 72.01 Total assets 2,069.17 Segment liabilities 605.75 11.13 616.88 Unallocated corporate liabilities 864.95 Shareholder's fund 587.34 Total liabilities 2,069.17 Capital expenditure (net) 30.02 16.42 46.44	Exceptional items			
Income taxes (17.09) Net Loss after tax (13.55) Segment assets 1,762.15 235.01 1,997.16 Unallocated corporate assets 72.01 Total assets 2,069.17 Segment liabilities 605.75 11.13 616.88 Unallocated corporate liabilities 864.95 Shareholder's fund 587.34 Total liabilities 2,069.17 Capital expenditure (net) 30.02 16.42 46.44	- Foreign exchange fluctuation			(99.51)
Net Loss after tax (13.55) Segment assets 1,762.15 235.01 1,997.16 Unallocated corporate assets 72.01 Total assets 2,069.17 Segment liabilities 605.75 11.13 616.88 Unallocated corporate liabilities 864.95 Shareholder's fund 587.34 Total liabilities 2,069.17 Capital expenditure (net) 30.02 16.42 46.44	Net Loss before tax			(30.64)
Segment assets 1,762.15 235.01 1,997.16 Unallocated corporate assets 72.01 Total assets 2,069.17 Segment liabilities 605.75 11.13 616.88 Unallocated corporate liabilities 864.95 Shareholder's fund 587.34 Total liabilities 2,069.17 Capital expenditure (net) 30.02 16.42 46.44	Income taxes			(17.09)
Unallocated corporate assets 72.01 Total assets 2,069.17 Segment liabilities 605.75 11.13 616.88 Unallocated corporate liabilities 864.95 Shareholder's fund 587.34 Total liabilities 2,069.17 Capital expenditure (net) 30.02 16.42 46.44	Net Loss after tax			(13.55)
Total assets2,069.17Segment liabilities605.7511.13616.88Unallocated corporate liabilities864.95Shareholder's fund587.34Total liabilities2,069.17Capital expenditure (net)30.0216.4246.44	Segment assets	1,762.15	235.01	1,997.16
Segment liabilities605.7511.13616.88Unallocated corporate liabilities864.95Shareholder's fund587.34Total liabilities2,069.17Capital expenditure (net)30.0216.4246.44	Unallocated corporate assets			72.01
Unallocated corporate liabilities864.95Shareholder's fund587.34Total liabilities2,069.17Capital expenditure (net)30.0216.42	Total assets			2,069.17
Shareholder's fund 587.34 Total liabilities 2,069.17 Capital expenditure (net) 30.02 16.42 46.44	Segment liabilities	605.75	11.13	616.88
Total liabilities 2,069.17 Capital expenditure (net) 30.02 16.42 46.44	Unallocated corporate liabilities			864.95
Capital expenditure (net) 30.02 16.42 46.44	Shareholder's fund			587.34
	Total liabilities			2,069.17
Derivaciation and amortication 12512 0.26 1/2/0	Capital expenditure (net)	30.02	16.42	46.44
Depreciation and amortisation 135.12 8.36 143.48	Depreciation and amortisation	135.12	8.36	143.48

(b) Information on secondary/ geographical segment

The Group sells polyster products to various manufacturers within the country and also exports to other companies. Further, the Group sells renewable energy to State Government of Maharashtra. Considering the size and proportion of exports to local sales, the Group considers sales made within the country and exports as two geographical segments. Information of geographical segment is based on the geographical location of the customers.

Particulars	2014-15	2013-14
Segment revenue		
Domestic	2,180.74	1,953.87
Overseas	616.03	704.50
Total	2,796.77	2,658.37
Segment receivables		
Domestic	96.13	72.65
Overseas	23.64	41.51
Total	119.77	114.16

Note: All assets of the Company are located in India except as mentioned above.



to the Consolidated Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

(c) Accounting policies for segment

The accounting principles consistently used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in individual segments are as set out in this schedule on significant accounting policies. In addition, the accounting policies in relation to segment accounting are as follows:

(i) Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of fixed assets, capital work in progress, current and non-current assets and long term and short term loans and advances except advance tax, MAT credit entitlement and investments. Segment liabilities include all operating liabilities in respect of a segment and consist principally of creditors and accrued liabilities. Segment liabilities do not include share capital, reserves, borrowings, proposed dividend, provision for tax and deferred tax liability.

(ii) Segment revenue and expenses

Segment revenue and expenses are directly attributable to the segment and have been allocated to various segments on the basis of specific identification. However, segment revenue and expenses do not include interest and other income/expense in respect of non segmental activities.

Note 35: Related party disclosures

- (i) Related parties where control exists: Nil
- (ii) Other related parties with whom Group had transactions:

Key management personnel and their relatives	Mr. Mohan Lal Lohia, Chairman Emeritus					
	Mr. Om Prakash Lohia, Chairman cum Managing Director ('CMD')					
	Mr. Vishal Lohia, Whole Time Director ('WTD')					
	Mr. Anant Kishore (Executive Director)					
	Mr. R Narayan Kumar (Executive Director till 31 October 2013)					
	Mr. Sanjay Syal (Executive Director till 13 November 2014)					
	Mr. Sanjeev Aggarwal (Executive Director since 13 November 2014)					
	Mr. Jayant K Sood (Company Secretary)					
	Mrs. Urmila Lohia, wife of CMD					
	Mr. Aloke Lohia, Brother of CMD					
	Mrs. Ritika Kumar, Daughter of CMD					
	Ms. Aruna Goenka, Sister of CMD					
	Mrs. Rimple Lohia, Wife of WTD					
, , , , , , , , , , , , , , , , , , , ,	Indo Rama Petrochem Limited (IRPL), Thailand					
or their relatives have significant influence	T P T Petrochemicals PCL (TPT Petro), Thailand					
	P.T. Indo Rama Synthetics TBK, Jakarta					
	P T Indorama Petrochemicals, Indonesia					
Enterprises having significant influence	Brookgrange Investments Limited					
	Enterprises over which key management personnel or their relatives have significant influence					

to the Consolidated Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

(iii) Transactions with related parties for the year ended 31 March 2015:

Particulars	Key Management Personnel	Enterprises over which key management personnel or their relatives have significant influence	Enterprises having significant influence	Total
Purchases of raw material				
- Indorama Petrochem Limited		410.83		410.83
		(562.50)		(562.50)
- TPT Petrochemicals Public Co. Ltd		329.25		329.25
		(346.07)		(346.07)
- P T Indorama Petrochemicals		16.94		16.94
		(-)		(-)
Sale of finished goods and purchase of spares	-			
- P T Indo Rama Synthetics, TBK		(2.22)		(0.02)
Managerial remuneration *	·	(0.03)		(0.03)
- Mr. Om Prakash Lohia	2.83		·	2.83
- MI. OIII FIARASII LOIIIA	(2.55)			(2.55)
- Mr. Vishal Lohia	2.08			2.08
Mi. Visitat Edita	(1.89)			(1.89)
- Mr. Ashok Jagjivan Gupta	- (1.07)			- (1.07)
	(0.42)			(0.42)
- Mr. Anant Kishore	1.06			1.06
	(0.58)			(0.58)
- Mr. R Narayan Kumar	-			
	(0.96)			(0.96)
- Mr. Sanjay Syal	0.63			0.63
	(0.29)			(0.29)
-Mr. Sanjeev Aggarwal	0.56			0.56
	(-)			(-)
Dividend				
- Brookerange Investments Limited			4.33	4.33
			(4.33)	(4.33)
- Mr. Om Prakash Lohia	3.54			3.54
- Mrs. Urmila Lohia	(3.50) 1.59			(3.50)
- MIS. Offilita Lottia	(1.59)			(1.59)
- Others	0.73			0.73
others	(0.73)			(0.73)
Balances outstanding as at the year end:	(61.6)			(01.0)
- Indorama Petrochem Limited (Trade payable)		61.15		61.15
		(148.16)		(148.16)
- TPT Petrochemicals Public Co.Ltd. (Trade payable)		90.80		90.80
		(66.54)		(66.54)
- P T Indorama Petrochemicals (Trade Payable)		16.95		16.95
		(-)		(-)
- P T Indorama Synthetics, TBK (Trade receivable)				
		(0.03)		(0.03)

^{*} excludes expenditure towards retirement benefits and compensated absences, since the same are based on actuarial valuations for the Group as a whole. Personal guarantee has been given by Mr. Om Prakash Lohia (CMD) and Mr. Vishal Lohia (WTD) in respect of loan taken by the Holding Company amounting to ₹ 65.63 Crores (previous year ₹ 72.31 Crores).

Note: Previous year figures have been given in brackets.



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(All amounts in ₹ Crores, unless otherwise stated)

Note 36: Long-term obligations in respect of operating lease

The Holding Company has taken office space on operating lease. The lease rentals charged during the year in respect of cancellable and non cancellable operating leases and maximum obligations on long term non-cancellable operating lease payable as per the rentals stated in the agreement are as follows:

Particulars	For the year ended	For the year ended
Particulars	31 March 2015	31 March 2014
Lease rental expense	5.65	4.75
	Total future	Total future
Particulare	minimum lease	minimum lease
Particulars	rentals payable as	rentals payable as
	on 31 March 2015	on 31 March 2014
Within one year	1.67	1.68
Later than one year and not later than five years	3.98	5.64
Later than five years	-	
TOTAL	5.65	7.32

Note 37: Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities:

Claims against the Holding Company not acknowledged as debts.

Particulars	45 at 31 March 2015	AS at 31 March 2014
Excise / customs / service tax matters in dispute/ under appeal	62.83	63.19
Income tax matters in dispute/ under appeal	11.88	15.52
Sales tax matters in dispute/ under appeal	11.04	6.46
Claims by ex-employees, vendors, customers and civil cases	0.84	0.71

- Customs duty claims (including penalties) against the Holding Company aggregating to ₹ 214.25 Crores (previous year ₹ 214.25 Crores) have not been considered contingent as favourable orders have been received, in some of the cases, by the Holding Company from the CESTAT. The Holding Company believes, that its position is strong in this regard. The matter is pending with the Honorable Supreme Court. In addition, the Holding Company has also received a show cause notice amounting to ₹ 6 Crores.
- Holding Company is in the process of finalizing a compensation arrangement with its workers union for the past few years, starting November 2011 and the matter is pending with the Labour Court of Nagpur. During the previous year, the Holding Company received an interim order from the Court to pay an interim increment w.e.f. November 2013, pending the final judgment. As and when the final judgment is received, the Holding Company would accrue and pay for any differential compensation.
- During the previous year, L&T Infrastructure Finance Company Limited, had imposed a penal interest of ₹ 1.10 crores for non-creation of securities as per the terms of loan agreement. During the year, the subsidiary company has settled the said demand for ₹ 0.64 crores which has been subsequently paid by the Company as per stipulated time line.

The Group believes that the above issues, when finally settled, are not likely to have any significant impact on the financial position of the Group.

Commitments:

a) Estimated amount of contracts remaining to be executed on capital account of Holding Company and not provided for (net of advances) is ₹ 25.48 Crores (previous year ₹ 10.82 Crores).

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(All amounts in ₹ Crores, unless otherwise stated)

- b) IRRL Irrevocable and unconditional corporate guarantee against loan taken by subsidiary company, Indo Rama Renewables Jath Limited from financial institution.
- c) IRRPL Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounts to ₹ 2.20 Crores (previous year ₹ 2.20 Crores).
- d) IRRRL Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounts to ₹ 8.60 Crores (previous year ₹ 8.60 Crores).
- e) On 25 January 2012, the Holding Company has entered into a memorandum of understanding ('MOU') with Indorama Ventures PCL, Thailand, for manufacturing of Purified Terepthalic Acid (PTA) and downstream products Polyethylene (PET) and Polyester Staple Fiber (PSF). As a part of the above process, the Group has entered into a Memorandum of Understanding (MOU) with Government of Tamil Nadu to set up the above project. The project continues to be at an initial stage of conceptualization.
- f) The Holding Company has commitments to export 285,985 MT (previous year 264,077 MT) of finished goods as per foreign trade policy pursuant to import of duty free material under advance license scheme.

Note 38: Derivative instruments and unhedged foreign currency exposure

(a) Foreign currency forward contracts outstanding:

Purpose	As at 31 March 2015				As at 31 March	
	USD	INR	USD	INR		
	Millions	Crores	Millions	Crores		
Hedging of expected future exports (Sell)	126.40	789.93	141.35	846.82		
Hedging of underlying imports (Buy)	-	-	25.15	150.68		

(b) Particulars of unhedged foreign currency exposure:

Particulars	Currency	As	at 31 March 20)15	As	at 31 March 20)14
		Amount in foreign currency (Millions)	in foreign rate currency (in absolute		Amount in foreign currency (Millions)	Exchange rate (in absolute rupees)	Amount (in ₹ Crores)
Trade payables	USD	51.31	62.505	320.73	55.63	59.92	333.31
	Euro	0.02	67.21	0.15	0.02	82.28	0.16
	JPY	79.52	0.52	4.14	49.17	0.59	2.88
	AED	4.81	17.02	8.19	-	-	-
Advance from customers	USD	0.70	62.505	4.36	0.25	59.92	1.52
Loans (including interest payable)	USD	32.23	62.505	201.43	35.87	59.92	214.94
	Euro	6.81	67.21	45.77	13.76	82.28	113.23

Note 39: Insurance claim receivables:

(a) The Holding Company had lodged claims with its insurance company for the loss of certain assets and loss suffered due to business interruption under loss of profit policy relating to a fire incidence at Butibori plant in 2007-08. Since, the matter has been under dispute with the insurance company, as per the terms and conditions of the above policy, the Holding Company has, during the previous years, initiated the arbitration process for a claim of ₹ 72.94 Crores for loss of business interruption and for the claim of ₹ 6.43 Crores for loss of assets. While the said matter was pending conclusion by the Arbitral Tribunal, the Holding Company, on a conservative basis, carried forward insurance recoverable (recorded in the financial year ended 31 March 2008) to the extent of



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(All amounts in ₹ Crores, unless otherwise stated)

₹ 33.53 Crores (net of receipt/adjustment) as advances recoverable, without prejudice to its right to claims aggregating ₹ 79.37 Crores. On 1 August 2012, the Arbitral Tribunal decided the matter in the favour of the Holding Company with an award of ₹ 32.45 Crores (net off receipt/adjustment) and interest at 9% per annum from July 2008 till the date of payment. Pursuant to the above award, the Holding Company had during the year 2012-13 recorded the interest receivable amounting to ₹ 11.69 Crores upto July 2012 (the date of order) and aligned the carrying amount of insurance claim. The Insurance Company had filed an appeal in the Delhi High Court against the same. On 20 January 2015, the Delhi High Court Single bench pronounced the order wherein the Court has remanded the matter back to Arbitral Tribunal for computation of claim on "turnover basis". Subsequently, the Holding Company had filed an appeal with the Delhi High Court double bench and an interim stay has been awarded pending disposal. As a matter of prudence, the Holding Company has not recognized the interest for the period after July 2012 based on the earlier arbitral tribunal's favourable judgment and also as legally advised, the Holding Company is of the view that the amounts carried forward are fully recoverable.

(b) Consequent to an incident of fire during the year 2011-12, the Holding Company had spent ₹ 7.58 Crores on refurbishment of the concerned plant and machinery, which has been recognized as a receivable from the insurance company under other current assets. During the previous year, the management has submitted the claims to the surveyor. The final settlement is pending with insurance company.

Further, the Holding Company strongly believes and is reasonably certain that the above cases do not have any significant impact on the financial position of the Holding Company and it will be able to realize the above amounts in the normal course and, therefore, all the claims have been classified as current.

Note 40: Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of 'The Micro, Small and Medium Enterprises Development Act', 2006, are given below:

Sl. no.	Particulars	2014-15	2013-14
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
	- principal amount - interest thereon	*	*
(ii)	the amount of interest paid in terms of section 16, along with the amounts of the payment made to the suppliers beyond the appointed day:		
	-principal amount -interest thereon	**	**
(iii)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	#	#
(iv)	the amount of interest accrued and remaining unpaid	##	##
(v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act	-	

^{* ₹ 24} thousand (previous year ₹ 99 thousand)

Note 41: The Holding Company's business mainly comprises manufacture of polyester.

During the past few years, there has been significant volatility in raw material prices which are linked with crude

oil prices and is subject to foreign exchange fluctuations. In comparison, the sales realization in the industry has been low in comparison to the raw material price variations. In addition, stiff competition in certain products, low capacity utilisation, high inflation, high interest rates and weakened rupee has resulted in a temporary phase of low operating

^{** ₹ 893} thousand (previous year ₹ 396 thousand)

^{# ₹ 15} thousand (previous year ₹ 8 thousand)

^{##₹99} thousand (previous year ₹84 thousand)

to the Consolidated Financial Statements for the year ended 31 March 2015

(All amounts in ₹ Crores, unless otherwise stated)

margins/losses in the recent past and also accumulation of significant unabsorbed depreciation as per tax laws. However, the Holding Company's products command a premium in the market due to cost competitiveness and quality standards and its premium product lines are operating at full capacity. The Holding Company has internally assessed its position and the future outlook and has also initiated various measures including strategic steps to ensure profitable operations. To achieve the projected level of profitability, the Holding Company has initiated steps including increase in the capacity for its premium products by making further investment in the product line and is also confident of the market demand for the increased production. These actions would be coupled with other initiatives which include cost saving measures, exploration of new markets especially exports, streamlined utilisation of export benefits, developing backward integration facilities towards producing certain key input materials. The Holding Company is also arranging for funds to meet the above plans. Accordingly, the Holding Company believes that considering the expected investment and resultant profitability over the next year and in future years, no provision is required for impairment of assets and is confident that the MAT Credits carried at the end of

the year is fully recoverable and there are no indications of impairment of assets.

Note 42: The Holding Company had made an early application, since the year 2010-11, of Accounting Standard 30 "Financial Instruments- Recognition and Measurement", issued by the Institute of Chartered Accountants of India for accounting for forward exchange contracts taken for highly probable / forecast transactions, which are not covered by Accounting Standard 11. An amount of ₹ 4.69 Crores has been recognized as an expense (previous year an expense of ₹ 10.40 Crores) in the financial statements for the year ended 31 March 2015 and included in exceptional items as an adjustment on the said application of Accounting Standard 30. During the current and previous year, due to significant volatility in the foreign currency vis-à-vis local currency, the Holding Company has considered the foreign exchange fluctuation as an exceptional item in the Statement of Profit and Loss.

Note 43: During the current year, due to unprecedented fall in global prices of crude oil, the Holding Company has incurred a loss of ₹ 20.75 Crores (i.e. ₹ 15.26 Crores for raw material and ₹ 5.49 Crores for finished goods) on account of write down of inventories which has been considered as an exceptional item.

Note 44: CSR expenditure

- (a) Gross amount required to be spent by the Company during the year: ₹ 0.36 Crores
- (b) Amount spent during the year is as follows:

Sr. No.	Particulars	In cash	Yet to be paid in cash	Total
1	Promotion of Education	0.17	-	0.17
2	Health Care	0.01	-	0.01

Note 45: The Holding Company has considered it as appropriate to include interest of ₹ 9.41 crore (previous year ₹ 8.33 crore), received from customers as other operating income which hitherto was considered as other income upto the previous year.

Note 46: The figures relating to the previous year have been regrouped and reclassified wherever necessary to conform to the current year's classification.

As per our report attached.

For BSR and Associates

Chartered Accountants

ICAI Firm registration number: 128901W

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

Kaushal Kishore

Membership No.: 090075

: Gurgaon

: 18 May 2015

Chairman and Managing Director

DIN: 00206807

Jayant K Sood

Company Secretary ICSI Membership No.: FCS 4482

Place : Gurgaon Date : 18 May 2015

Om Prakash Lohia

Ashok Kumar Ladha

Director DIN: 00089360

Sanjeev Aggarwal

President and Chief Financial Officer ICAI Membership No.: 089369

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Place

Date:

₹ in Crores

FORM AOC - 1

Information related to subsidiaries including subsidiaries of subsidiaries: (Pursuant to first proviso to Sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014).

Country	India	India	India	India
% of Shareholding	100%	100%	100%	100%
Proposed Dividend	- (-)	- (-)	- (-)	- (-)
Loss(-)/ Profit After Taxation	-0.19	1.05	-0.01	-0.01
Provision for Taxation / (credit)	· ①	-2.13	- (-)	- (-)
Loss(-)/ Profit Before Taxation	-0.19	-1.08	-0.01	-0.02
Turnover/ Total Income	0.08	35.47 (20.92)	- (-)	- (-)
Investments	- ①	11.98	- (-)	- (-)
Total Liabilities	83.94 (81.59)	217.54 (226.74)	2.49 (2.47)	2.33 (2.32)
Total Assets	83.94 (81.59)	217.54 (226.74)	2.49 (2.47)	2.33
Capital Reserves	-1.26	-4.14 (-5.19)	-0.05	-0.08
	39.85	60.30 (56.78)	0.05	0.05
Reporting Currency	INR	INR	INR	INR
Name of Subsidiary Company	Indo Rama Renewables Limited	Indo Rama Renewables Jath Limited	Indo Rama Renewables Porbandar Limited	Indo Rama Renewables Ramgarh Limited
S.No.	_	2	3	4

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TEN YEARS AT A GLANCE

Financial Highlights

Year ended 31st March	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Sales & Other Income (₹/Million)	30,242	31,050	34,072	33,883	30,446	26,899	25,962	28,592	22,177	21,647
(Of which Exports Turnover) (₹/Million)	6,796	7,448	8,421	9,089	8,053	5,296	4,228	5,347	3,400	3,291
PBDIT (₹/Million) *	1,265	1,451	2,432	2,538	4,279	2,338	1,348	2,573	1,807	1,947
Finance costs (₹/Million)	434	352	445	612	697	770	1,138	1,029	396	295
Profit before Depreciation / Amortisation and Tax (₹/Million) *	831	1,099	1,987	1,926	3,582	1,568	210	1,544	1,411	1,652
Depreciation/DRE-W/O (₹/Million)	1,172	1,351	1,580	1,544	1,499	1,491	1,515	1,473	1,068	981
Profit/(Loss) before Tax (₹/Million)	(340)	(253)	407	382	2,083	76	(1,305)	71	343	672
Profit/(Loss) after Tax (₹/Million)	(215)	(82)	413	320	1,394	71	(978)	30	206	518
Earning/(Loss) per Share (₹)	(1.42)	(0.54)	2.72	2.11	9.18	0.47	(6.44)	0.20	1.57	3.93
Gross Fixed Assets (₹/Million)	32,185	32,505	32,235	31,696	30,542	30,327	30,723	30,109	28,060	20,734
Net Current Assets/ (Liabilities) (₹/Million)	70	854	1,049	840	829	316	(164)	1,360	54	(1,522)
Equity Capital (₹/Million)	1,518	1,518	1,518	1,518	1,518	1,518	1,518	1,518	1,318	1,318
Reserves & Surplus # (₹/Million)	4,021	4,419	4,566	4,475	4,477	3,569	3,636	4,817	5,273	5,357
Loan Funds (₹/Million)	3,725	5,110	5,660	5,872	6,085	8,711	10,134	10,961	9,418	5,609
Net Worth # (₹/Million)	5,539	5,937	6,287	6,196	6,198	5,087	5,154	6,335	6,591	6,675
Book Value/Share (Rs.)	36.48	39.11	41.41	40.82	40.83	33.51	34	42	50	51
Sales/Share Capital (Times)	19.92	20.45	22.45	22.32	20.06	17.72	17	19	16	16

 $^{^{\}star}$ Including Exceptional items, for 2014-15, 2013-14, 2012-13, 2011-12 & 2010-11 # Includes Revaluation of Assets.

Note: Figures of the previous year are regrouped wherever necessary.

MARKETING OFFICES

Bhilwara

Shop No. G1, G2, Nakoda Textile Tower, Trilok Marg - Gandhinagar, Bhilwara-311001, Rajasthan, India Tel: 01482-248576 Telefax: 01482-248733

Coimbatore

Sarang, 1st Floor, 8/5, Race Course Road, Coimbatore-641 018, Tamil Nadu, India Tel: 0422-2220456 Fax: 0422-2220658

Erode

37/3, 'G Tower', Perundurai Road, Erode-638011, Tamil Nadu, India Telefax: 0424-2240847

Gurgaon

20th Floor, DLF Square, DLF Phase-II, NH-8, Gurgaon-122 002, Haryana, India Tel: 0124-499 7000

Fax: 0124-499 7070

Hyderabad

House No 12-1-1314-/A/5, Laxmi Nagar, North Lalaguda, Secunderabad – 500 017 Andhra Pradesh, India

Kolkata

7-C, Kiran Shankar Roy Road, Hastings Chambers, Ground Floor, Room No-GX, Kolkata-700001, West Bengal, India

Ludhiana

B-XIX-122/2, 4th Floor, Golden Plaza, The Mall Road, Ludhiana-141 001, Punjab, India Tel: 0161-2442752 / 5045068

Mumbai

The Metropolitan, 6th Floor, Bandra Kurla Complex, Bandra (East), Mumbai-400 051, Maharashtra, India Tel: 022-26571234 Fax: 022-26571222

Silvassa

A/9, 1st Floor, Gurukrupa Business Centre, Opp. Kotak Mahindra Bank, Vapi Main Road, Amli, Silvassa-396230, UT of Dadra & Nagar Haveli, India Tel: 0260-2643416/17, 2644519

Surat

202, Trividh Chambers, Opp. Fire Brigade Station, Ring Road, Surat-395 002, Gujarat, India Tel: 0261-2339368 / 2350701 / 2350687

MANUFACTURING COMPLEX

A-31, MIDC Industrial Area, Butibori, Nagpur – 441122, Maharashtra, India. Tel: 07104 - 663 000/01,

Fax: 07104 - 663 200



Corporate Office

20th Floor, DLF Square, DLF Phase II, NH 8, Gurgaon - 122002, Haryana, India. Tel.: 91 124 4997000, Fax: 91 124 4997070 E-mail: corp@indorama-ind.com

Registered Office

A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, India. Tel: 91 7104 663 000/01, Fax: 91 7104 663200

CIN: L17124MH1986PLC166615

www.indoramaindia.com

INDO RAMA SYNTHETICS (INDIA) LIMITED

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

NOTICE

NOTICE is hereby given that the 29th Annual General Meeting of the Members of Indo Rama Synthetics (India) Limited will be held on Thursday, 30th July 2015, at 1:30 PM, at the Registered Office of the Company at A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, to transact the following business:-

ORDINARY BUSINESS

- To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) for the Financial Year ended 31st March 2015 and the Reports of the Directors and Auditors thereon.
- 2. To declare dividend on equity shares for the financial year ended 31st March 2015.
- To appoint a Director in place of Mr. Vishal Lohia (DIN 00206458), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
- 4. To ratify the appointment of M/s B S R and Associates, CharteredAccountants, Gurgaon (ICAI Firm Registration No. 128901W), as approved by the Members at the 28th Annual General Meeting as Statutory Auditors of the Company, to hold office until the conclusion of 31st Annual General Meeting and to fix their remuneration for the financial year ended 31st March 2016.

SPECIAL BUSINESS

Appointment of Ms. Ranjana Agarwal (DIN 03340032) as an Independent Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV of the said Act, Ms. Ranjana Agarwal (DIN 03340032), who was appointed as an Additional Director of the Company with effect from 18th May 2015 under Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 18th May 2015."

6. To enter into Related Party Transactions.

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

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with Rules issued thereunder, including the Companies (Meetings of Board and its powers) Rules, 2014 including any statutory modification(s) or re-enactments thereof for the time being in force, and Clause 49 of the Listing Agreement read with Circular No. CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014 as modified by Circular No. CIR/CFD/ POLICY CELL/7/2014 dated 15th September 2014, issued by the Securities and Exchange Board of India (SEBI), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company for the contracts / arrangements / transactions with the related parties for the financial years 2014-15 and 2015-16, for (a) sale, purchase or supply of any goods or materials directly or through appointment of agent, and (b) availing or rendering of any services whether technical and/or financial and/or both, more particularly described in the Explanatory Statement, for an aggregate maximum amount not exceeding financial year by Rs. 1,000 Crore (Rupees One Thousand Crore

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

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

7. Ratification of Cost Auditors Remuneration.

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

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, payment of Remuneration of Rs. 1,80,000/- (apart from reimbursement out of pocket expenses and applicable taxes) to M/s. Balaji & Associates, Cost Accountants, New Delhi (Firm Registration No. 000112), who were appointed by the Board of Directors in their Meeting held on 18th May 2015 for conducting the audit of cost records of the Company for the financial year ending 31st March 2016, be and is hereby approved and ratified:

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

8. To adopt new set of Articles of Association of the Company pursuant to the Companies Act, 2013.

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 14 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, a new set of Articles of Association, placed before the Members, be and is hereby adopted and substituted in place of the existing Articles of Association of the Company;

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

By Order of the Board of Directors

Jayant K Sood Head-Corporate & Company Secretary FCS No. 4482

Place: Gurgaon
Date: 18th May 2015

Registered Office:

A-31, MIDC Industrial Area Butibori, Nagpur - 441122

Maharashtra

CIN: L17124MH1986PLC166615 E-mail: investor-relations@indorama-ind.com

NOTES:

- The Register of Members and the Share Transfer books of the Company will remain closed from Thursday, 23rd July 2015 to Thursday, 30th July 2015 (both days inclusive) for annual closing and determining the names of members eligible for dividend on equity shares, if declared at the Meeting.
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

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

- 3) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at this Meeting.
- 4) Explanatory Statement under Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at this meeting, is annexed hereto.
- 5) In terms of Section 152 of the Companies Act, 2013, Mr. Vishal Lohia (DIN 00206458), Director, retire by rotation at the meeting and being eligible offer, himself for re-appointment. The Board of Directors of the Company commends his re-appointment.
- 6) Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors, inter-se, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, forms integral part of the Notice.
- 7) Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
- 8) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.



- 9) Dividend of ₹ 1 (i.e., 10%) per equity share (Last year ₹ 1 per equity share) of the face value of ₹ 10/- each per share has been recommended by the Board of Directors for the year ended 31st March 2015 and subject to approval of members at this Annual General Meeting, is proposed to be paid between 20th August, 2015 to 25th August, 2015.
- 10) Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956 (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the "Investor Education and Protection Fund" (IEPF) constituted by the Central Government. The Company had, accordingly, transferred Rs. 4,25,470/- (Rupees Four Lacs Twenty Five Thousand Four Hundred Seventy only) being the unpaid and unclaimed dividend amount pertaining to the financial year 2006-07, on 19th September 2014, to the Investor Education and Protection Fund of the Central Government.

The Ministry of Corporate Affairs (MCA) on 10th May 2012 notified the IEPF (uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the members ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post, etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the unclaimed dividends for the financial years from 2007-08, as on the date of the 28th Annual General Meeting held on 1st August 2014, on the website of the IEPF, viz.; www.iepf.gov.in and under "Investor Relations" on the Website of the Company, viz.; www.indoramaindia.com

- 11) Members who have not en-cashed their dividend warrant(s), so far, are requested to make their claims to the Company. No claim shall lie against the Company or the said fund in respect of the amounts remaining unclaimed, once the unclaimed dividend is transferred to the Central Government.
- 12) Members holding shares in the electronic form are requested to intimate all changes with respect to their bank details, mandate, etc., to their respective Depository Participants (DPs). These changes will be automatically reflected in Company's records, which will help the Company to provide efficient and better service to the members.
- 13) Members holding shares in physical form who have not yet provided the Bank details are once again requested to provide their latest Bank Account Number, Name of Bank and address of the Branch, quoting their Folio Number to the Company to enable the Company to print

- the Bank Account details on the Dividend Warrants. This would ensure safety in so far as the dividend warrant, if lost or misplaced, cannot be used for any other purpose except for depositing the same in the account specified on the dividend warrant.
- 14) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.
- 15) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company.
- 16) Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc., from the Company electronically.
- 17) Electronic copy of the Annual Report for the financial year 2014-15 is being sent to all the members, whose email IDs are registered with the Company/Depository Participants(s) for communication purposes. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2014-15 is being sent in the permitted mode.
- 18) Electronic copy of the Notice of the 29th Annual General Meeting of the Company, *inter-alia*, indicating the process and manner of Remote e-Voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 29th Annual General Meeting of the Company, inter-alia, indicating the process and manner of Remote e-Voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- 19) Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report for the financial year 2014-15 will also be available on the Company's website, www.indoramaindia.com, for their download. Even after registering for e-communication, members are entitled to receive such communication in

- physical form, upon making a request for the same, by post free of cost. For any communication, the members may also send requests to the Company's Investor email id: investor-relations@indorama-ind.com
- 20) Members who wish to obtain any information on the Company or view the Accounts for the financial year ended 31st March 2015, may visit the Company's website, www.indoramaindia.com or send their queries at least 10 days before the Annual General Meeting, to the Company Secretary at the Corporate Office at 20th Floor, DLF Square, DLF Phase-II, NH-8, Gurgaon-122002, Haryana.
- 21) Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide facility to members to exercise their right to vote on resolutions proposed to be passed at the 29th Annual General Meeting (AGM) through electronic means and have engaged the services of National Securities Depository Limited ("NSDL") as the Authorised Agency to provide Remote e-Voting facility. The members may cast their votes on electronic voting system from place other than the venue of the meeting (Remote e-Voting).
- 22) Voting through electronic means (Remote e-Voting)
 - The process and manner for Remote e-Voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i) Open email and open PDF file viz; "Indo Rama Remote e-Voting.pdf" with your Client ID or Folio Number as password. The said PDF file contains your user ID and password/ PIN for Remote e-Voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com
 - (iii) Click on Shareholder Login
 - (iv) Put user ID and password as initial password/ PIN noted in step (i) above. Click Login.
 - (v) The password change menu will appear on your screen. Change to a new password of your choice with minimum 8 digit/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" (E-Voting Event Number) of "Indo Rama Synthetics (India) Ltd."
- (viii) Now you are ready for Remote e-Voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional Members (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies), who are authorized to vote, to the Scrutinizer through e-mail at indoramascrutinizer@ gmail.com or evoting@indorama-ind.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
 - (i) Initial password is provided as below / at the bottom of the attendence slip for the AGM.

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

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- II. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on cut-off date i.e. 23rd July 2015.
- III. Any person who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as of the Cut-off Date, i.e., 23rd July 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or admin@mcsdel.com or invester-relations@indorama-ind.com
 - However, if you are already registered with NSDL for e-Voting then you can use your existing user ID and Password/PIN for casting your vote. If you forgot your password, you can reset your password by using "Forget User Details/ Password" option available on www.evoting.nsdl.com or contact NSDL at the toll free No.: 1800-222-990.



- IV. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the Cut-off Date only shall be entitled to avail the facility of Remote e-Voting as well as voting at the AGM through polling Paper.
- V. The Remote e-Voting period commences at 9:00 AM on Monday, the 27th July 2015 and will end at 5:00 PM on Wednesday, the 29th July 2015. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date of 23rd July 2015, may cast their vote by remote e-Voting. The Remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- VI. Ms. Rachna Aggarwal, Practicing Company Secretary (Membership No. ACS 15959 and CP No. 4819), having office at 1421, 1st Floor, Gali Ustad Hira, Chandni Chowk, Delhi-110 006, has been appointed as the Scrutinizer to scrutinize the Remote e-Voting process in a fair and transparent manner.
- VII. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting, who have not cast their vote by Remote e-Voting shall be able to exercise their right at the meeting through polling paper.
- VIII. The members who have cast their vote by Remote e-Voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again.
- IX. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and Remote e-Voting user manual for Members available at the download section of www.evoting. nsdl.com or call on toll free no.: 1800-222-990.
- X. You can also update your mobile number and E-mail ID in the user profile details of the folio, which may be used for sending future communication(s).
- XI. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM, but have not cast their votes by availing the Remote e-Voting facility.

- XII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting 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 and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company, www.indoramaindia.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited, Mumbai.
- 23) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection, at the Registered Office of the Company, during normal business hours (9:00 AM to 5:00 PM) on all working days except Saturdays, up to the date of the Annual General Meeting of the Company.
- I. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 5

The Board of Directors of the Company at its meeting held on 18th May 2015 have appointed Ms. Ranjana Agarwal as an Additional Director of the Company with effect from 18th May 2015. In accordance with the provisions of Section 161 of Companies Act, 2013, Ms. Ranjana Agarwal shall hold office up to the date of the ensuing Annual General Meeting and is eligible to be appointed as an Independent Director for a term upto five years. The Company has received notice in writing from Member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Ranjana Agarwal as an Independent Director of the Company.

It is proposed to appoint Ms. Ranjana Agarwal as an Independent Director under Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to the conclusion of the 34th Annual General Meeting of the Company in the calendar year 2020.

The Company has received a declaration of independence from Ms. Ranjana Agarwal. In the opinion of the Board, Ms. Ranjana Agarwal fulfills the conditions specified in the Companies Act, 2013 and the Listing Agreement, for appointment as an Independent Director of the Company. Ms. Agarwal is independent of the management. A copy of the draft Letter of Appointment for Independent Director, setting out terms and conditions of appointment of Independent Director is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company, www.indoramaindia.com

Ms. Agarwal is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as Director.

The Company has received declaration from Ms. Agarwal that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement.

Brief resume of Ms. Ranjana Agarwal, nature of her expertise in specific functional areas and names of companies in which she hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors, inter-se, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, which is forming part of the Notice, as under:

Ms. Ranjana Agarwal has joined the Board of Directors of the Company on 18th May 2015. Ms. Agarwal born on 25th November, 1956 is Founder and Managing Partner of Vaish & Associates, Chartered Accountants. She did her Graduation in Economic Honours from Lady Shri Ram College and CA training from Price Waterhouse Coopers.

Ms. Agarwal has been in practice for more than 30 years. Her boutique firm specializes in audit, taxation and related services including valuations and due diligence. She was also Partner in Deloitte Haskins & Sells, up to 2000. She was the President of FICCI Ladies Organization in 2010-11 and heads the India Chapter of Women Corporate Directors, USA. Ms. Agarwal is life Trustee in her own family welfare trusts working in the field of health, education and welfare of handicap persons. She was recognized for professional excellence and entrepreneurship and received the Indira Gandhi Priyadarshini award.

Directorship in other Companies:

Ms. Ranjana Agarwal is Director in the following entities:

- i) ICRA Limited; and
- ii) KDDL Limited.

Membership(s) / Chairmanship(s) of Board Committees in other Companies:

She is a Chairman of Audit Committee, Member of Nomination and Remuneration Committee and Stakeholders Relationship Committee of ICRA Limited. She is also Member of Audit Committee of KDDL Limited.

Ms. Agarwal does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Ms. Agarwal as an Independent Director of the Company.

In view of above, you are requested to grant your consent to the Ordinary Resolution as set out at Item No. 5 of the Notice.

Except Ms. Ranjana Agarwal, being an appointee, none of the Directors and Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

The Board commends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the members.

Item No. 6

The Company has entered into or may enter into contracts/ arrangements / transactions (RPT) with the following entities, who are related parties within the meaning of Section 2(76) of the Companies Act, 2013 read with the Companies (Meetings of the Board and its Powers) Rules, 2014 (the "Act") and Clause 49 of the Listing Agreement:

SI. No.	Name of the Related Parties	Nature of Relation	Material terms of the contract, etc. *	Monetary Value (Rs. in Crore) for the Financial Year 2014-15
1.	Indorama Petrochem Limited, Thailand	Relative	Purchased material on arm's length basis	411
2.	TPT Petrochemicals Public Co. Ltd., Thailand	Relative	Purchased material on arm's length basis	329
3.	PT. Indorama Petrochemicals, Indonesia	Relative	Purchased material on arm's length basis	17
	757			

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



Mr. Mohan Lal Lohia, Mr. Om Prakash Lohia and Mr. Vishal Lohia, Directors of the Company are relatives of Mr. Aloke Lohia, Directors of Indorama Petrochem Limited, TPT Petrochemicals Public Co. Ltd. and PT. Indorama Petrochemicals.

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

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

Revised Clause 49(VII)(E) of Listing Agreement provides that all material RPTs, i.e., transaction(s) entered into during a financial year exceeding 10% of the annual consolidated turnover of the Company as per latest audited financial statements require prior approval of shareholders through special resolution.

In the opinion of the Board, the transactions / contracts / arrangements by the Company with the above parties are in the ordinary course of business and at arm's length basis. However, considering the fact that the value of contracts / arrangements / transactions with the aforesaid related parties during a financial year may be material as defined under clause 49 of the Listing Agreement and it is proposed to seek the approval of Members for the aforesaid arrangements / contracts / transactions for the financial years 2014-15 and 2015-16.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 6 of the Notice.

The members are further informed that no member(s) of the Company being a related party or having any interest in the resolution as set out at Item No. 6 shall be entitled to vote on this Special Resolution.

None of the Directors and Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice, except Mr. Mohan Lal Lohia, Mr. Om Prakash Lohia and Mr. Vishal Lohia.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

Item No. 7

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the

appointment and remuneration of M/s Balaji & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016.

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

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice, to ratify the remuneration payable to the Cost Auditors for the financial year ending 31st March 2016.

None of the Directors and Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the members.

Item No. 8

The present Articles of Association of the Company are based on the provisions of the Companies Act, 1956. Consequent to the notification and applicability of large number of Sections of the Act and Rules framed there under, it has become necessary to alter the existing Articles of Association of the Company to be in line with the Companies Act, 2013. The Board of Directors considered this matter in its meeting held on 18th May 2015 and decided to adopt a new set of Articles of Association and replace the existing Articles of Association of the Company.

The proposed new draft of Articles of Association is available on the website of the Company, www.indoramaindia.com and also available for inspection by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

As per Section 14 of the Companies Act, 2013, approval of the members of the Company by way of a Special Resolution is required for alteration of Articles of Association of the Company.

In view of above, you are requested to grant your consent to the Special Resolution as set out at Item No. 8 of the Notice.

None of the Directors and Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board commends the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

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

Re-appointment of Mr. Vishal Lohia (Item No. 3)

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

Brief resume of Mr. Lohia, nature of his expertise in specific functional areas and names of companies in which he hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors, inter-se, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, which is forming part of the Notice, as under:

Mr. Vishal Lohia is one of the Promoters and Whole-time Director of the Company. Mr. Vishal Lohia, aged about 37 years holds a Bachelor Degree in Finance and Economics from Bryant College, Rhode Island, USA. He was appointed as Whole-time Director w. e. f. 28th June 2002 and held office upto 20th October 2004. He was again appointed as Whole-time Director on 1st April 2007 and has been continuing as such since then. Mr. Vishal Lohia has been looking after operations of the Company besides handling such other responsibilities as are assigned by the Board of Directors from time to time.

Mr. Vishal Lohia has around 13 years of experience in the various Industry forums taking up the cause and concerns of Polyester Industry on economic and trade issues. He is young and dynamic visionary and has been instrumental in the recent foray of Indo Rama into the energy sector. He has been actively involved in various industry forums taking up the cause and concerns of polyester industry on economic and trade issues.

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

Mr. Vishal Lohia is presently Whole-time Director of the Company. Mr. Lohia is Member of Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Banking & Finance Committee, Share Transfer Committee and CSR Committee of the Board of Directors of the Company. Mr. Lohia is holding 2,75,372 equity shares of the Company.

Directorship in other Companies:

Mr. Lohia is Director in the following entities:

- i) Indo Rama Renewables Limited;
- ii) Indo Rama Renewables Jath Limited;
- iii) Indo Rama Renewables Ramgarh Limited.
- iv) Indo Rama Renewables Porbandar Limited:

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

Except Mr. Vishal Lohia, being an appointee and Mr. Mohan Lal Lohia and Mr. Om Prakash Lohia, who are related to Mr. Vishal Lohia, none of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in this resolution, at Item No. 3 of the Notice.

The Board commends his re-appointment, liable to retire by rotation, at Item No. 3 of the Notice for approval by the members.

Appointment of other Director (Item No. 5)

For the details of Ms. Ranjana Agarwal, please refer to the above Explanatory Statement in respect of the Special Business set out at Item No. 5 of the Notice of Annual General Meeting pursuant to Section 102 of the Companies Act, 2013.

By Order of the Board of Directors

Jayant K Sood Head-Corporate & Company Secretary FCS No. 4482

Place: Gurgaon
Date: 18th May 2015

Registered Office:

A-31, MIDC Industrial Area Butibori, Nagpur - 441122

Maharashtra

CIN: L17124MH1986PLC166615 E-mail: investor-relations@indorama-ind.com

INDO RAMA SYNTHETICS (INDIA) LIMITED

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

29[™] ANNUAL GENERAL MEETING

	2	9'" ANNUAL GEN	ERAL MEETING				
	Sr.	No.					
1	ame and Registered Address of t ble/first named member	he					
1	ame(s) of Joint shareholder(s), any						
1	egistered Folio No. / DP ID No./ lient ID No.						
N	umber of Shares held						
	mber's Folio/DP ID/Client ID No.	Member's/Proxy's N	ame in BLOCK Letters	Member's/Proxy's Signature			
No (1)	Please complete the Folio / DP ID / the Attendance Verification Counter			ttendance Slip and hand it over at			
2)	Electronic copy of the Annual Report for the financial year 2014-15 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members, whose e-mail id address is registered with the Company of Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending AGM can print copy of this Attendance Slip.						
3)	Physical copy of the Annual Report for the financial year 2014-15 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is being sent in the permitted mode(s) to all members, whose e-mail id is not registered or have requested for a hard copy.						
Particulars for Remote e-Voting through Electronic means							
E	VEN (e-Voting Event Number)	USER ID	PASSV	VORD/PIN			
101970							

Form No. MGT-11

INDO RAMA SYNTHETICS (INDIA) LIMITED

PROXY FORM

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

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

Name of the Member(s)		÷				
Registered Address.		:				
E-mail ID		:				
Folio No. /	DP ID and Client ID No	:				
I/We being t	he member(s) of		shares of the above named Company here	by appoint:		
_			Address:			
			Signature:, or fa			
			Address:			
` '			Signature:, or fa			
			Address:	•		
` '			Signature:			
as my/our proxy to attend and vote, in case of poll, for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held on Thursday, 30th July, 2015 at 1:30 PM, at the Registered Office of the Company at A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:						
Item No.			Description			
Ordinary E	Business					
1.	Consider and adopt Audited Financial Statement (including Consolidated Financial Statement), Directors' and Auditors' Report for the financial year ended 31st March 2015.					
2.	Declaration of Dividend on Equity Shares for the financial year 2014-15.					
3.	Re-appointment of Mr. Vishal Lohia (DIN 00206458), who retires by rotation.					
4.	Ratification of the appointment of M/s B S R and Associates, Chartered Accountants, Gurgaon (ICAI Firm Registration No.128901W), as Statutory Auditors and to fix their remuneration for the financial year ending 31st March 2016.					
Special Bu	siness					
5.	Appointment of Ms. Ranjana Agarwal (DIN 03340032) as an Independent Director.					
6.	To enter into Related Party Transactions.					
7.	Ratification of Cost Auditors Remuneration.					
8.	To adopt new set of Artic	cles	of Association of the Company pursuant to the Companies Act, 2013.			
_			day of	Affix Revenue Stamp not		
Signature of Proxy holder(s)						

Note:

- 1. This form of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than FORTY EIGHT (48) hours before the commencement of the Meeting.
- 2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 29th Annual General Meeting.
- 3. Please complete all details including details of member(s), in above box, before submission.