Ingersoll - Rand (India) Limited
8th Floor, Tower D, IBC Knowledge Park,
No. 4/1, Bannerghatta Main Road,
Bangalore – 560 029, India
Tel : 080-2216 6000
Fax : 080-2216 6021

August 17, 2018

Corporate Relationship Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001
Scrip Code: 500210

The Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, Plot No. C-1,
Block G, Bandra – Kurla Complex,
Bandra (East), Mumbai – 400 051
Scrip Symbol: INGERRAND EQ

The Listing Department,
Ahmedabad Stock Exchange Limited,
Kamdhenu Complex,
Opp. Sahajanand College,
Panjarpole, Ahmedabad – 380 015
Scrip Code: 26610

Dear Sir/Madam,

Sub: Submission of Annual Report for financial year 2017-18

Pursuant to the provisions of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find herewith soft copy of the Annual Report of the Company for the financial year 2017-18.

The aforesaid Annual Report for the financial year 2017-18 was approved and adopted by the shareholders in the 96th Annual General Meeting held on August 10, 2018.

You are requested to kindly take the same on record.

Thanking you,

Very truly yours,
For **Ingersoll – Rand (India) Limited**

P. R. SHUBHAKAR
General Manager – Corp. Finance & Company Secretary

Encl.: As above



CREATING LASTING VALUE

ANNUAL REPORT 2017-18

Ingersoll-Rand (India) Limited

Ingersoll Rand
Inspiring Progress™

Ingersoll-Rand (India) Limited

REGISTERED OFFICE & CORPORATE OFFICE

8th Floor, Tower D,
IBC Knowledge Park,
No. 4/1, Bannerghatta Main Road,
Bengaluru – 560029
Phone : +91 80 2216 6000
Fax : +91 80 2728 7482
Website : www.ingersollrand.co.in

REGIONAL AND OTHER OFFICES

Ahmedabad-Bengaluru-Chandigarh-Chennai-Coimbatore-Ghaziabad-Gurgaon-Indore-Jamshedpur-Kolkata-Mumbai-Nagpur-Pune-Secunderabad-Surat

MANUFACTURING FACILITY

21-30, G.I.D.C. Estate,
Naroda,
Ahmedabad - 382 330

BOARD OF DIRECTORS

Mr. Amar Kaul — Chairman and Managing Director
Ms. Jayantika Dave
Mr. Hemraj C. Asher
Mr. Darius C. Shroff
Mr. Sekhar Natarajan

OFFICERS

Mr. Vikas Goel — Chief Financial Officer
Mr. Prasad Y. Naik — Vice President - Information Technology

COMPANY SECRETARY

Mr. P. R. Shubhakar

AUDITORS

B S R & Co. LLP
Chartered Accountants

SOLICITORS

Crawford Bayley & Co.
Mumbai

BANKERS

Bank of America
Bank of India
Citibank N. A.
Central Bank of India
Standard Chartered Bank

REGISTRAR AND SHARE TRANSFER AGENTS

TSR Darashaw Limited
6-10, Haji Moosa Patrawala Ind. Estate,
20, Dr. E. Moses Road, Mahalaxmi,
Mumbai - 400 011.

VISION

A world of sustainable progress and enduring results.

PURPOSE

We advance the quality of life by creating comfortable, sustainable and efficient environments.

VALUES

INTEGRITY:
We act with the highest ethical and legal standards in everything we do.

RESPECT:
We respect and value the worth of all people, cultures, viewpoints and backgrounds.

TEAMWORK:
We work together and share resources to provide greater value to our customers, employees, business partners and shareholders.

INNOVATION:
We use our diverse skills, talents and ideas to develop customer-driven, innovative and imaginative solutions.

COURAGE:
We speak up for what we believe is right and take measured risks to create progress.

Our Strategy for Sustained Leadership



Growth Excellence

We use analytics to make clear, strategic choices on what businesses and markets to invest in and pursue, and how to succeed by introducing productive, energy-efficient and reliable products and services to deliver on customer needs.



Winning Culture

We engage our employees and develop a workforce with diverse backgrounds and skills to foster an environment of innovation and integrity that leads to better products and services for our customers, society and the environment.



Operational Excellence

We pursue continuous process improvement that drives growth, creates value, fosters employee engagement, and enhances quality and the customer experience.

CHAIRMAN'S MESSAGE



Amar Kaul
Chairman and Managing Director

Dear Shareholders,

Welcome to the 96th Annual General Meeting of your Company. Ingersoll Rand continued to lead a successful year by creating lasting value for its people, customers, shareholders and the society, against the backdrop of volatile market trends and industry reforms. On behalf of the Board of Directors, I am pleased to share with you a milestone moment in the Company's history. Ingersoll Rand India went public in 1977, and 2017 marks the completion of 40 years of equity listing in the country. Your unstinted support and faith in us have played a pivotal role in making our journey, one of sustained success.

2017 was marked with key economic reforms by the Government of India. In July 2017, the Indian economy witnessed the launch of the transformational Goods and Services Tax (GST). While a game changer, the teething problems gave rise to a climate of uncertainty. Added to this, sharp falls in certain food prices that impacted agricultural incomes further led to a downswing of the macroeconomic development in the first half of 2017.

However, conducive government policies, reform initiatives and corrective measures led to robust signs of revival in the economy in the second half of the year. India jumped 30 spots on the World Bank's Ease of Doing Business rankings, while the foreign direct investment (FDI) saw an increase in flow by 20%.

While cumulative industrial growth for the first eleven months dipped marginally from 4.6% in the previous year to 4.2% this year, both consumption and investment picked up pace. This was reflected in the strong and steady increase in industrial production between November 2017 and January 2018. While overall the industrial production was down from last year, there was a remarkable surge in petroleum and cement and an improvement in steel, power and coal output. It is encouraging to note that the CII Business Confidence Index (CII- BCI) continues to reflect optimism in the business environment. Even the global economy looks upbeat with a positive growth forecast in GDP.

You will be pleased to know that we have sustained our progress this year too by winning over challenges and strengthening our market leadership position. By truly caring about and focusing on our customers, we are redefining reliability in business.

Through energy efficient solutions, operations excellence and innovation, we consistently deliver reliable results for our clients, partners, communities, and our environment.

We remain committed to maximize the enduring value and returns to our esteemed shareholders.

In the current environment of strong business confidence, we are positioned to continue the momentum, forge stronger relationships with our stakeholders and further solidify our position in the market.

Accomplishing Growth

For the year ending March 31, 2018, we recorded revenues of Rs. 614.8 crores from continuing operations (excluding excise duty) which was 0.9% below compared to that of previous financial year owing to reduction in exports revenue, even though revenue from domestic customers registered a growth of 4%. Our profits after tax for the year ending March 31, 2018 stood at Rs. 89 crores which was 17% higher compared to profit after tax of previous financial year.

Delivering Excellence

In our continued endeavor to provide customers with innovative and superior products, we introduced new models to our line of next-generation air compressors. These models are solutions towards more energy-efficient and high-capacity air requirements. With the addition of these models, we continue to push the edge of innovation to help our customers achieve real business results, including cost reductions and lower total cost of ownership.

We've also continued to succeed profitably and grow our market share with increased presence in our focus verticals. Our Services portfolio delivered a profitable topline growth with healthy margins driven by strategic customer-focused initiatives.

Continuing the tradition every year to cement stronger partnerships, we organized a successful annual Channel Meet for Direct and Distribution channels. The theme for the event this year was 'The Big Leap' that was built around the pillars of effectiveness and empowerment. Further, we leveraged key industry seminars and events to showcase our wide range of products and solutions.



Naroda Manufacturing Facility visited by the Executive Leadership Team

Winning Together

Our focus and success at nurturing a progressive, diverse and inclusive culture is the bedrock for industry-leading innovation and excellent service delivery by our employees, who feel enriched and motivated to bring passion to work, every day.

The employee engagement index score for 2017 continued to show an upward trend, with 100% participation from our employees across locations. The strongest areas of engagement including ethics, values, safety, sustainability and health & wellness reflect your Company's commitment to a balanced approach for growth and sustainability.

To reinforce our winning culture and commitment to workplace diversity, our parent company entered the Paradigm for Parity Coalition, a pledge to bring gender parity to our corporate leadership structure by 2030. We are committed to strengthen and action the diversity agenda, and last year we institutionalized initiatives to increase representation and retention of female workforce. Focused Employee Resource Groups (ERGs) were launched to further the cause and targets around 'Gender Diversity' and 'Appreciating Regional Culture'. We care about our people's health and well-being and with that in sight, we brought the Virgin Pulse Global Health Challenge to our Company. Around 225 employees participated in the Global Health Challenge, displaying their interest towards a healthy work-life balance.

Our initiative to strengthen the industry-academic relationship and pave way for future talent saw over 1100 students visiting our Naroda Plant on the occasion of International Manufacturing Day. The students joined us from various colleges running vocational studies, engineering and management programs across Gujarat and were delighted to get this opportunity.

Making a Difference

Our sincerity in caring about the communities within which we operate drives us to play an active role in making a positive difference to their lives.

Our vision for social responsibility is to advance the quality of life through our commitments to help build healthy, sustainable and educated communities.

In compliance with the Companies Act 2013, we continued to support existing initiatives and launched some new ones. This year we have positively impacted 55,700 lives directly.

Our fight for wholesome nutrition for underprivileged children gained strength



Employee Volunteer Team at the Earth Day Tree Plantation Activity

with our continued support of Akshay Patra Foundation's mid-day meal scheme. As part of this engagement, 6500 students from government schools in Naroda were served nutritious meals. Furthering science education in government schools, we also continued our association with Agastya International Foundation. Ingersoll Rand Science Centre at Government Model Sanskriti Senior Secondary School in Gurgaon and the mobile science lab in Naroda facilitates stimulating science education through experiential methods and well-trained mentors. Our continued association with Smile Foundation's holistic Mission Education Centre in Kolkata helps to empower underprivileged children through competent education and co-curricular activities.

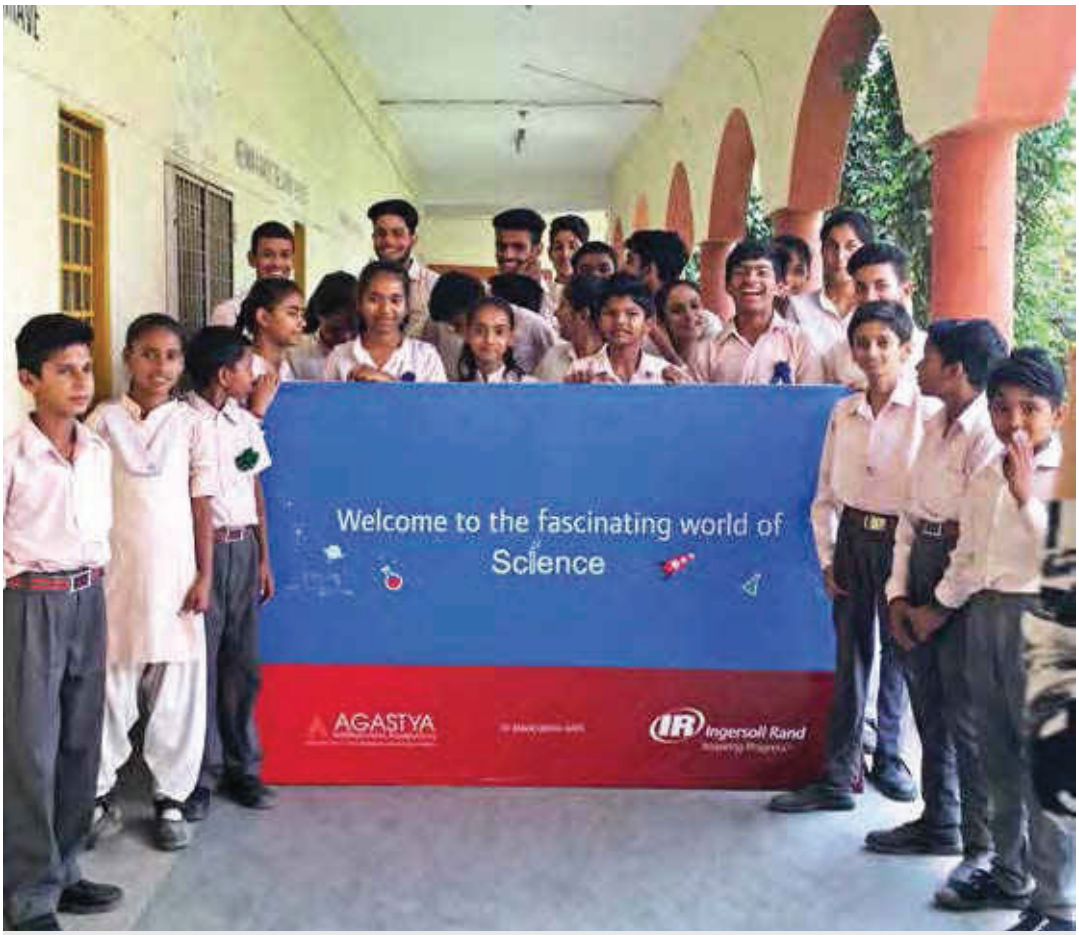
In the second year of our association with National Skill Development Corporation (NSDC), we continued our initiative to help the country's educated youth from weaker sections acquire skills and earn a livelihood. In partnership with NSDC, we are imparting training to 430 youth including 210 female participants, for placement opportunities in Healthcare and Automotive sectors.

With a dedicated focus on community development through environmental sustainability, we partnered with Uthaan NGO this year. We adopted some areas of land in Gurgaon for supporting green plantation and maintenance in high traffic belts.

Driving our dream of a better world are our committed, compassionate and engaged employees who volunteer wholeheartedly in all our community development initiatives. In 2017, our employees engaged in 15 volunteering activities putting in 1400 hours of their time across multiple projects.

Creating Lasting Value

We are positioned to grow steadily in the coming years. With positive trends in both global and Indian economy, a strong rebound in India's industrial production and



Students at the Ingersoll Rand Science Centre at GMSSS School, Sushant Lok, Gurgaon

an uptick in the business sentiments, we look forward to the new fiscal year with renewed optimism.

Our key driver will be our strategy of remaining invested in our differentiated product portfolio, culture, in-depth domain expertise, exceptional customer service, identifying new opportunities and delivering strong shareholder returns. Commemorating the 40th year anniversary of the Company's public listing in the country, the Board of Directors has declared a one-time Special Interim Dividend of INR 202 per share. We are commemorating this milestone by expressing our gratitude to the investors that further demonstrates our commitment towards delivering value for our shareholders for supporting us through this journey. This also reflects our continued efforts to actively manage our capital while maintaining capacity for organic growth and ongoing operations.

We are committed to sustain and strengthen our leadership position in both global and Indian markets. We aim to deliver top-tier financial performance and create enduring value for all our stakeholders and the society.

Sincerely,

Amar Kaul
Chairman and Managing Director

Highlights of the Year

		2017-18			2016-17	
Domestic Sales	Rs.	42,313.84	lakhs	Rs.	44,188.80	lakhs
Export Sales	Rs.	12,555.68	lakhs	Rs.	14,821.40	lakhs
(Less): Excise Duty	Rs.	(1,045.59)	lakhs	Rs.	(4,352.60)	lakhs
Sale of Sevices	Rs.	6,723.54	lakhs	Rs.	6,140.16	lakhs
Other Revenue from Operations	Rs.	932.11	lakhs	Rs.	1,246.30	lakhs
Total Revenue from Operations	Rs.	61,479.58	lakhs	Rs.	62,044.06	lakhs
Profit before tax	Rs.	13,190.58	lakhs	Rs.	11,255.30	lakhs
As a % of revenue from operations		21.46			18.14	
Profit after tax	Rs.	8,905.85	lakhs	Rs.	7,607.40	lakhs
As a % of revenue from operations		14.49			12.26	
Return on total resources (%)		6.91			6.27	
Net worth per share	Rs.	357.48		Rs.	336.28	
Earnings per share	Rs.	28.16		Rs.	24.48	
Price earnings ratio		23.22	times		31.57	times
Dividend per share (Excluding special dividend)	Rs.	6.00		Rs.	6.00	
Cover		4.7	times		4.1	times
Net revenue from operations/total assets		0.5	times		0.5	times
Profit after tax/gross fixed assets (%)		57.43			51.15	
No. of employees		694			688	
No. of shareholders		23,578			24,574	

Distribution Schedule Of Shareholdings

	Number of Shares	Percentage(%)
Principals	23,360,000	74.00%
Institutional Investors	2,563,407	8.12%
(Includes Govt./Govt. sponsored Financial Institutions/Foreign Banks/ Other Banks/Mutual Funds)		
Bodies Corporate & Trusts	693,784	2.20%
Directors and their relatives	76,200	0.24%
Others	4,874,609	15.44%
Total	31,568,000	100.00%

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Notice

Notice is hereby given that the 96th Annual General Meeting of Ingersoll – Rand (India) Limited (the "Company") will be held on Friday, August 10, 2018 at 12.00 noon at Vivanta by Taj, 41/3, Mahatma Gandhi Road, Bengaluru - 560 001 to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2018 and Statement of Profit and Loss for the financial year ended on March 31, 2018 together with the reports of the Directors and the Auditors.

2. To declare dividend on equity shares of the Company for the financial year ended on March 31, 2018.

3. To appoint a Director in place of Ms. Jayantika Dave (DIN: 01585850), who retires by rotation and, being eligible, offers herself for reappointment and to consider, and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** Ms. Jayantika Dave, a director who retires by rotation, pursuant to Article 131 of the Articles of Association of the Company and Section 152 of the Companies Act, 2013, being eligible for reappointment, be and is hereby reappointed as a Director of the Company liable to retire by rotation."

SPECIAL BUSINESS

4. **Ratification of remuneration payable to Cost Auditor of the Company for Financial Year ending March 31, 2019**

   To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company hereby ratifies the remuneration of Rs. 200,000/- (Rupees Two Lakhs only) plus applicable taxes and reimbursement of out of pocket expenses actually incurred during the course of audit payable to M/s. Ashish Bhavsar & Associates, Cost Accountants (Firm Registration Number 000387), who were appointed as Cost Auditors by the Board of Directors to conduct audit of the cost records of the Company for the financial year ending March 31, 2019.

   RESOLVED FURTHER THAT the Board of Directors (including a Committee thereof) be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of implementing and giving effect to this resolution."

NOTES: -

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts in respect of business to be transacted at the Annual General Meeting (AGM), as set out under Item No. 4 above and the relevant details of the Director seeking re-appointment under Item No. 3 above as required under Regulation 26 and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (SEBI Listing Regulations) and as required under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India is annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective, must be duly filled, stamped, signed and should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies, partnership firms etc. must be supported by an appropriate resolution/authority as applicable, issued on behalf of the appointing organisation.

3. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of Members not exceeding fifty in number 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 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. A proxy holder shall prove his identity at the time of attending the AGM.

4. 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.

5. A Corporate Member intending to send its authorised representative to attend the AGM in terms of Section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the relevant Board resolution together with the respective specimen signature(s) of those representative(s) authorized under the said resolution to attend and vote on its behalf at the AGM.

6. M/s. B S R & Co. LLP. Chartered Accountants (Firm Registration No. 101248W/W-100022) were appointed as the Statutory Auditors of the Company to hold office for a period of five (5) years commencing from 95th Annual General Meeting held on 3rd August 2017, subject to ratification by the members at every Annual General Meeting. However, pursuant to the notification of certain sections of the Companies (Amendment) Act, 2017, with effect from 7th May 2018 the requirement of ratification of the Statutory Auditors by members is no longer required. Taking into consideration this recent amendment, the annual ratification will not be required from this year onwards.

7. The Register of Members and the Share Transfer Books of the Company will remain closed from July 24, 2018 to July 27, 2018, both days inclusive, for the purpose of payment of final dividend, if declared at the AGM.

8. The Final Dividend on Equity Shares as recommended by the Board of Directors for the financial year ended on March 31, 2018 if approved by the Members at the AGM, will be paid :

   (i) in respect of shares held in electronic form on the basis of beneficial ownership as per details furnished by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL), as at the end of business on July 23, 2018;

   (ii) in respect of shares held in physical form to those Members whose names appear on the Register of Members of the Company after giving effect to all valid share transfers lodged with the Registrars and Share Transfer Agents on or before July 23, 2018. The Company will dispatch the dividend warrants from August 14, 2018.

9. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar and Share Transfer Agents cannot act on any request received directly from the members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the members. Members holding shares in demat form are requested to intimate any change in their address and/or bank mandate immediately to their Depository Participants.

10. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to Company's Registrar and Share Transfer Agents at the earliest.

11. (i) Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (Rules), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of seven (7) years. Further according to the Rules, shares in respect of which dividend has not been paid or claimed by the shareholders for seven (7) consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. Accordingly, the Company would be transferring the unpaid or unclaimed dividend for Final Dividend 2010-11, Special Dividend 2011-12 and Interim Dividend 2011-12 on or before August 27, 2018, August 26, 2018 and November 22, 2018 respectively as well as the corresponding equity shares relating thereto.

    Members are requested to ensure that they claim the dividends referred to above before these are transferred to the said Fund. Members are requested to make their claims to the Company / Registrar and Share Transfer Agents immediately. Members are also requested to furnish Bank Account No., name of the Bank, Branch, IFSC Code and Place with PIN Code No. where the account is maintained to prevent fraudulent encashment of dividend warrants.

    (ii) During the financial year 2017-18, the Company has transferred to IEPF unclaimed dividends and corresponding shares thereto as follows:

Particulars	Amount of dividend (Rs.)	No. of equity shares
Interim/Final dividend for the financial year 2009-10	2,28,693	2,900
Interim dividend for the financial year 2010-11	2,27,490	1,204

(iii) The shares transferred to the IEPF can be claimed by the concerned members from the IEPF Authority after complying with the procedure prescribed under the Rules.

12. Pursuant to Section 72 of the Companies Act, 2013, Members holding shares in dematerialized form may file nomination in the prescribed Form SH-13 (in duplicate) with the respective DPs and in respect of shares held in physical form, such nomination may be filed with the Company's Registrar and Share Transfer Agents.

13. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agents of the Company.

14. The Ministry of Corporate Affairs, New Delhi (MCA) has taken Green Initiative in Corporate Governance allowing paperless compliance by companies through electronic mode. Accordingly, your Company has sent the electronic copy of this Annual Report along with Attendance Slip and Proxy Form to the e-mail addresses of the members registered with the Company. Members who have not registered their e-mail address so far are requested to register the same at the earliest. For members who have not registered their email ids, physical copies of the aforementioned documents are being sent in the permitted mode. Members of the Company who have registered their e-mail address are also entitled to receive the aforementioned documents in physical form, upon request. Please note that the said documents would also be available on the Company's website www.ingersollrand.co.in from where it can be downloaded by the members. In case you desire to receive the abovementioned documents in physical form, you are requested to send an e-mail to the Company's Registrar and Share Transfer Agents to csg-unit@tsrdarashaw.com mentioning your folio / DP ID and Client ID.

15. Members who wish to attend the AGM are requested to bring attendance slip sent herewith duly filled in and the copy of the Annual Report. Copies of Annual Report will not be distributed at the AGM.

16. Members are requested to affix their signature at the place provided on the attendance slip annexed to the proxy form and handover the slip at the entrance to the place of the AGM. The identity/signature of the Members holding shares in dematerialized form are liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the Depository Participant (DP ID) and account number (Client ID) to the AGM for recording of attendance at the AGM.

17. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Secretary of the Company so as to reach at least seven (7) days before the date of the AGM so that the information required may be made available at the AGM, to the best extent possible.

18. E- VOTING (Voting through electronic means)

I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of SEBI Listing Regulations, the Company is pleased to provide to members the facility to exercise their right to vote on the resolutions proposed to be passed at this 96th AGM by electronic means and the business may be transacted through e-Voting Services provided by NSDL. The instructions for e-Voting are as under:-

A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/DPs):

i. Open e-mail and open PDF file viz. "Ingersoll Rand India e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for 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. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password.

vi. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vii. Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.

viii. Select "EVEN" of Ingersoll-Rand (India) Limited.

ix. Now you are ready for e-Voting as Cast Vote Page opens.

x. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

xi. Upon confirmation, the message "Vote cast successfully" will be displayed.

xii. Once you have voted on the resolution, you will not be allowed to modify your vote.

xiii. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

xiv. Institutional holders (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 authorised signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to evoting@irco.com with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives a physical copy of the Notice of the AGM (for Members whose e-mail addresses are not registered with the Company/ DPs or upon request):

i. Initial password is provided at the bottom of the Attendance Slip for the AGM: EVEN (E-Voting Event Number) USER ID PASSWORD.

ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-Voting user manual for Members available at Downloads section of www.evoting@nsdl.com

III. 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.

IV. You can also update your mobile number and e-mail address in the user profile details of the folio which may be used for sending future communication(s).

V. The e-Voting period commences on August 7, 2018 (9.00 am IST) and ends on August 9, 2018 (5.00 pm IST). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of August 3, 2018, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting after August 9, 2018 (5.00 pm IST). Once the vote on a resolution is cast by the Member, the Member shall not be permitted to change it subsequently.

VI. Any person who acquires shares of the Company and becomes a member of the Company after dispatch of Notice of the AGM and holds shares as on the cut-off date i.e. August 3, 2018 may obtain a User ID and Password by sending a request at evoting@nsdl.co.in.

VII. A person whose name is recorded in the Register of Members or in the 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.

VIII. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

IX. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date of August 3, 2018.

X. Ms. Sachita Shetty, Advocate, Crawford Bayley & Co., has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.

XI. The Scrutinizer shall, immediately after the conclusion of the e-Voting period, unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make, not later than three (3) days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company or a person authorized by him in writing who shall countersign the same.

XII. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ingersollrand.co.in and on the website of NSDL immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results will also be communicated to BSE Limited, National Stock Exchange of India Limited and Ahmedabad Stock Exchange Limited, where the shares of the Company are listed.

XIII. Members who do not have access to e-Voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company at Unit: Ingersoll – Rand (India) Limited, TSR Darashaw

Limited, 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011, in the enclosed postage pre-paid self-addressed envelope, not later than August 9, 2018 (5.00 pm IST). Ballot Forms deposited in person or sent by post or courier at the expense of the member will also be accepted. Any change of address of Members or queries relating to their shares may also be addressed to the Registrar and Share Transfer Agents at the aforestated address.

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to csg-unit@tsrdarashaw.com by mentioning their Folio/DP ID and Client ID No. However, the duly completed Ballot Form should reach the Scrutinizer not later than August 9, 2018, (5.00 pm IST). Ballot Forms received after this date will be treated as invalid. A Member can opt for only one method of voting i.e. either through e-Voting or by Ballot. If a Member casts votes by both modes, then voting done through e-Voting shall prevail and Ballot shall be treated as invalid.

19. All documents referred to in this Notice and accompanying explanatory statement are open for inspection at the registered office of the Company on all working days of the company between 10.00 am IST and 1.00 pm IST upto the date of the AGM and at the venue of the AGM for the duration of this AGM.

20. With a view to serving the members better and of administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical and in the same order of names in more than one folio are requested to write to the Company's Registrar and Share Transfer Agent M/s TSR Darashaw Limited to consolidate their holdings in one folio.

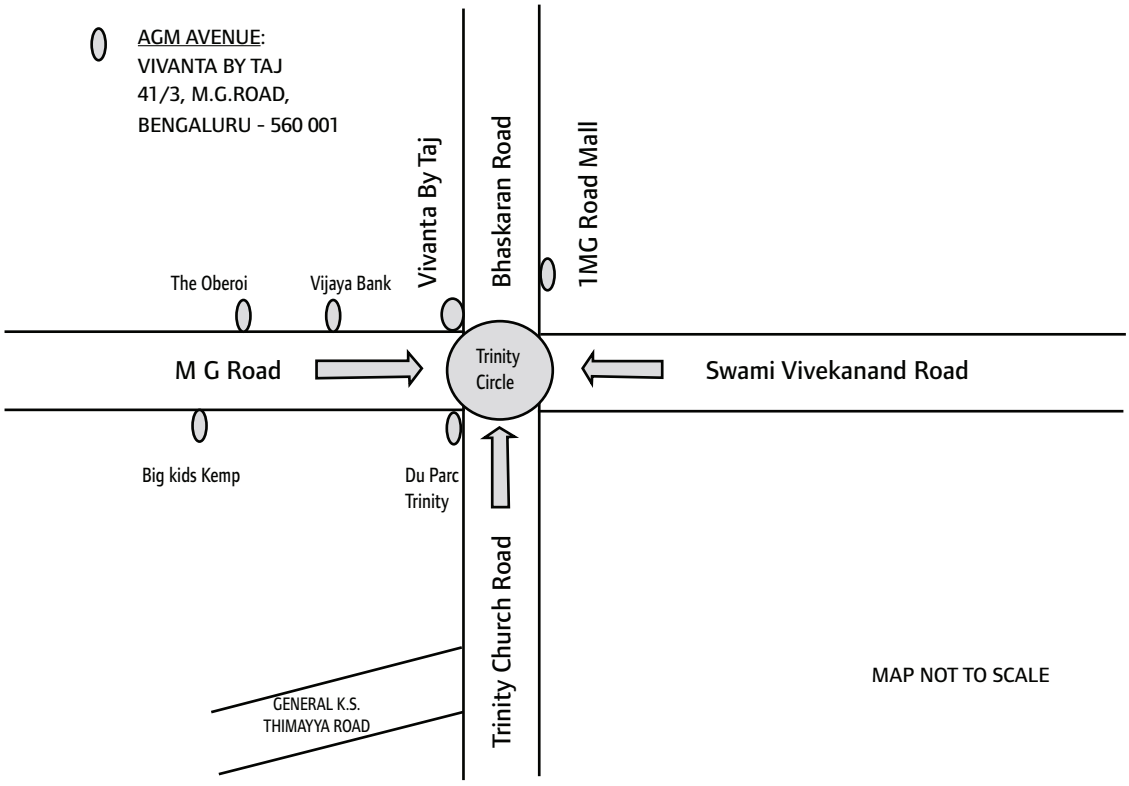
By Order of the Board of Directors,
For INGERSOLL – RAND (INDIA) LIMITED

P. R. SHUBHAKAR
General Manager - Corp. Finance & Company Secretary

Mumbai, May 10, 2018

Registered Office:
8th Floor, Tower D, IBC Knowledge Park,
No. 4/1, Bannerghatta Main Road,
Bengaluru – 560 029
CIN: L05190KA1921PLC036321
Website: www.ingersollrand.co.in

"ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON AUGUST 10, 2018 AT VIVANTA BY TAJ, 41/3. M. G. ROAD, BENGALURU-560 001"



Annexure to the Notice

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4 of the accompanying notice :-

Item No. 4

The Board of Directors of the Company (the 'Board'), on the recommendation of the Audit Committee, has approved the appointment of M/s. Ashish Bhavsar & Associates, Cost Accountants (Firm Registration Number 000387), as Cost Auditor to conduct the audit of the cost records of the Company as per the Companies (Cost Records and Audit) Rules, 2014 for the financial year ending on March 31, 2019. M/s. Ashish Bhavsar & Associates, Cost Accountants, have submitted a letter confirming their eligibility for appointment as cost auditor.

The Board has, subject to the ratification by the Members at this Annual General Meeting, determined the remuneration of the cost auditor at Rs. 200,000/- plus reimbursement of out of pocket expenses actually incurred by them in connection with the cost audit.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditor is required to be ratified by the members of the Company. Accordingly, consent of the members is sought as referred to in the resolution at Item No. 4 of the Notice for the payment of remuneration amounting to Rs. 200,000/- plus applicable taxes and out of pocket expenses for the financial year ending on March 31, 2019.

None of the Directors or Key Managerial Personnel of the Company and/or their respective relatives is, in any way, interested or concerned, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

By Order of the Board of Directors,
For INGERSOLL – RAND (INDIA) LIMITED

P. R. SHUBHAKAR
General Manager - Corp. Finance & Company Secretary

Mumbai, May 10, 2018

Registered Office:
8th Floor, Tower D, IBC Knowledge Park,
No. 4/1, Bannerghatta Main Road,
Bengaluru – 560 029
CIN: L05190KA1921PLC036321
Website: www.ingersollrand.co.in

ANNEXURE TO AGM NOTICE

DETAILS OF DIRECTOR SEEKING APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

Name of the Director	**Ms. Jayantika Dave**
Director Identification Number	01585850
Date of Birth / Age	24th January 1955 / 63 years
Date of appointment as Director	12th September 2014
Qualification	Post Graduate in Management (HR & Marketing)
Brief profile and nature of expertise in specific functional areas	Ms. Jayantika Dave has more than three decades of experience in various capacities in Human Resources functions with different IT and Technology firms. She has worked as Vice President – Human Resources for Ingersoll Rand group in India between October 2009 and January 2015. Prior to joining Ingersoll Rand group in 2009, she served as Director, Human Resources, Agilent Technologies Private Limited. She is also a certified Executive Coach from ICF, a certified assessor for Intercultural Development Inventory (IDI), for Myers Briggs Type Indicator (MBTI), and for Personality & Profiles Inventory (PAPI).
Directorships held in other listed companies in India	Nil
Memberships / Chairmanships of committees held in other listed companies in India	Nil
Shareholding in the Company	Nil

Details of Memberships/Chairmanship of Audit Committee and Stakeholders' Relationship Committee are provided.

Directorships in foreign companies, membership in governing councils, chambers and other bodies, partnership in firms etc. are not provided

Aforesaid Director is not related to any other Director.

Directors' Report

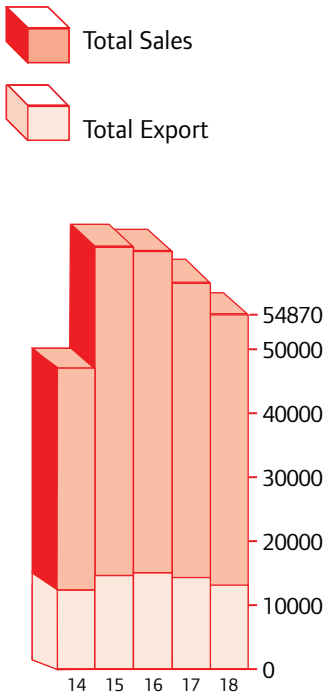
To

THE MEMBERS,

INGERSOLL-RAND (INDIA) LIMITED

Your Directors are pleased to submit the Ninety-Sixth Annual Report along with the Audited Balance Sheet and Statement of Profit and Loss for the year ended March 31, 2018, that is, the year under review.

GROSS SALES
(in Rs. Lakhs)



1. FINANCIAL SUMMARY OF THE COMPANY

(Rupees in Lakhs)

	2017-18		2016-17	
Gross Profit:		**14,216.22**		**12,697.50**
(Less): Depreciation and amortization expenses		(1,256.71)		(1,180.00)
(Less)/Add: Finance costs		208.02		(78.80)
Profit before taxation and exceptional items		**13,164.53**		**11,438.70**
(Less): Provision for Current Tax	(4,348.98)		(3,757.50)	
(Less): Deferred Tax for the year	(299.16)		(267.30)	
Add: Write back relating to prior years (net)	372.43	(4,275.71)	313.40	(3,711.40)
Net Profit		**8,888.82**		**7,727.30**
Other comprehensive income: (net of tax)		17.03		(119.90)
Total comprehensive income for the year		**8,905.85**		**7,607.40**
Add: Balance in retained earnings brought forward from earlier years		72,556.40		67,228.60
		81,462.25		**74,836.00**
Appropriations:				
Dividends paid (including tax thereon)		2,279.68		2,279.60
Balance carried to Balance Sheet		79,182.57		72,556.40
		81,462.25		74,836.00

2. MANAGEMENT DISCUSSION AND ANALYSIS

I. **Industry Structure and Development:** India has registered a steady pace of economic growth in Fiscal 2017-18 as it did in Fiscal 2016-17. Key reforms undertaken by the Government of India for raising economic growth and maintaining stability have made India one of the fastest growing major economies in the world.

India's GDP for fiscal year 2017-18 was at 6.70%, slowing from 7.1% in the previous financial year. Macroeconomic developments this year have been characterized by swings. In the first half, India's economy temporarily slowed

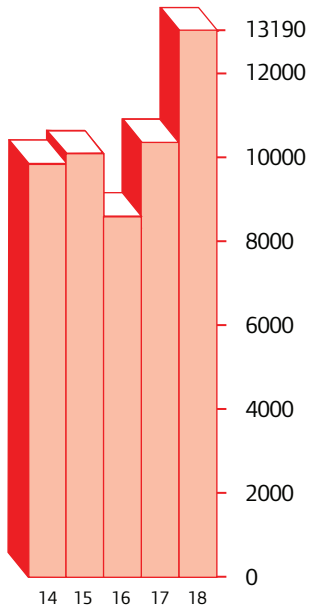
down as the rest of the world accelerated. This can be attributed to a slew of reforms and policies; demonetization, teething difficulties with the new GST reform, high and rising real interest rates, the Twin Balance Sheet (TBS) challenge, and sharp falls in certain food prices that impacted agricultural incomes. However, the economy showed signs of revival in the second half of the year.

Following the impact of GST on India's economy, there has been a fifty percent increase in the number of indirect taxpayers. There has also been a large increase in voluntary registrations, especially by small enterprises that buy from large enterprises wanting to avail themselves of input tax credits.

Reflecting the cumulative actions to improve business sentiments, India jumped 30 spots on the World Bank's Ease of Doing Business rankings, while similar actions to liberalize the foreign direct investment (FDI) regime helped increase flows by 20 percent.

Your Company's products are primarily sold to industries in the automotive, metals, pharmaceutical and textile sectors and these sectors have shown moderate growth improving the revenue by 1.7% during the year under review.

PROFIT BEFORE TAX
(in Rs. Lakhs)



II. **Segment-wise operational performance:** Air Solutions is the only segment in your Company's operations. The gross revenue of Air Solutions business in the year under review was Rs. 62,525 lakhs as against Rs. 66,397 lakhs in the previous financial year. Your Company continues to focus on local innovation and creating markets "In India; For India; By India".

The profit before tax is Rs. 13,165 lakhs in the year under review as against Rs. 11,439 lakhs in the previous financial year.

III. **Outlook:** The Economic Survey report 2017-18 has estimated the economic growth rate in the fiscal year 2019 between 7% and 7.5%, while saying that the rising crude oil price has become a major concern and is expected to grow by average 12% in the FY19. Your Company will continue to move on its path of sustained growth through differentiated product offerings and providing great service to its customers. The International Monetary Fund (IMF) has said that India could grow at 7.4% in the current year 2018-19, as against China's 6.8%, making it the fastest growing country among emerging economies. Notably, the International Monetary Fund has projected a 7.8% growth rate for India in 2019

IV. **Threat and concerns:** The primary threat continues to be leading competitors that are using price pressures as a tool to win the market share. Availability of spurious parts and components at cheap prices is also an added threat. Fluctuating foreign currency rates will have impact on imports. However, the superior product quality together with sustained performance and strong brand image is helping your Company in securing customer orders. Innovation based approach ensures that your Company stays ahead of competition.

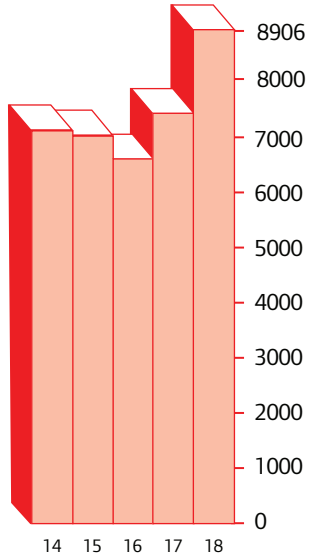
V. **Safety, Health and Environment:** Environmental, Health and Safety (EHS) are areas of prime focus at Ingersoll Rand. Your Company is committed to pursue the goal of "zero injuries" and "incident free" operations, and ensure all employees are aligned with this objective. The management is dedicated to formulating policies and decisions that help conduct the Company's

business in a sustainable manner with stringent procedures around safety systems and processes. Regular health check-up and hygiene studies are conducted every year for the employees. Your Company continues to monitor the hazardous and non-hazardous waste generation and disposal, improving its own environmental footprint by continually reducing greenhouse gas (GHG) emissions, consumption of water and by diverting waste from landfill disposal. Your Company has also achieved substantial savings by carrying out energy audits and implementing projects to save energy.

VI. **Technology Innovation:** Your Company has continued to invest in technology innovation to sustain its leadership position and be the pioneer of best-in-class solutions for its customers. This year, your company, introduced new models to its line of Next Generation R-Series oil-flooded rotary screw air compressors, which provide a more energy-efficient solution for customers with high capacity air requirements. The RS200 to RS250 models rotary screw air compressor reduce energy cost by approximately 10% for large manufacturing facilities. The ability for these compressors to deliver outstanding efficiency without compromising reliability meets the increasing demands of industries to increase productivity while reducing energy use. Our customers in India will be able to become more competitive in the global environment by boosting their productivity with a state of the art airend that delivers as much as 15% improved efficiency and 16% greater airflow capacity.

With this and more, we continue to push the edge of innovation to help our customers achieve real business results, including cost reductions and lower total cost of ownership. Ingersoll Rand holds very high standards for quality and performance and we continue to work diligently to ensure what we launch is true innovation and lives up to not only our high standards but the standards of our customers.

PROFIT AFTER TAX
(in Rs. Lakhs)



3. DIVIDEND

Your Company on November 8, 2017 declared an interim dividend at the rate of Rs. 3/- per share, absorbing Rs. 947.04 lakhs. Your Company also on May 10, 2018, has declared a special dividend of Rs. 202/- per share, as second interim dividend for the financial year under review, out of profits for the current year and accumulated surplus from profits of earlier years.

Your Directors at its meeting held on May 10, 2018 have, subject to the approval of the members at the ensuring Annual General Meeting, recommended payment of final dividend for the year under review at the rate of Rs. 3/- per share.

The total dividend payout for the year is Rs. 208/- per share absorbing Rs. 65,661.44 lakhs (previous year Rs. 1,894.08 lakhs). Dividend distribution tax payable by the Company would be Rs. 13,687.80 lakhs (previous year Rs. 385.60 lakhs).

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the dividend distribution policy of the Company has been disclosed in the Corporate Governance Report and on the website of the Company.

4. TRANSFER TO RESERVES

Pursuant to the provisions of the Act, your Directors have decided to retain the full profits for the year under review in Retained Earnings.

5. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments which has occurred, affecting the financial position of the Company between the end of the financial year of the Company i.e. March 31, 2018 and the date on which this report has been signed.

6. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS IMPACTING THE GOING CONCERN STATUS

There are no significant and material order(s) passed by any of the Regulators or Courts or Tribunals which could impact the going concern status of the Company and its future operations.

7. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company's management is responsible for establishing and maintaining an adequate system of internal controls over financial reporting. Accordingly, the Board of Directors has laid down internal financial controls to be followed by the Company and such policies and procedures to be adopted by the Company for ensuring efficient and orderly conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the accuracy and completeness of the accounting records and the timely preparation of financial information. The internal controls are commensurate with the size, scale and complexity of your Company's operations and facilitate prevention and timely detection of any irregularities, errors and frauds. The internal controls are continuously assessed and improved/modified to meet changes in business conditions, statutory and accounting requirements.

As a subsidiary of a corporation that is publicly listed on the New York Stock Exchange, your Company complies with the requirements of the Sarbanes Oxley Act of 2002. The Company through its own Corporate Internal Audit Department carries out periodic audits to independently assess the design and operating effectiveness of the internal control system to provide a credible assurance to the Board of Directors and the Audit Committee regarding the adequacy and operating effectiveness of the internal control system. The observations arising out of audit are periodically reviewed by the Audit Committee and compliance ensured.

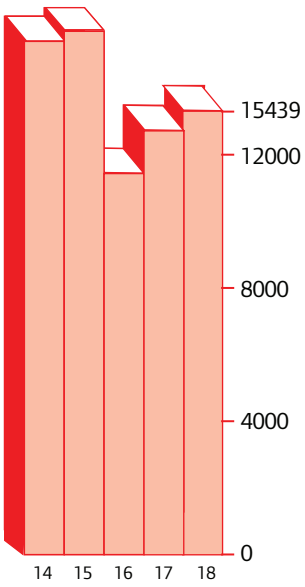
8. DETAILS OF JOINT VENTURES, SUBSIDIARIES AND ASSOCIATES

Ingersoll-Rand Company, USA is the holding Company and Ingersoll-Rand plc, Ireland, is the ultimate holding company of your Company. Your Company does not have any associate, subsidiary or joint venture either in India or anywhere else in the world.

9. DEPOSITS

During the year under review, your Company has not accepted any fixed deposits from the public within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. There are no unclaimed deposits as on March 31, 2018.

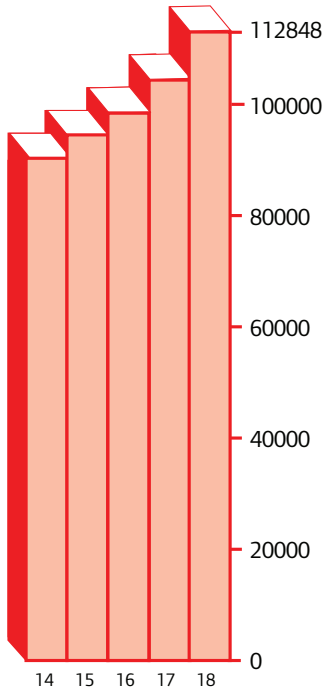
GROSS BLOCK
(in Rs. Lakhs)



10. STATUTORY AUDITORS

M/s. B S R & Co. LLP. Chartered Accountants (Firm Registration No. 101248W/W-100022) were appointed as the Statutory Auditors of the Company to hold office for a period of five (5) years commencing from the 95th Annual General Meeting held on August 3, 2017, subject to ratification by the members at every Annual General Meeting. However, pursuant to the notification of certain sections of the Companies (Amendment) Act, 2017, with effect from May 7, 2018 the requirement of ratification of the Statutory Auditors by members is no longer required. Taking into consideration this recent amendment, the annual ratification will not be required from this year onwards.

NET WORTH
(in Rs. Lakhs)



11. COST AUDITORS

As per Section 148 of the Act read with Companies (Cost Records and Audits) Rules, 2014, as amended, and on the recommendation of the Audit Committee, the Board of Directors has appointed M/s. Ashish Bhavsar & Associates, Cost Accountants, as Cost Auditors for conducting the audit of the cost records maintained by the Company for the year ending March 31, 2019. The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and rules framed thereunder. As required under the Act, the remuneration payable to cost auditors is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a resolution seeking Members ratification for the remuneration payable to M/s. Ashish Bhavsar & Associates, Cost Accountants is included in the Notice convening the Annual General Meeting.

12. SHARE CAPITAL

The Company has only one class of share viz. equity share with a face value of Rs. 10 each. During the year under review, there is no change in the issued and subscribed capital of your Company. The outstanding capital as on March 31, 2018 is Rs. 3,156.80 lakhs comprising 31,568,000 equity shares of Rs. 10/- each. Share capital audit as per the directives of the Securities and Exchange Board of India is being conducted on a quarterly basis by Parikh & Associates, Company Secretaries and the Audit Reports are placed on the table of the Board Meeting and duly forwarded to the stock exchanges where the equity shares of your Company are listed.

13. EXTRACT OF THE ANNUAL RETURN

The Extract of Annual Return as on March 31, 2018 as per Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is set out in Annexure A forming part of this report.

14. NUMBER OF MEETINGS OF THE BOARD

Five meetings of the Board of Directors were held during the year under review. The meeting details are provided in the Corporate Governance Report that forms part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Act.

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

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo required to be disclosed as per the provisions of Section 134(3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is set out in Annexure B forming part of this report.

16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has a long and proud history of supporting good activities of philanthropic organizations. Each year, your Company contributes time and financial support to the communities and beneficiaries in and around its areas of operation. This year, your Company has continued its CSR initiatives to focus on providing education, healthcare & sanitation, livelihood and furthering sustainability. These activities are in accordance with Schedule VII of the Act. The Board of Directors and CSR Committee review and monitor from time to time all the CSR activities being undertaken by the Company.

The details of CSR activities carried out by your Company during the year under review are set out in Annexure C forming part of this report.

The Board has adopted a policy on Corporate Social Responsibility which has been uploaded on website of the Company www.ingersollrand.co.in

17. INDEPENDENT DIRECTORS

The Board has an optimum combination of Independent and Non-Independent Directors. In line with the requirements of the SEBI Listing Regulations, more than half of the Board comprise of Independent Directors. Mr. Hemraj C. Asher, Mr. Darius C. Shroff and Mr. Sekhar Natarajan are independent directors of the Company. The independent directors have given a declaration confirming that they meet the criteria of independence as laid down under Section 149 (6) of the Act and Regulation 25 of SEBI Listing Regulations.

18. AUDIT COMMITTEE

Mr. Sekhar Natarajan, Mr. Amar Kaul and Mr. Darius C. Shroff continue as members of the Committee. The powers and role of Audit Committee are included in the corporate governance report section of the annual report. All the recommendations made by the Audit Committee was accepted by the Board of Directors.

19. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 (6) of the Act and the Article 131 of the Articles of Association of the Company, Ms. Jayantika Dave retires by rotation at the forthcoming Annual General Meeting, and being eligible, offers herself for re-appointment.

The brief resume and other relevant details of Director seeking appointment/re-appointment is given in the annexure to the Notice of the Annual General Meeting.

Mr. G. Madhusudhan Rao, Vice – President (Finance) retired during the year under review and Mr. Vikas Goel was appointed as Chief Financial Officer, in lieu thereof, effective November 8, 2017. Mr. Vikas Goel is a qualified Chartered Accountant and Cost Accountant with over 23 years professional experience in senior management positions with different corporate entities.

As on date, Mr. Amar Kaul, Chairman and Managing Director, Mr. Vikas Goel, Chief Financial Officer and Mr. P. R. Shubhakar, General Manager – Corp. Finance & Company Secretary are the Key Managerial Personnel of the Company.

20. PARTICULARS OF EMPLOYEES

The information on employees particulars as required pursuant to Section 197 (12) of the Act read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time are furnished in Annexure D forming part of this report.

21. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Your Company has an effective Vigil Mechanism system which is embedded in its Code of Conduct. The Code of Conduct of your Company serves as a guide for daily business interactions, reflecting your Company's standard for appropriate behavior and living corporate values. The Code of Conduct is applicable to all employees of the Company.

The suppliers and vendors of the Company are also required to adhere to Code of Conduct as it is a prerequisite for conducting business with your Company.

The Company's Whistle Blower Policy is the mechanism for directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct, violations of legal or regulatory requirements, incorrect or misrepresentation in any financial statements and reports etc. The mechanism provides for adequate safeguards against victimization of those who avail the mechanism and also provides for direct access to the Chairman of Audit Committee in exceptional cases.

The Whistle Blower Policy has been uploaded on the website of the Company www.ingersollrand.co.in

22. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Committee of the Company has formulated a policy relating to the remuneration of the directors, key managerial personnel and other employees of the Company. The Company's policy on directors' appointment and remuneration including the criteria for determining qualifications, positive attributes, independence of a director and other details are set out in the policy which has been uploaded on the website of the Company www.ingersollrand.co.in.

23. ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act and SEBI Listing Regulations, read with the Guidance Note on Board Evaluation, the Board has carried out the annual performance evaluation of the Board as a whole, the Directors individually as well as the working of the Board and its Committees.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as board composition and structure, effectiveness of board processes, information and functioning etc. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as contribution of individual director to the board and committee meetings like preparedness on matters to be discussed, constructive contribution and inputs in meetings etc. Further, in a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and its Chairman was evaluated as stipulated under the SEBI Listing Regulations.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year under review, your Company has not given any loans or provided any guarantees or made any investments within the meaning of Section 186 of the Act.

25. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions (RPTs) that were entered into during the year were on an arm's length basis and were in the ordinary course of business. All RPTs are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. A statement giving details of all RPTs is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

There are no materially significant related party transactions entered into by the Company with its promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

As per Regulation 23(2) of SEBI Listing Regulations, material RPTs shall require prior approval of the Members. A transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual turnover as per last audited financial statements of the Company. In pursuance of the same, the shareholders of the Company have approved and authorised the Board of Directors and Audit Committee to enter into transactions, in excess of 10% of the Company's annual turnover, with Ingersoll Rand Company, USA and Ingersoll Rand International

Limited, Ireland up to December 31, 2020.

Transactions with related parties, as per the requirements of Ind AS 24 are disclosed in the notes to financial statements.

The Board of Directors has adopted a policy on Related Party Transactions which has been uploaded on website of the Company www.ingersollrand.co.in

26. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Board of Directors appointed Mr. Natesh K, Practicing Company Secretary, Bangalore, to conduct the Secretarial Audit of the Company for the year ended March 31, 2018. The Secretarial Audit Report issued by Mr. Natesh K is given in Annexure E forming part of this report.

There is no qualification, reservation or adverse remark or disclaimer made by the company secretary in practice for the year under review.

27. CORPORATE GOVERNANCE CERTIFICATE

The Company is committed to adhere to highest standards of Corporate Governance in all areas of its functioning. As required under Regulation 34 read with Schedule V of SEBI Listing Regulations, a report on Corporate Governance together with a certificate from Mr. Natesh K, Practicing Company Secretary confirming compliance with the requirements of Corporate Governance is set out in Annexure F forming part of this report.

28. RISK MANAGEMENT POLICY

Your Company has constituted a Risk Management Committee which comprises Mr. Amar Kaul – Chairman, Mr. Darius C. Shroff, Director, Ms. Jayantika Dave, Director.

The Committee has formulated a risk management policy for identifying the elements of risk, which in the opinion of the Board of Directors, threatens the existence of the Company. The said policy sets out the objectives and elements of risk management within the organization and helps to promote risk awareness amongst employees along with facilitating integration of risk management within the corporate culture.

The formulation and monitoring of the Risk Management Policy at the corporate levels illustrates the executive management's commitment to implement and continuously develop risk management within the Company.

29. PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention of sexual harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. An Internal Compliance Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, no complaint relating to sexual harassment has been received.

30. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations provided to them, your Directors, pursuant to sub-section (5) of Section 134 of the Act, state:

(a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;

(b) that appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as March 31, 2018 and of the profit and loss of the Company for the year ended March 31, 2018;

(c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the annual accounts have been prepared on a going concern basis;

(e) that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their gratitude to the various stakeholders – customers, shareholders, banks, dealers, vendors and other business partners for the continued cooperation and support extended by them during the year under review. Your Directors would also like to acknowledge the exceptional contribution and commitment from all the employees of the Company during the year under review.

For and on behalf of the Board of Directors

Amar Kaul
Chairman & Managing Director

Mumbai, May 10, 2018

Annexure A

Form No.MGT 9

EXTRACTS OF ANNUAL RETURN

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L05190KA1921PLC036321
ii	Registration Date	1st December, 1921
iii	Name of the Company	Ingersoll - Rand (India) Limited
iv	Category/Sub-category of the Company	Public Limited Company
v	Address of the Registered office & contact details	8th Floor, Tower D, IBC Knowledge Park, No. 4/1, Bannerghatta Main Road, Bengaluru – 560029 Tel.+ 91 80 22166000
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	TSR Darashaw Limited, 6-10, Haji Moosa Patrawala Industrial Estate, No. 20, E Moosa Road, Mahalaxmi, Mumbai - 400 011. Tel: +91 22 6656 8484

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All business activities contributing 10% or more of the total turnover of the Company are given below -

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Air Compressors - Complete Machines & Spare Parts	2813	100%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Ingersoll-Rand Company 800-E, Beaty Street, Davidson, North Carolina 28036 USA	Foreign Company	Holding Company	74%	Sections 2(46) and 2(87) of Companies Act, 2013

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Shareholding

	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Promoters**									
(1)	**Indian**									
(a)	Individuals / Hindu Undivided Family	-	-	-	-	-	-	-	-	-
(b)	Central Government	-	-	-	-	-	-	-	-	-
(c)	State Governments(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(e)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(f)	Any other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (A) (1)	-	-	-	-	-	-	-	-	-
(2)	**Foreign**									
(a)	Non-Resident Individuals	-	-	-	-	-	-	-	-	-
(b)	Other Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	23,360,000	-	23,360,000	74%	23,360,000	-	23,360,000	74%	-
(d)	Banks / FI	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (A) (2)	23,360,000	-	23,360,000	74%	23,360,000	-	23,360,000	74%	-
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	23,360,000	-	23,360,000	74%	23,360,000	-	23,360,000	74%	-
(B)	**Public Shareholding**									
(1)	**Institutions**									
(a)	Mutual Funds	895,840	450	896,290	3%	883,411	200	883,611	3%	
(b)	Financial Institutions / Banks	7,623	1,200	8,823	0%	16,229	900	17,129	0%	-
(c)	Central Government	-	-	-	-				-	-
(d)	State Governments(s)	-	-	-	-				-	-
(e)	Venture Capital Funds	-	-	-	-				-	-
(f)	Insurance Companies	1,407,960	50	1,408,010	4%	1,364,095	50	1,364,145	4%	-
(g)	Foreign Institutional Investors / FPI-CORPS	240,491	100	240,591	1%	298,522	-	298,522	1%	-
(h)	Any Other (Specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B) (1)	2,551,914	1,800	2,553,714	8%	2,562,257	1,150	2,563,407	8%	-
(2)	**Non-Institutions**									
(i)	Bodies Corporate									
	i) Indian	660,171	5,800	665,971	2%	687,244	4,800	692,044	2%	-
	ii) Overseas	-	-	-	-	-	-	-	-	-
	Individuals									
	Individual Shareholders holding nominal Share Capital upto Rs.1 Lakh	4,141,840	345,429	4,487,269	14%	4,164,782	298,385	4,463,167	14%	-
(ii)	Individual Shareholders holding nominal Share Capital in excess of Rs.1 Lakh	498,936	-	498,936	2%	459,541	-	459,541	2%	-
(iii)	Any Other (Specify)	-	-	-	-	-	-	-	-	-
	i) Trust	2,110	-	2,110	0%	1,740	-	1,740	0%	-
	ii) IEPF Account	-	-	-	0%	28,101	-	28,101	0%	-
	Sub-total (B) (2)	5,303,057	351,229	5,654,286	18%	5,341,408	303,185	5,644,593	18%	-
	Total Public Shareholding (B) = (B)(1)+(B)(2)	7,854,971	353,029	8,208,000	26%	7,903,665	304,335	8,208,000	26%	-
	TOTAL (A)+(B)	31,214,971	353,029	31,568,000	100%	31,263,665	304,335	31,568,000	100%	-
(C)	"Shares held by Custodians Custodian for GDRs & ADRs"	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	31,214,971	353,029	31,568,000	100%	31,263,665	304,335	31,568,000	100%	-

(ii) Share Holding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		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	% change in shareholding during the year
1	Ingersoll-Rand Company	23,360,000	74%	-	23,360,000	74%	-	-
		23,360,000	74%	-	23,360,000	74%	-	-

(iii) Change in Promoter's Shareholding

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No.of Shares	% of total Shares of the company
1	Ingersoll-Rand Company				
	At the beginning of the year	23,360,000	74%	23,360,000	74%
	Date wise increase / decrease in Promoters Shareholding during the year alongwith the reasons for increase / decrease	No transactoins during the year			
	At the end of the year	23,360,000	74%	23,360,000	74%

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

Sl. No.	Name of the Shareholder	Date	Shareholding at the beginning of the year		Reason	Cummulative Shareholding during the year	
			No. of Shares	% of total Shares of the company		No. of Shares	% of total Shares of the company
1	**Bajaj Allianz Life Insurance Company Ltd.**						
	At the beginning of the year	01-Apr-2017	574,413	1.82%			
	Date wise increase / decrease in Shareholding during the year alongwith the reasons for increase / decrease	07-Apr-2017	13,000	0.04%	Market Purchase	587,413	1.86%
		21-Apr-2017	-13,000	-0.04%	Market Sale	574,413	1.82%
		28-Apr-2017	-10,000	-0.03%	Market Sale	564,413	1.79%
		05-May-2017	-6,600	-0.02%	Market Sale	557,813	1.77%
		26-May-2017	-10,000	-0.03%	Market Sale	547,813	1.74%
		07-Jul-2017	3,000	0.01%	Market Purchase	550,813	1.75%
		28-Jul-2017	-5,000	-0.02%	Market Sale	545,813	1.73%
		01-Sep-2017	2,000	0.01%	Market Purchase	547,813	1.74%
		06-Oct-2017	1,000	0.00%	Market Purchase	548,813	1.74%
		24-Nov-2017	-265	0.00%	Market Sale	548,548	1.74%
		12-Jan-2018	-20,000	-0.06%	Market Sale	528,548	1.68%
		23-Mar-2018	2,000	0.01%	Market Purchase	530,548	1.68%
	At the end of the year	31-Mar-2018	530,548	1.68%			

Sl. No.	Name of the Shareholder	Date	Shareholding at the beginning of the year		Reason	Cummulative Shareholding during the year	
			No. of Shares	% of total Shares of the company		No. of Shares	% of total Shares of the company
2	General Insurance Corporation Of India						
	At the beginning of the year	01-Apr-2017	542,024	1.72%			
	Date wise increase / decrease in Shareholding during the year alongwith the reasons for increase / decrease		-	-		-	-
	At the end of the year	31-Mar-2018	542,024	1.72%			
3	IDFC Premier Equity Fund						
	At the beginning of the year	01-Apr-2017	530,084	1.68%			
	Date wise increase / decrease in Shareholding during the year alongwith the reasons for increase / decrease		-	-		-	-
	At the end of the year	31-Mar-2018	530,084	1.68%			
4	United India Insurance Company Limited						
	At the beginning of the year	01-Apr-2017	291,523	0.92%			
	Date wise increase / decrease in Shareholding during the year alongwith the reasons for increase / decrease		-	-		-	-
	At the end of the year	31-Mar-2018	291,523	0.92%			
5	UTI-MNC Fund						
	At the beginning of the year	01-Apr-2017	117,000	0.37%			
	Date wise increase / decrease in Shareholding during the year alongwith the reasons for increase / decrease	13-Oct-2017	-1,603	-0.01%	Market Sale	115,397	0.36%
		20-Nov-2017	-7,397	-0.02%	Market Sale	108,000	0.34%
		15-Dec-2017	-11,436	-0.04%	Market Sale	96,564	0.30%
		22-Dec-2017	-33,564	-0.11%	Market Sale	63,000	0.19%
		29-Dec-2017	-726	0.00%	Market Sale	62,274	0.19%
		19-Jan-2018	-586	0.00%	Market Sale	61,688	0.19%
		02-Feb-2018	-25,099	-0.08%	Market Sale	36,589	0.11%
		09-Feb-2018	-9,589	-0.03%	Market Sale	27,000	0.08%
		16-Feb-2018	-7,742	-0.02%	Market Sale	19,258	0.06%
		23-Feb-2018	-19,258	-0.06%	Market Sale	0	0.00%
	At the end of the year	31-Mar-2018	0	0.00%			

Sl. No.	Name of the Shareholder	Date	Shareholding at the beginning of the year		Reason	Cummulative Shareholding during the year	
			No. of Shares	% of total Shares of the company		No. of Shares	% of total Shares of the company
6	Mr. Akash Bhanshali						
	At the beginning of the year	01-Apr-2017	111,285	0.35%			
	Date wise increase / decrease in Shareholding during the year alongwith the reasons for increase / decrease		-	-		-	-
	At the end of the year	31-Mar-2018	111,285	0.35%			
7	The Emerging Markets Small Cap Series Of The Dfa Investment Trust Company						
	At the beginning of the year	01-Apr-2017	86,228	0.27%			
	Date wise increase / decrease in Shareholding during the year alongwith the reasons for increase / decrease	19-May-2017	-869	0.00%	Market Sale	85,359	0.27%
		26-May-2017	-985	0.00%	Market Sale	84,374	0.27%
		02-Jun-2017	-2,043	-0.01%	Market Sale	82,331	0.26%
		09-Jun-2017	-2,036	-0.01%	Market Sale	80,295	0.25%
		21-Jul-2017	-892	0.00%	Market Sale	79,403	0.25%
		27-Jul-2017	-884	0.00%	Market Sale	78,519	0.25%
	At the end of the year	31-Mar-2018	78,519	0.25%			
8	Kuber India Fund						
	At the beginning of the year	01-Apr-2017	-	0.00%			
	Date wise increase / decrease in Shareholding during the year alongwith the reasons for increase / decrease	13-Oct-2017	25,000	0.08%	Market Purchase	25,000	0.08%
		29-Dec-2017	53,728	0.17%	Market Purchase	78,728	0.25%
		05-Jan-2018	1,272	0.00%	Market Purchase	80,000	0.25%
		12-Jan-2018	21,000	0.07%	Market Purchase	101,000	0.32%
		30-Mar-2018	-15,989	-0.05%	Market Sale	85,011	0.27%
	At the end of the year	31-Mar-2018	85,011	0.27%			
9	Profitex Shares And Securities Private Limited						
	At the beginning of the year	01-Apr-2017	66,077	0.21%			
	Date wise increase / decrease in Shareholding during the year alongwith the reasons for increase / decrease		-	-		-	-
	At the end of the year	31-Mar-2018	66,077	0.21%			

Sl. No.	Name of the Shareholder	Date	Shareholding at the beginning of the year		Reason	Cummulative Shareholding during the year	
			No. of Shares	% of total Shares of the company		No. of Shares	% of total Shares of the company
10	**Sundaram Mutual Fund A/C Sundaram Select Micro Cap Series I**						
	At the beginning of the year	01-Apr-2017	51,496	0.16%			
	Date wise increase / decrease in Shareholding during the year alongwith the reasons for increase / decrease	19-May-2017	-3,093	-0.01%	Market Sale	48,403	0.15%
	At the end of the year	31-Mar-2018	48,043	0.15%			
11	**IDBI Small Cap Fund**						
	At the beginning of the year	01-Apr-2017	-	0.00%			
	Date wise increase / decrease in Shareholding during the year alongwith the reasons for increase / decrease	29-Dec-2017	24,739	0.08%	Market Purchase	24,739	0.08%
		05-Jan-2018	12,303	0.04%	Market Purchase	37,042	0.12%
		19-Jan-2018	11,559	0.04%	Market Purchase	48,601	0.16%
		02-Feb-2018	10,000	0.03%	Market Purchase	58,601	0.19%
		16-Mar-2018	8,097	0.02%	Market Purchase	66,698	0.21%
	At the end of the year	31-Mar-2018	66,698	0.21%			

Notes:

The details of shareholding, given above, is from 01-Apr-2017 / the date of entering the Top 10 shareholders list till 31-Mar-2018 / the date of leaving Top 10 shareholders list.

(v) Shareholding of Directors & Key Managerial Personnel

Sl. No.	Name of the Director / Key Managerial Personnel	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Mr. Hemraj C. Asher (Independent Director)**				
	At the beginning of the year	8,000	0.03%		
	Date wise increase / decrease in Shareholding during the year alongwith the reasons for increase / decrease	-	-	-	-
	At the end of the year	8,000	0.03%		
2	**Mr. Darius C. Shroff (Independent Director)**				
	At the beginning of the year	10,000	0.03%		
	Date wise increase / decrease in Shareholding during the year alongwith the reasons for increase / decrease	-	-	-	-
	At the end of the year	10,000	0.03%		

V INDEBTEDNESS

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

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. **Remuneration to Managing Director, Whole time director and/or Manager:**

(Rs. Lakhs)

Sl. No.	Particulars of Remuneration	Mr. Amar Kaul, Chairman & Managing Director	Total Amount
1	**Gross salary**		
	(a) Salary as per provisions contained in section 17(1) of Income Tax Act, 1961	256.17	256.17
	(b) Value of perquisites u/s 17(2) of Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission, as % of profit or if any others, specify	-	-
5	Others, please specify	-	-
	Total (A)	**256.17**	**256.17**
	Ceiling as per the Act		**678.02**

B. **Remuneration to other directors:**

(Rs. Lakhs)

Sl. No.	Particulars of Remuneration	Name of the Directors			Total Amount
1	**Independent Directors**	**Mr. Hemraj C. Asher**	**Mr. Darius C. Shroff**	**Mr. Sekhar Natarajan**	
	(a) Fee for attending Board / Committee meetings		-	-	-
	(b) Commission	12.00	12.00	12.00	36.00
	(c) Others, please specify		-	-	-
	Total (1)	12.00	12.00	12.00	36.00
2	**Other Non Executive Directors**	**Ms. Jayantika Dave**			
	(a) Fee for attending Board / Committee meetings	-			-
	(b) Commission	12.00			12.00
	(c) Others, please specify	-			-
	Total (2)	**12.00**			**12.00**
	Total (B)=(1+2)				**48.00**
	Total Managerial Remuneration (A+B)				**304.17**
	Overall Cieling as per the Act				**1,491.64**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs. Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Vikas Goel - Chief Financial Officer	Mr. P. R. Shubhakar, General Manager - Corp. Finance & Company Secretary	Total
1	**Gross Salary**			
	(a) Salary as per provisions contained in section 17(1) of Income Tax Act, 1961	90.15	96.78	186.93
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission, as % of profit or if any others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	**90.15**	**96.78**	**186.93**

VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

There were no penalty/punishment/compounding if offences for the breach of any section of the Companies Act against the Company or its Directors or any other officers in default during the year.

ANNEXURE - B

THE INFORMATION REQUIRED UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

CONSERVATION OF ENERGY

(a) The following energy conservation measures were taken:

I. Installation of New Crane at our service centre with VFD to save energy and improve performance.

II. Emergency Light Distribution Board have been replaced with Panel with upgraded switch gear with LOTO provision and Individual Energy Meter to have better monitoring & control of consumption.

III. Replaced 250-watt MH Lights with 45 number of 80-watt LED light fixtures without affecting the illumination in warehouse area; thereby reducing monthly consumption by 1350 KWH.

IV. Replaced conventional 72-watt PL lights with 75 number of 36-watt LED in T30 assembly lines and have reduced monthly electricity consumption by 450 KWH.

V. Installation of 60 LED lights in R&D laboratory which resulted in reduction in monthly consumption by 250 KWH.

VI. Installation of 14 number of Flame proof LED lights in small air & parts paint booths.

VII. Auto Programing of 45-kw ventilation system in rotary test cells to avoid wastage.

VIII. Arc flash study completed for whole plant for Tripping Circuit Optimization for electrical safety.

IX. Installed 4 units of 30 HP VFD in HP test bed in small air testing line.

X. Treatment and recycling of domestic waste water under ZLD commenced in December 2017 and currently, 15 KL of treated and recycled water used daily.

XI. QRC coupling has been installed in small air assembly area to avoid leakages from compressed air connection.

XII. DC tool installed in one of the small air assembly lines for better & accurate torque hence eliminating use of compressed air for torque.

XIII. Optimized HVAC timing & setting for seasonal effect & started shut off during lunch & tea breaks.

XIV. Small Air paint booth temperature interlock done with heating system to optimize gas consumption.

XV. Energy meter Installation done for rotary ventilation system for better monitoring of consumption pattern.

XVI. Air curtain installed at the entry to canteen from shop floor to prevent cooling loss.

XVII. Machine testing time optimized in centrifugal assembly line & load balancing carried out to manage electricity demand during production hours.

XVIII. Wiper strips installed in all fire doors for cooling loss prevention.

b) Additional investments and proposals, if any, being implemented for reduction in energy consumption:

- Gas operated heating system to replace electrical heater in component cleaning machines.
- Solar roof top installation in factory building.
- LED installation in high bay light fittings in remaining locations of factory building, service centre and in plant premises including streetlights.
- Identify opportunities for savings through energy audit of plant
- Implementation of online control monitoring system in Phase-2 HVAC.
- Automation of AHU & VRV AC in ventilation system for rotary test cell.
- Air curtain installation in small air assembly area to prevent cooling loss.

- Efficient HVAC system installation in CMM area and valve plate assembly in small air assembly.
- Air audit to be carried out for air loss prevention.
- Automation of cooling tower water top up.
- VFD installation in Phase 1 AHU unit.
- VFD installation in cooling tower water pump in test cell area.
- Automatic control of illumination in shop floor area.

(c) Impact of (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

Our total energy cost is less than one per cent of total sales and considering the nature of our production process, further conservation could at best be marginal.

TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form B is given below:

FORM B

FORM FOR DISCLOSURE OF PARTICULARS WITH REGARD TO ABSORPTION RESEARCH AND DEVELOPMENT (R & D)

1. **Specific areas in which R & D is carried out by the Company:**

(A) COMPRESSORS & DRYERS

Types:

(i) Reciprocating air-cooled – single and multi-stage.

(ii) Rotary Screw

(iii) Centrifugal

(iv) Refrigerated Dryers

(v) Desiccant Dryers

Areas:

(i) Thermodynamics

(ii) Energy Efficiency

(iii) Fluid flow

(iv) Multi-user application adoption

(v) Finite Element Analysis

(vi) Modulation and control systems

(vii) Digital pulsation analysis for acoustic and mechanical vibrations

(viii) IoT – Internet of Things: Digital solutions

2. **Benefits derived as a result of the above R & D:**

(i) High energy efficient products resulting in delighted customers.

(ii) Development of next generation products which will have digital connectivity for better operational efficiency.

(iii) Up-gradation of products to meet global energy efficiency and sustainability regulations with focus on more efficient and environment friendly products.

(iv) Increasing product offering range by adding new products.

(v) Offering of optimum product choice both at domestic and international markets for diverse applications.

(vi) Unique status of single manufacturer of certain compressors worldwide.

3. **Future Plan of Action:**

(i) Develop, introduce, and export higher efficiency air compressor, dryer and packages.

(ii) Develop and introduce larger capacity centrifugal, rotary & reciprocating compressors.

(iii) Introduce comprehensive range of stationary screw compressors for industrial use.

4. **Expenditure of R & D:**

(i) Capital	Rs. 111.27 Lakhs
(ii) Recurring	Rs. 209.81 Lakhs
(iii) Total	Rs. 321.08 Lakhs
(iv) Total R & D expenditure as a percentage of total turnovers	0.51%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. **Being constantly in touch with our principals, Ingersoll-Rand Company, U.S.A. and its various manufacturing locations, we were able to keep up-to-date with technology changes. Efforts in brief, made towards technology absorption, adaptation and innovation are as follows:**

(i) Continued development of Naroda as an export base for large reciprocating compressor packages and parts.

(ii) Import substitution of several mechanical transmissions, valve components, control panels and progressive indigenization of all product lines.

(iii) Development of dryer technology with set up of production base at Naroda

(iv) Expansion of an in-house R&D laboratory to validate processes products as per global standards before commencing mass production.

(v) Adherence to global product development process.

2. **Benefits derived as a result of the above efforts:**

(i) Enhancement of facilities and processes in line with the latest global standards.

(ii) Upgradation of product range incorporating market requirements.

(iii) Product improvements enhancing energy efficiency and reduction in Life cycle cost of product.

(iv) Products made efficient through adaptation of modern product development tools and techniques to save time, cost and energy. Also to be more environment friendly.

(v) Optimum usage of raw material using advanced techniques like 3P to cut down wastage of resources and material.

(vi) Reduction in manufacturing cost through improvement in productivity thereby offsetting general cost escalation in inputs.

3. **In case of imported technology [imported during the last 5 years reckoned from the beginning of the financial year], following information is furnished:**

Technology Imported	Year	Status
Refrigerated compressed air dryers	2013	in production
New centrifugal compressor with energy efficient design	2014	in production

Technology imported earlier has assisted us in upgrading our products and ushering in latest technological advances made in the developed countries. Constant dialogue takes place with our Principals in U.S.A. for adapting to the most modern technology available in the world.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange used and earned:	(Rs. Lakhs)	
(i) Earnings in foreign exchange on account of exports, deemed exports, Income from services rendered and recovery of expenses and engineering fees.		15,740.52
(ii) Value of imports calculated on c.i.f. basis	12,753.47	
(iii) Expenditure in foreign currency on account of travelling, IT Infra and others	867.30	
(iv) Remittance in foreign exchange on account of dividend	1,401.60	15,022.37
Net Earnings / (Outgo) in Foreign Exchange		718.15

For and on behalf of the Board of Directors

Amar Kaul
Chairman & Managing Director

Mumbai, May 10, 2018

ANNEXURE - C
Report on Corporate Social Responsibility

1. **Brief outline and overview of Company's Corporate Social Responsibility (CSR) policy, including overview of projects or programs proposed to be undertaken:**

Ingersoll Rand has a long and proud history of supporting the good works of philanthropic organizations in the countries where it operates. Each year, Ingersoll Rand contributes both time and financial support to the communities in which we live and work. We will continue to align our philanthropy and community outreach efforts with our core business strengths.

Our vision is to advance the quality of life through our social commitments to help build healthy, sustainable, efficient and educated communities. And through our efforts, our mission is to create a meaningful difference in people's lives and help to create a positive impact on communities in India.

Our CSR Policy

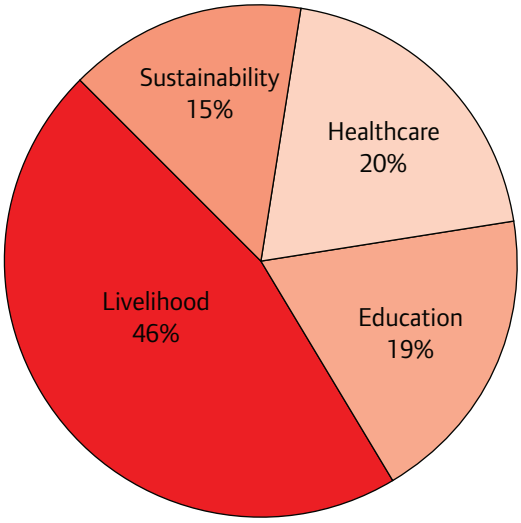
We believe in collaborating with and converging the resources of the government, private sector, social enterprises and the communities through Public-Private-Partnership approach to deliver solutions that will improve lives. All our CSR projects are carefully selected and implemented keeping in perspective the need, scalability and overall impact for our selected beneficiaries in the regions where we operate.

The Company's detailed CSR Policy has been uploaded on the website of the Company - (https://www.ingersollrand.co.in/content/dam/ir-corp/ircorp-india/Documents/products/Ingersoll%20Rand%20CSR%20Policy%20Final.pdf)

Our Philosophy

Tackling Malnutrition in children from underprivileged backgrounds in order to improve health and hence decrease absenteeism in the classrooms	Providing Education and spreading awareness on science and engineering amongst children so as to increase the access of quality and practical knowledge for them	Skilling and providing livelihood to the educated youth from the weaker sections by helping them get industry ready and secure jobs	Community Development through initiatives that remedy social issues impacting the communities within which we operate

CSR Budget Allocation by Focus Areas



Details of CSR projects undertaken during the year 2017-18

Providing Healthcare

Mid-day meal program to provide multi-dimensional impact on health and education

Ingersoll Rand continues to deepen its partnership with Akshaya Patra this year with their school lunch program. The program aims to promote basic education of underprivileged children by addressing the root cause of illiteracy-poverty and hunger. By implementing the mid-day meal scheme in the Government schools and Government aided schools, the partnership aims to fight hunger and bring children to school.

The organization has supported 6,500 children covering 33 schools in Ahmedabad, Gujarat by feeding wholesome and nutritious mid-day meals on 150 school working days in the academic year 2017-18.

Mid-day meal is an incentive for bringing children to school everyday	Mid-day meal is the first meal of the day for majority of these children	Mid-day meal is bringing the girl child and children from other marginalized communities to school

Providing Education

Experiential, hands-on science education for disadvantaged children

In the fifth year of its partnership with the Agastya International Foundation, Ingersoll Rand continues to promote Science, Technology, Engineering and Mathematics (STEM) activities through its key projects in Gurgaon, Haryana and Naroda, Gujarat. By making practical, hands-on science education accessible to rural government schools, the partnership aims to transform and stimulate a creative temper and curiosity in underprivileged children and teachers.

Science Centre at Govt. Model Sanskriti Senior Secondary School, Sushant Lok, Gurgaon

Ingersoll Rand's Science Centre in Gurgaon, shifted to another school this year targeting a new pool of student and teacher beneficiaries. The new location of the Science Centre has expanded our reach to include 10 new schools with over 2,500 unique students. The children and teachers from the nearby government schools visit the Science Centre on a regular basis to participate in hands-on science sessions, science fairs, teacher training sessions etc.

At the close of the project, the Science Centre is expected to generate 16,000 student exposures and 150 teacher exposures. The program continues to foster curiosity, critical thinking and creativity through hands-on programs and provides a strong and dynamic learning resource base for Government Schools.

Mobile Science Lab in Naroda, Gujarat

The Mobile Science Lab (MSL) is a very powerful and innovative instrument to revolutionize rural education and make hands-on education increasingly accessible. Each MSL targets government school children and teachers with 200+ hands-on science models covering a wide range of topics in Physics, Chemistry, Biology and for Class 5 through 10. The teaching approach is consistent with the National Curriculum Framework and the topics overlap the NCERT syllabus.

This year, our MSL in Naroda successfully covered 22 school generating unique exposures for 4,220 students and 245 teachers. Four science fairs were conducted and 110 Young Instructors demonstrated scientific phenomena. The Science fairs and summer/ winter camps benefitted 75 teachers and delivered 25,500 students exposures.

The MSL program has helped us access schools in remote locations and raise awareness on the importance of hands-on science at a mass level. The MSL has helped catalyze local schools and educators to improve the content and quality of education for rural children and teachers.

Assessment

The programs with Agastya were evaluated leveraging the Impact Assessment Framework developed in collaboration with IIM-Bangalore to assess and prove the impact of scientific exposures on the "Awareness", "Curiosity", "Confidence" and "Science Knowledge" of children who are associated with the program.

Assessment of the Gurgaon Science Centre reported a 20% increase in the number of beneficiaries who scored above 60% in the area of Science Knowledge as part of the test. Average scores increased by 11% in the area of curiosity with an increase of 13% of students scoring higher than 60% in the test.

Assessment of Naroda Mobile Science Lab reported an increase of 31% in number of students scoring distinction in the assessment tests. The parameter of 'confidence' saw a 28% increase in the number of students scoring above 60% in the tests.

Basic Education and Healthcare through Mission Education Program

In the third year of its partnership, Ingersoll Rand and Smile Foundation have continued to successfully run the Mission Education Centre in Kolkata. Through this project, the organization is supporting interventions in the areas of education and healthcare for 200 underprivileged children in Kolkata. The support has helped beneficiaries sustain their academics in difficult circumstances and continue their drive to return to mainstream education.

The project is directly benefiting and empowering children in the age group of 10-17 years from underprivileged communities in Kolkata. Indirectly, the program will also benefit the families of these children, teachers/ educators through training sessions and community sensitization programs and community workers through mobilization programs.

The major activities conducted at the Mission Education Centre during the reporting period include:

- 24 computer learning sessions of 40 minutes each were conducted
- 15 art and craft sessions were organized to stimulate creativity, confidence and self-expression in students
- Community/ Parent teacher meetings were conducted to spread awareness on importance of education with particular focus on remedial classes
- Health check- up was organised during this period focusing on oral, dental and general health check-up of children. The student beneficiaries were provided with appropriate medication assistance and counselling on the basis of their respective diagnosis
- Festival celebrations and events were conducted in the centre for promoting holistic growth and development. Annual Day was celebrated with attendance from 1,200 people.
- At the end of the program, significant improvement in results from first term to annual exams were recorded for the beneficiaries

Livelihood generation through Skill Development

Supporting Government's Skill India Mission

Ingersoll Rand's CSR philosophy aims to cover the entire lifecycle of our beneficiaries especially meeting the critical need of supporting educated youth of the country to gain meaningful employment in the industry. Our partnership with National Skill Development Corporation (NSDC) is working towards achieving that goal.

2017 marked the completion of two years of India's ambitious Skill India Mission, India's 21st century odyssey to skill 400 million people across the country by 2022. The Ingersoll Rand CSR Skill Development Project is a multi-stakeholder public private project representing a significant commitment in infrastructure, time and financial resources to cultivate human capital for social good. It also draws upon the business strengths of the organizations involved to make better interventions.

In the second year of our partnership, Ingersoll Rand is working closely with NSDC to provide employment to 430 youth including 210 women in the manufacturing, automotive and healthcare sectors. These sectors were carefully chosen keeping in perspective need assessment results for availability of placement opportunities and leveraging the strength of the organization. The goal of the project continues to be instilling economic security and stability among youth and women through skill training and holistic development thereby facilitating enhanced access to opportunities for Industry jobs and self-employment in the chosen sectors.

Key Outcomes:

- Employability
- Income generation
- Enhanced learning and adaptability
- Entrepreneurship and market linkages

Skill Training to 430 candidates	210 women candidates	Sector Focus: Automotive and Healthcare	Job Roles: QC Inspector, CNC Operator and General Duty Assiatant	Location: Delhi/ NCR

Overall, the projects have brought together numerous stakeholders and created a productive synergy between them. Training is provided according to the National Skills Qualification Framework (NSQF) with a combination of theory teaching (manuals) and practical training (labs). Chosen Training Partners also impart training in Soft Skills, Entrepreneurship, Financial and Digital Literacy. Short training programs have been designed to have a significant impact on an individual's standard of living as well as social dignity.

Community Development

Supporting Environmental Sustainability

Ingersoll Rand's project with Uthaan is a step towards conserving the environment and sustainability of communities in urban and rural areas. Our work with the Gurgaon based partner focuses on addressing key issues of deforestation, air pollution and global warming through increasing the green cover in the region.

The company has adopted four high traffic zones in Gurgaon, Haryana for tree plantation and maintenance to offset the negative impact of air pollution and climate change. The project is designed on the public-private-partnership model with land allocation by HUDA (Haryana Urban Development Authority) and MCG (Municipal Corporation of Gurgaon) for the green movement.

Overall, with this project, we hope to create amongst the stakeholders a sense of responsibility towards the environment, resource protection, increasing green cover and a pollution free city. Project activities at the four adopted patches include tree plantation, watering, fencing, tree guards, cleaning, branding and yearly maintenance.

Employee Volunteering

Ingersoll Rand, its leadership and employees, are committed and actively engaged in giving to the less fortunate and participating in community relations activities in the country. Through the year, the employees come together for multiple volunteering events for creating a positive impact in the communities in the areas of our presence.

With the formation of an extended CSR employee team across our offices, there are multiple engagement activities organized through the year with greater involvement in our CSR projects. This year, over 15 employee volunteering activities were organized including 1,400 hours of employee volunteering time. Activities included project launches, serving mid-day meals to beneficiary children, science fairs, soft skills sessions, staff duty at Akshaya Patra kitchens, tree plantation etc.

Our employees continue to carry forward our spirit of volunteerism by working with communities across the country helping the disadvantaged, marginalized and those in distress.

2. **Composition of the CSR Committee:**

   As of March 31, 2018, the CSR Committee comprises Mr. Amar Kaul, Chairman, Mr. Hemraj C. Asher, Ms. Jayantika Dave and Mr. Sekhar Natarajan.

3. **Average net profit of the company for last three financial years:** **INR 9,848.37 Lakhs**

4. **Prescribed CSR Expenditure (2% of the amount as in item 3 above):** **INR 196.97 Lakhs**

5. **Details of CSR spend during the financial year:**

   (a) Total amount to be spent for the financial year: INR 196.97 Lakhs

   (b) Amount unspent, if any:

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

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local Area or other (2) Specify the State and District where the project was undertaken	Amount outlay (Budget) project or program wise (INR)	Amount spent on the projects or programs Direct expenditure on projects or programs overheads (INR)	Cumulative expenditure up to the reporting period (INR)	Amount spent: Direct or through implementing agency
1.	Mobile Science Lab, Science Center	Promotion of education	Delhi/ NCR	30,91,326	30,91,326	30,91,326	Agastya International Foundation
2.	Mid-day meals to underprivileged children	Eradication of hunger	Ahmedabad, Gujarat	40,14,335	40,14,335	40,14,335	The Akshaya Patra Foundation
3.	Mission education project	Promotion of education	Kolkata, West Bengal	6,97,100	6,97,100	6,97,100	Smile Foundation
4.	Skill Development project	Livelihood enhancement project	Delhi/ NCR	90,59,855	90,59,855	90,59,855	National Skill Development Corporation
5.	Community Development Project - Environment Conservation	Ensuring environment sustainability	Gurgaon, Haryana	28,47,100	28,47,100	28,47,100	Uthaan
				197,09,716	197,09,716	197,09,716	

6. **Reasons for not spending the prescribed amount**

   Not applicable

7. **Responsibility Statement**

   The implementation and monitoring of the Corporate Social Responsibility (CSR) Policy, is in compliance with the CSR objectives and policy of the Company.

Amar Kaul

Chairman
CSR Committee

Conclusion

Corporate Social Responsibility (CSR) is the Company's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders. At Ingersoll Rand, we are passionate about creating a better future. The Company believes in Corporate Social Value creation and building a mutually beneficial relationship with the communities the Company operates in. The CSR Policy and projects are built on this very foundation and the Company's approach continues to be to engage with the right partners engaged in advancing its core beliefs.

ANNEXURE D

INFORMATION PURSUANT TO RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial yearand the percentage increase in remuneration of each director, Chief Financial Officer,Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

Sl. No.	Name and designation of Director/KMP	Remuneration for FY 17-18 (Rs. Lakhs)	% increase in remuneration in FY 17-18	Ratio of remuneration of each director to median remuneration of employees for FY 17-18	Comparison of remuneration of KMP against the performance of the Company
1.	Mr. Amar Kaul – Chairman & Managing Director	256.17	10.50%	Not Applicable	Refer Note No.2
2.	Mr. H. C. Asher, Independent Director	12.00	-	Not Applicable	Not Applicable
3.	Mr. D. C. Shroff, Independent Director	12.00	-	Not Applicable	Not Applicable
4.	Ms. Jayantika Dave, Non-Executive Director	12.00	-	Not Applicable	Not Applicable
5.	Mr. Sekhar Natarajan, Independent Director	12.00	-	Not Applicable	Not Applicable
6.	Mr. Vikas Goel – Chief Financial Officer*	90.15	Not Applicable	Not Applicable	Refer Note No.2
7.	Mr. Madhusudhan Rao, Vice President – Finance**	119.27	6.56%	Not Applicable	Refer Note No.2
8.	Mr. P. R. Shubhakar – General Manager – Corp. Finance & Company Secretary	96.78	7.70%	Not Applicable	Refer Note No.2

*Appointed as Chief Financial Officer with effect from November 8, 2017

** Ceased to be Vice President – Finance effective November 8, 2017

Notes:

1. The Company does not pay any remuneration to non-executive directors other than commission.
2. Salaries of employees of the Company are driven by the Company's Remuneration Policy basis the performance of respective business segments, market situation, forecast for the ensuing financial year and the comparative information as available with Company.

(ii)	The percentage increase in the median remuneration of employees in the financial year;	11.02%
(iii)	The number of permanent employees on the rolls of company;	694
(iv)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last inancial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average percentage increase in the salaries of employees other than the managerial personnel is 9.60% as against average percentage increase in salaries of managerial personnel is 8.20%
(v)	The key parameters for any variable component of remuneration availed by thedirectors;	The key parameter for variable remuneration availed by directors include financial performance, time spent in attending meetings, time spent participating in strategy development, advice given to management on strategic matters etc.

ANNEXURE D (Contd.)

Information as per Section 197 (12) read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the year ended March 31, 2018

Sl.No	Name and Age	Designation and date of commencement of employment	Qualification/Experience	Gross Remuneration Rs. Lakhs	Particulars of last employment held Designation and Name of the Company (Period for which held in years)
(A) EMPLOYED THROUGH THE YEAR					
1	Amar Kaul 49 Years	Chairman & Managing Director 10-May-2011	B. Tech (Mech. Engineering) M.S (Engg. Business Management), University of Warwick, UK 25 Years	256.17	Senior Vice President Bharat Forge Limited 7 Years
2	Prasad Naik 58 Years	Vice President - Information Technology 01-Apr-1999	B.Com, D.B.M, D.F.M, M.M.S 27 Years	145.74	General Manager, MIS Krilosakar Ferrous Industries Limited 6 Years
3	K.Balu 48 Years	VP, Product Management, AP & India 02-Apr-2001	BE - Mechanical Maintenance 27 Years	145.74	Manager Krilosakar Pneumatic Co Ltd 8 Years
4	P. R. Shubhakar 53 Years	General Manager - Corporate Finance & Company Secretary 17-Aug-2000	B.Com, ACA, ACS 28 Years	96.78	Sr. Manager Finance & Company Secretary B C Components India Private Limited 1 Year
5	Jatinder Kaul 53 Years	National Sales Leader-AIR 09-Apr-2015	BE (Mechanical Engineering) 27 Years	83.10	Director (Chemical Analysis Division) Thermo Fisher Scientific India Pvt. Ltd 3 Years
6	Atul Marwah 47 Years	HR Leader - Air Solutions 02-Jul-2006	Microbiologist 23 Years	98.21	Group Service Manager Spinneys Abudhabi 7 Years
7	Anu Agrawal 50 Years	Regional Procurement Leader - India 08-Jun-2012	BE (Elec) 27 Years	76.74	DGM - Purchase Honda Motorcycle & Scooter India Pvt Ltd 11 Years
8	Balbir Singh Dhiman 44 Years	Program Leader-Naroda Transformation 27-Aug-2014	B.Tech. (Mechanical Engineering) 21 Years	83.56	GM - Facilities Engineering (Country Lead) John Deere India, Pune 4 Years
(B) EMPLOYED FOR THE PART OF THE YEAR					
1	G. Madhusudhan Rao 61 Years	Vice President - Finance 05-Sep-2012	B.Com, ACA, ACS 33 Years	119.27	Finance Director Northern Operating Services Private Limited 2 Years
2	Vikas Goel 51 Years	Chief Financial Officer 05-Jul-2017	FCA, ACMA 23 Years	90.15	Finance Director Stanley Black & Decker India Pvt Ltd 4 Years
3	Sandeep Taneja 43 Years	Finance Leader - Air Solutions 01-Aug-2012	Master of Business Administration, Case Western Reserve University 25 Years	77.93	Finance Manager Corning Technologies India Private Limited 1 Year

Notes :

1 Gross remuneration as above includes salary, Company's contribution to provident fund, leave travel benefit, medical benefits, personal accident and group insurance premium, house rent allowance, and other allowances as applicable.

2 None of the above mentioned employees is a relative of any director of the Company.

3 All the employees have adequate experience to discharge responsibilities assigned to them.

ANNEXURE E
Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

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

The Members

INGERSOLL-RAND (INDIA) LIMITED
8th Floor, Tower D, IBC Knowledge Park,
No. 4/1, Bannerghatta Main Road,
Bangalore - 560029, Karnataka, India

I have conducted the secretarial audit on the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ingersoll-Rand (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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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, 31st March, 2018 according to the provisions of:

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent applicable to Overseas Direct Investment (ODI), Foreign Direct Investment (FDI) and External Commercial Borrowings (ECB).

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable)**

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

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**Not applicable**) and

  (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998. **(Not Applicable)**

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 Agreements entered into by the Company with BSE Limited, the National Stock Exchange of India Limited and Ahmedabad Stock Exchange Limited.

I further report that, with regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws/ guidelines/ rules applicable specifically to the Company (as certified by the management):

Sl. No.	Acts
1	Air (Prevention and Control of Pollution) Act, 1981
2	Apprentices Act, 1961
3	Collection of Statistics Act, 1953
4	Competition Act, 2002
5	Contract Labour (Regulation and Abolition) Act, 1970
6	Customs Act, 1962
7	Employees' Provident Funds & Miscellaneous Provisions Act, 1952
8	Employees' State Insurance Act, 1948
9	Environment Protection Act, 1986
10	Factories Act, 1948
11	Foreign Exchange Management Act, 1999
12	Income Tax Act, 1961
13	Indian Contract Act, 1872
14	Industrial Disputes Act, 1947
15	Industrial Employment (Standing Orders) Act, 1946
16	Industries (Development & Regulation) Act, 1951
17	Labour Welfare Fund Act of various States
18	Minimum Wages Act, 1948
19	Payment of Bonus Act, 1965
20	Payment of Gratuity Act, 1972
21	Payment of Wages Act, 1936
22	Sale of Goods Act, 1930
23	The Central Goods and Services Tax Act, 2017
24	The Integrated Goods and Services Tax Act, 2017
25	Shops and Establishments Acts of various States
26	Water (Prevention and Control of Pollution) Act, 1974
27	The Employees Compensation Act, 1923
28	Registration Act, 1908
29	Applicable Stamp Act(s) and the rules made there under
30	The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013
31	Respective State GST Act

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors. The changes in the Key Managerial Personnel 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.

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

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.

I further report that during the audit period no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards have taken place.

I further report that, during the course of the Audit, the Company had failed to furnish acknowledgement for filing of the Return on Foreign Liabilities and Assets (FLA) for the financial year ended 31st March 2017, with the Reserve Bank of India; though the Company had complied with the filings. I had insisted that the same be refiled. Therefore, the Company has again filed the Return and obtained acknowledgement. As on date, the Company in in compliance of the Reserve Bank of India directions.

I further report that, the Company had inadvertently filed Form MGT-14 by mentioning incorrect date. However, the Company has an internal system of check which noticed the error. To rectify the error, the Company has filed revised Form MGT-14 and as on date the Company is in compliance with the applicable provisions.

Natesh K

Place: Bangalore
Date: May 10, 2018

Practicing Company Secretary
FCS No. 6835; CP No. 7277

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

Annexure A

The Members

INGERSOLL-RAND (INDIA) LIMITED
8th Floor, Tower D, IBC Knowledge Park,
No. 4/1, Bannerghatta Main Road,
Bangalore, Karnataka- 560029, India

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

(1) Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

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

(3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

(4) Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

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

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

.

Natesh K
Practicing Company Secretary
FCS No. 6835; CP No. 7277

Place: Bangalore
Date : May 10, 2018

ANNEXURE F
Report on Corporate Governance

Pursuant to Regulation 34 (3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

The following is a report on Corporate Governance code as implemented by your Company.

MANDATORY REQUIREMENTS

A. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Ingersoll – Rand (India) Limited as a part of the Ingersoll – Rand group is committed to the highest standards of business ethics and values. The Board of Directors are committed to sound principles of Corporate Governance in the Company. The Company has a strong history of fair, transparent and ethical governance practices and has over the years adopted values and ethical business practices resulting in consistent demonstration of good corporate governance practices. The corporate governance framework ensures timely disclosure and sharing of accurate information regarding Company's financials and performance. The Company is committed to carry on its business in an honest, responsible and ethical manner which ensures fiscal accountability, operational excellence and fairness to all stakeholders including shareholders, employees, customers, suppliers and community at large.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V of SEBI Listing Regulations as applicable, with regard to corporate governance

B. BOARD OF DIRECTORS

As at March 31, 2018, the Company has five Directors headed by Mr. Amar Kaul as the Chairman of the Board. Of the five Directors, four are Non-Executive Directors out of which three are Independent Directors. The composition of the Board is in conformity with Regulation 17 of SEBI Listing Regulations.

Number of Board Meetings:

Five Board Meetings were held during the financial year 2017-18 and the gap between two meetings did not exceed 120 days. The meetings were held on May 23, 2017, August 2, 2017, November 8, 2017, February 13, 2018 and March 22, 2018. Necessary quorum was present during all the meetings.

Also, a separate meeting of Independent Directors in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25 of SEBI Listing Regulations was held on March 22, 2018 which was attended by all the Independent Directors. The Independent Directors have reviewed the performance of Non-Independent Directors, Chairman of the Board and the Board as a whole.

Composition, Status, Attendance at the Board Meetings and the last Annual General Meeting (AGM):

Name of Director	Status i.e. Executive and Non-Executive & Independent	No. of Board Meetings		Attendance at the last AGM (August 3, 2017)
		Held during the year ^	Attended during the year	
Mr. Amar Kaul (Chairman and Managing Director)	Executive	5	5	Yes
Mr. Hemraj C. Asher	Non - Executive & Independent	5	4	Yes
Mr. Darius C. Shroff	Non - Executive & Independent	5	5	Yes
Ms. Jayantika Dave	Non-Executive	5	4	Yes
Mr. Sekhar Natarajan	Non - Executive & Independent	5	5	Yes

^ Excluding the separate meeting of the Independent Directors in which non-independent directors were not present.

As per disclosure received from Directors, none of the Directors hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director. None of the Directors of your Company are inter-se related to each other.

Number of other Companies or Committees the Director (being a Director as on the date of the Directors' Report) is a Director or member / Chairman respectively:

Name of Director	No. of Other Companies on which Director (other than Private Limited Companies)	No. of Committees* [other than Ingersoll-Rand (India) Limited] in which member
Mr. Amar Kaul (Chairman and Managing Director)	NIL	NIL
Mr. Hemraj C. Asher	4	5
Mr. Darius C. Shroff	2	1
Ms. Jayantika Dave	2	NIL
Mr. Sekhar Natarajan	3	4

* Only Audit Committee and Stakeholders' Relationship Committee are considered as per SEBI Listing Regulations.

During the year 2017-18, information as mentioned in Part A of Schedule II of SEBI Listing Regulations has been placed before the Board for its review.

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company (www.ingersollrand.co.in)

The numberof equity shares held by the Directors as on March 31, 2018 are given below:

Name of Director	Category	No. of shares held as on March 31, 2018
Mr. Amar Kaul (Chairman and Managing Director)	Executive	NIL
Mr. Hemraj C. Asher	Non - Executive & Independent	8,000
Mr. Darius C. Shroff	Non - Executive & Independent	10,000
Ms. Jayantika Dave	Non-Executive	NIL
Mr. Sekhar Natarajan	Non - Executive & Independent	NIL

C. COMMITTEES OF THE BOARD

As on March 31, 2018, there are five committees of the Board viz. Audit Committee, Corporate Social Responsibility (CSR) Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee and Risk Management Committee.

1. AUDIT COMMITTEE

The Audit Committee held four meetings during the year on May 23, 2017, August 2, 2017, November 8, 2017 and February 13, 2018. The details of composition of the Audit Committee and attendance of Members are as follows:

Name of Director	No. of meetings held	No. of meetings attended
Mr. Sekhar Natarajan, Chairman	4	4
Mr. Darius C. Shroff	4	4
Mr. Amar Kaul	4	4

The previous AGM of the Company was held on August 3, 2017 and was attended by Mr. Sekhar Natarajan, Chairman of the Audit Committee.

Mr. P. R. Shubhakar, General Manager – Corp. Finance & Company Secretary, acts as the Secretary of the Committee.

The Committee invites such of the executives, as it deems appropriate (particularly the head of the finance function), representatives of the statutory auditors and internal auditors to be present at its meetings.

The terms of reference of the Audit Committee are set out in accordance with the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of SEBI Listing Regulations, inter alia consists of

- Overseeing of the Company's financial reporting process and disclosure of financial information to ensure it is correct, sufficient and credible;
- Reviewing with the management the quarterly and annual financial statements before submission to the Board for approval, primarily focusing, inter alia, on
  - Any change in accounting policies and practices and reasons for the change;
  - Significant adjustments made in financial statements arising out of audit findings;
  - Major accounting entries based on exercise of judgment by Management;
  - Compliance with accounting standards;
  - The going concern assumption;
- Compliance with stock exchange and legal requirements concerning financial statements;
- Related party transactions;
- Review of the adequacy of the internal control systems with the Management, internal auditors and statutory auditors;
- Recommending to the Board, the appointment / re-appointment of statutory auditors and fixation of fees;
- Approval for payment to statutory auditors for other services;
- Discussing with the Statutory Auditors before the audit commences, the nature and scope of audit as well as conduct post-audit discussions to ascertain any area of concern;
- Reviewing the adequacy of internal audit function, coverage and frequency of internal audit;
- Review with internal auditors and senior management, of any significant findings and follow-ups thereon;
- Review of the Company's financial risk and management policies;
- Review functioning of the Whistle Blower mechanism;
- Reviewing the effectiveness of the system for monitoring compliance with laws and regulations;
- Any other function as may be stipulated by any law/Government guidelines;
- Such other functions as may be specified by the Board of Directors of the Company from time to time;

During the year under review, the Audit Committee besides considering the unaudited quarterly financial results and audited financial results and recommending to the Board of Directors of the Company for its adoption and approval, discussed various topics relating to Company's operations including inventory, direct tax compliance, GST implementation/ compliance, receivables, and compliances in general. The minutes of the Audit Committee Meetings are placed before the Board for their review.

The Committee relies on the expertise and knowledge of the management, the Internal Audit Team and Statutory Auditors in carrying out its responsibilities. It also uses external expertise where necessary. Management is responsible for the preparation, presentation and integrity of the Company's financial reporting. Management is also responsible for internal control over financial reporting and all procedures are designed to ensure compliance with Accounting Standards, applicable laws and regulations as well as for objectively reviewing and evaluating the adequacy, effectiveness and quality of the Company's system of internal control.

2. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee functions in accordance with Section 178(5) of the Act and Regulation 20 read with Part D of Schedule II of SEBI Listing Regulations. As of March 31, 2018, the Stakeholders Relationship Committee comprise of

- Mr. Darius C. Shroff, Chairman
- Mr. Hemraj C. Asher

The Committee meetings are held as and when required. 8 meetings of the Committee were held during the year.

The terms of reference of the Stakeholders Relationship Committee, inter alia, consists of

- Monitor redressal of investors/shareholders grievances;
- Approve transfer and transmission of shares;
- Issue of duplicate share certificates;
- Approving of split and consolidation requests;
- Review of shares dematerialized;
- Oversee the performance of the Company's Registrars and Share Transfer Agents;
- All other matters related to shares.

The Board of Directors have delegated the powers to approve transfer and transmission of shares upto 500 shares to Mr. P. R. Shubhakar, General Manager – Corp. Finance & Company Secretary.

Mr. P. R. Shubhakar, General Manager – Corp. Finance & Company Secretary is the Compliance Officer. The Registrar and Share Transfer Agents of the Company - TSR Darashaw Limited, attend to all grievances received from shareholders and investors.

All queries like non-receipt of annual reports, dividend, transfer of shares, change of address etc. were resolved to the satisfaction of the shareholders / investors. During the year, 385 grievances / queries were received from shareholders / investors and 4 complaints were received from Securities Exchange Board of India (SEBI) and other statutory authorities. All investor grievances/queries and complaints from statutory authorities have been resolved to the satisfaction of the complainants before the end of the financial year. There was no outstanding complaint at the end of the year or on date of this report.

All valid requests for share transfers received during the year have been acted upon and there are no share transfer requests pending as on March 31, 2018.

3. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of Mr. Hemraj C. Asher, Mr. Darius C. Shroff and Mr. Amar Kaul. Mr. Hemraj C. Asher is the Chairman of the Committee. The Nomination and Remuneration Committee met 3 times during the year on May 22, 2017, February 13, 2018 and March 22, 2018.

The terms of reference of nomination and remuneration committee, inter alia consists of

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Formulate and recommend to the Board a policy for payment of remuneration to Managing Director, Non-Executive Directors, Key Managerial Personnel etc. and its review from time to time.
- Periodically review and suggest revision of the total remuneration package of Managing Director and Key Managerial Personnel under the provisions of Companies Act.
- Decide the actual salary, allowances, perquisites, retirals and increments of Managing Director/Manager under the Companies Act.
- Decide the amount of commission/bonus payable to Managing Director under the provisions of Companies Act.

In determining the remuneration package of the Managing Director under the provisions of Companies Act, the Committee evaluates the remuneration paid by comparable organisations within the industry and across various industries before making its recommendations to the Board of Directors. The compensation is also linked to individual and Company performance.

The performance evaluation criteria for Non-Executive Directors is determined by the Nomination and Remuneration Committee and the factors evaluated inter alia includes attendance and participation at meetings, independence of behaviour and judgement, make use of knowledge and expertise, integrity and maintenance of confidentiality etc.

4. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The CSR Committee comprise of Mr. Amar Kaul, Chairman, Mr. Hemraj C. Asher, Mr. Sekhar Natarajan and Ms. Jayantika Dave. During the year under review, 2 meetings of the Committee were held on May 22, 2017 and November 8, 2017.

The CSR Policy is uploaded on the Company's website as required under the provisions of Section 135 of the Act and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The details of CSR activities carried out by the Company during the year under review are set out in Annexure B to the Directors' Report.

5. RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been constituted in accordance with the provisions of Regulation 21 of SEBI Listing Regulations for identifying the elements of risk, which in the opinion of the Board of Directors threaten the existence of the Company.

The Committee comprise of Mr. Amar Kaul, Chairman and Managing Director, Mr. Darius C. Shroff, Ms. Jayantika Dave and Mr. Vikas Goel, Chief Financial Officer.

D. REMUNERATION TO DIRECTORS

Remuneration Policy:

The Company has in place a Remuneration Policy for Directors, Key Managerial Personnel (KMP) and other employees, in accordance with the provisions of the Act and SEBI Listing Regulations. The Nomination and Remuneration policy is uploaded in the Company's website (www.ingersollrand.co.in)

The Company pays remuneration by way of salary, benefits, perquisites and allowances and commission/bonus (variable component) to its Managing Director. Annual increments are decided by the Nomination and Remuneration Committee within the limits approved by the members and are effective April 1 every year. The Nomination and Remuneration Committee decides on the commission/bonus payable to the Managing Director within the limit prescribed under the Companies Act, 2013 based on the performance of the Company as well as that of the Managing Director.

Non – Executive Directors are paid remuneration by way of fixed commission. The commission is decided by the Board of Directors in terms of the special resolution passed by the shareholders at the Annual General Meeting held on September 12, 2014 and is within the ceiling of 1% of net profits of the Company as computed under the applicable provisions of the Companies Act, 2013,

The Company has formulated a Nomination and Remuneration Policy as per which the criterion for payment of commission to Non-Executive Directors inter alia includes the time spent in attending Board/Committee meetings, time spent in perusing the paper/records/documents, time spent in participating in strategy development, contribution at the Board and certain Committee meetings and advice given to the Management from time to time on strategic matters.

The details of remuneration for the year 2017-18 are given below:

Non-Executive Directors: (Rs. In Lakhs)

Name of the Director	Sitting fees	Commission
Mr. Hemraj C. Asher	NIL	12.00
Mr. Darius C. Shroff	NIL	12.00
Ms. Jayantika Dave	NIL	12.00
Mr. Sekhar Natarajan	NIL	12.00

Managing Director: (Rs. In Lakhs)

Name of the Director	Salary	Benefits, Perquisites and Allowances	Commission/Bonus
Mr. Amar Kaul	49.13	112.51	94.53

The above excludes provision for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid is not available.

E. GENERAL BODY MEETINGS

The location and time of the General Meetings held during the last three years is as follows: -

AGM/EGM	Date	Venue	Time	No. of special resolutions passed
AGM	August 3, 2017	Vivanta By Taj, 41/3, Mahatma Gandhi Road, Bengaluru - 560 001	12.00 Noon	Nil
AGM	July 27, 2016			
AGM	September 23, 2015	Eagleton – The Golf Resort, 30th Km., Bengaluru-Mysore Highway, Shyanamangala Cross, Bidadi Industrial Area, Bengaluru 562 109	12.00 Noon	2

F. DISCLOSURES

Related Party Transactions:

All the transactions with related parties were in the ordinary course of business and on arms' length basis. In terms of Regulation 23 of SEBI Listing Regulations the Company has obtained prior approval of the audit committee for entering into any transaction with related parties. The audit committee granted omnibus approval for certain transactions to be entered into with the related parties, during the year. All material related party transactions have been approved by the shareholders through ordinary resolution, valid upto December 31, 2020 and the related parties abstained from voting on such resolutions. There are no related party transactions entered into by the Company with its Promoters, Directors or Management, their subsidiaries or relatives etc. which had potential conflict with the interest of the Company at large. The register of contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with the related parties are disclosed in Note No. 35 to the financial statements in the Annual Report. The Board approved policy for related party transactions is uploaded on the website of the Company (www.ingersollrand.co.in)

Reconciliation of Share Capital Audit Report:

A firm of qualified Practicing Company Secretaries carried out a Share Capital audit to reconcile the total admitted equity share capital with the National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The said report 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 dematerialized shared held with NSDL and CDSL. This report is sent to all the Stock Exchanges on a quarterly basis within 30 days from the end of every quarter.

Whistle Blower Policy and Vigil Mechanism:

In terms of the provisions of Section 177(9) of the Act, the Company has implemented a vigil mechanism which includes implementation of the whistleblower policy. No employee has been denied access to the Chairman of audit committee. The Company in conjunction with the Legal and Ethics Team of its ultimate holding company has informed its employees that any non-compliant behavior of directors or employees, including non-compliance of its code of conduct, may be reported by them using the ethics hotline or ethics email id. The Company's whistleblower policy has been uploaded on the website of the Company (www.ingersollrand.co.in)

Policy on determination of materiality for disclosures:

The Company has adopted a policy on determination of materiality on disclosures and the same has been uploaded on the website of the Company (www.ingersollrand.co.in)

Dividend Distribution Policy:

The objective of the Company's dividend distribution policy is to reward its shareholders by sharing a portion of the profits, whilst ensuring that sufficient funds are retained in the Company for growth, working capital requirements, capex requirement etc. The policy aims to ensure a regular dividend income for the shareholders and long-term capital appreciations for all shareholders of the Company. The Company would strive to strike an optimum balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. The general factors considered by the Company for taking decisions with regard to dividend payout includes current year profits and outlook, operating Cash flows, possibilities of alternate usage of cash, providing for unforeseen events and contingencies etc.

The company's dividend distribution policy has been uploaded on the website of the company (www.ingersollrand.co.in)

G. COMPLIANCES

The Company has complied with all the requirements of regulations and guidelines of the Securities and Exchange Board of India (SEBI) and there were no cases of non-compliance during the last three years viz. 2015-16, 2016-17 and 2017-18. Consequently, no penalties were imposed or strictures passed against your Company by SEBI, Stock Exchanges or statutory authorities. The Company has complied with and adopted the mandatory requirements of the Corporate Governance Code.

H. ADOPTION OF DISCRETIONARY REQUIREMENTS

The Company does not have non-executive Chairman. Mr. Amar Kaul is the Chairman and Managing Director of the Company.

The Company has not set up a separate office for Independent Directors. However, they do have access to the Company information whenever required.

The Company has published its quarterly, half yearly and annual financial results in two newspapers including one vernacular newspaper having wide circulation. The results are promptly put up on the website of the Company besides being sent to the stock exchanges. The Company has not circulated half yearly declaration on financial performance to its shareholders.

The statutory auditors of the Company have issued audit report with unmodified opinion on the financial statements for the financial year ended March 31, 2018.

Internal auditor has direct access to the audit committee. The audit plan and performance of the internal audit team is reviewed by the audit committee.

I. CODE OF CONDUCT

The Board has laid down a Code of Conduct for all Directors and Senior Management and all its employees. The Code of Conduct is posted on the Company's website (www.ingersollrand.co.in). All Directors and Senior Management personnel of the Company have affirmed compliance with the Code. A declaration signed by the Chairman and Managing Director to this effect is appended at the end of this Report.

J. CEO/CFO CERTIFICATION

A certificate from Managing Director and Chief Financial Officer on the integrity of the financial statements and other matters of the Company for the financial year ended March 31, 2018 was placed before the Board at its meeting held on May 10, 2018.

K. RISK MANAGEMENT

The Board has established a risk assessment and minimization procedure which is reviewed by the Board periodically. There is a structure in place to identify and mitigate various identifiable risks faced by the Company from time to

time. These risks are reviewed by the Executive Management of the Company and new risks are identified. After identification, controls are put in place with specific responsibility of the concerned officer of the Company.

L. MEANS OF COMMUNICATION

The last year's audited accounts were announced by the Company within 60 days of closure of the financial year. The quarterly results during the year were announced within the last date as specified under SEBI Listing Regulations. The results were published in leading newspapers. The financial results, press releases and other major events/ developments concerning the Company were also posted on the Company's website (www.ingersollrand.co.in)

• Half yearly report sent to each household of shareholders	No
• Quarterly Results – Which newspapers normally published in	The Financial Express Kannada Prabha
• Any Web site, where displayed	The quarterly results are displayed on the Company's website www.ingersollrand.co.in
• Presentation made to Institutional Investors or to Analyst	No
• Whether Management Discussion and Analysis Report is a part of annual report or not	Yes

M. GENERAL SHAREHOLDER INFORMATION

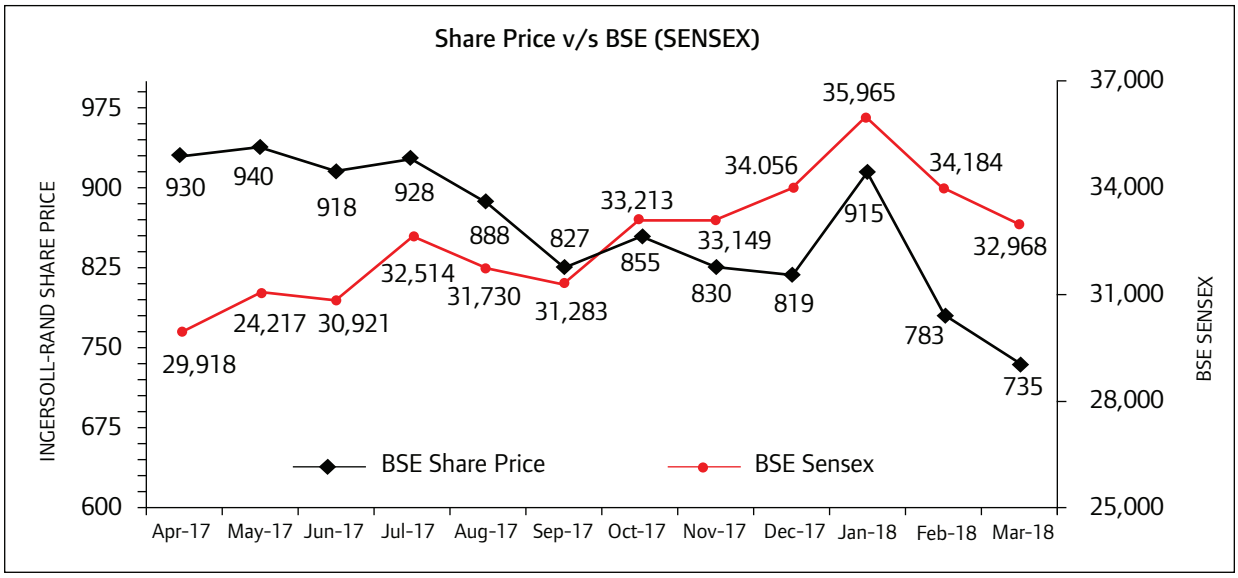
• AGM	- Date	August 10, 2018
	- Time	12.00 Noon
	- Venue	Vivanta by Taj, 41/3, Mahatma Gandhi Road, Bengaluru - 560 001
• Financial Calendar		April 2018 to March 2019
(a) First Quarter Results		First week of August 2018
(b) Second Quarter Results		Second week of November 2018
(c) Third Quarter Results		Second week of February 2019
(d) Results for the year ending March 2019		Second week of May 2019
• Date of Book Closure		The Company's Register of Members and Share Transfer Books will remain closed for the purpose of payment of final dividend 2017-18 from July 24, 2018 to July 27, 2018 (Both days inclusive)
• Dividend Payment Date		August 14, 2018
• Listing on Stock Exchange		BSE Limited Ahmedabad Stock Exchange Limited National Stock Exchange of India Limited Listing fees for the period 2018 - 19 has been paid to the stock exchanges.
• Stock Code		
BSE Limited		500210
Ahmedabad Stock Exchange Limited		26610
National Stock Exchange of India Limited		INGERRAND EQ
Demat ISIN No. for NSDL and CDS		INE177A01018

- Monthly Highs and Lows for the period April 2017 to March 2018

(In Rupees)

	BSE Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	High	Low	High	Low
Apr-17	930.10	770.00	929.90	768.00
May-17	940.00	740.50	938.30	740.00
Jun-17	917.80	754.50	916.00	750.00
Jul-17	927.50	833.15	927.00	828.35
Aug-17	888.00	771.40	888.00	771.80
Sep-17	827.00	765.00	827.90	763.20
Oct-17	855.00	761.15	858.30	762.20
Nov-17	830.00	780.50	830.00	780.40
Dec-17	819.40	717.00	820.00	750.00
Jan-18	915.00	772.05	915.00	767.80
Feb-18	783.00	710.00	782.95	709.00
Mar-18	735.05	651.90	738.50	651.10

- Stock Performance in comparison to BSE Sensex



- Registrars & Share Transfer Agents

• Name and Address	TSR Darashaw Limited 6-10, Haji Moosa Patrawala Ind. Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011
Telephone	91 22 6656 8484
Fax	91 22 6656 8494
E-mail	csg-unit@tsrdarashaw.com

Documents will be accepted at the above address between 10.00 a.m. and 3.30 p.m. (Monday to Friday except bank holidays)
For the convenience of the shareholders, documents will also be accepted at the following branches/agencies of TSR Darashaw Limited:

a. **Branches offices:**

TSR Darashaw Limited
503, Barton Centre, 5th Floor,
84, Mahatma Gandhi Road,
Bengaluru 560 001
Telephone: 91 80 2532 0321
Fax: 91 80 2558 0019
E-mail: tsrdlbang@tsrdarashaw.com

TSR Darashaw Limited
2/42, Ansari Road, 1st Floor,
Daryaganj, Sant Vihar,
New Delhi 110 002
Telephone: 91 11 2327 1805
Fax: 91 11 2327 1802
E-mail: tsrldel@tsrdarashaw.com

TSR Darashaw Limited
Tata Centre, 1st Floor,
43, J. L. Nehru Road,
Kolkata 700 071
Telephone: 91 33 2288 3087
Fax: 91 33 2288 3062
E-mail: tsrlcal@tsrdarashaw.com

b. **Agents:**

Shah Consultancy Services Limited
3, Sumatinath Complex, 2nd Dhal, Pritam Nagar,
Ellisbridge, Ahmedabad 380 006
Telephone: 91 79 2657 6038
E-mail: shahconsultancy8154@gmail.com

- Share Transfer System

Transfer of equity shares in electronic form are done through the depositories with no involvement of the Company.

Transfer of equity shares in physical form are approved by the General Manager - Corp. Finance & Company Secretary periodically in terms of the authority granted by the Board of Directors of the Company with a view to expedite the process of approving the share transactions. The summary of share transactions approved is placed before the Board of Directors of the Company at the succeeding Board Meetings for ratification.

Share transfers are registered by TSR Darashaw Limited and returned within 15 days from the date of receipt, if the relevant documents are complete in all respects. Requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days.

The total number of shares transferred in the physical form during the year under review was 8,910

- Distribution and Shareholding Pattern as on March 31, 2018

No. of equity shares held	No. of folios	%	No. of shares	%
Upto 500	21,381	90.68%	2,030,340	6.43%
501 – 1,000	1,434	6.08%	1,102,671	3.49%
1,001 – 2,000	428	1.82%	625,765	1.98%
2,001 – 3,000	123	0.52%	310,719	0.98%
3,001 – 4,000	49	0.21%	174,040	0.55%
4,001 – 5,000	37	0.16%	167,648	0.53%
5,001 – 10,000	71	0.30%	528,685	1.68%
10,001 and above	55	0.23%	26,628,132	84.36%
Total	**23,578**	**100.00%**	**31,568,000**	**100.00%**
No. of shareholders in physical mode	1,384	5.87%	304,335	0.96%
No. of shareholders in electronic mode	22,194	94.13%	31,263,665	99.04%

- Shareholding pattern as on March 31, 2018 is as follows

Category	No. of shares	%
Ingersoll-Rand Company, USA	23,360,000	74.00%
Foreign Institutional Investors	298,522	0.95%
Non-Resident Indians	124,800	0.40%
Insurance Companies	1,364,145	4.32%
Nationalized & Other Banks	17,129	0.05%
Mutual Funds	883,611	2.80%
Domestic Companies	692,044	2.19%
Trusts	1,740	0.01%
Directors & their relatives	76,200	0.24%
IEPF Account	28,101	0.09%
General Public	4,721,708	14.95%
TOTAL	**31,568,000**	**100.00%**

- Top ten equity shareholders of the Company as on March 31, 2018:

Sl. No.	Name of the shareholder	No. of equity shares held	% of holding
		No. of shares	%
1	Ingersoll – Rand Company, USA	23,360,000	74.00%
2	General Insurance Corporation of India	542,024	1.72%
3	Bajaj Allianz Life Insurance Company Ltd.	530,548	1.68%
4	IDFC Premier Equity Fund	530,084	1.68%
5	United India Insurance Company Limited	291,523	0.92%
6	Akash Bhanshali	111,285	0.35%
7	Kuber India Fund	85,011	0.27%
8	The Emerging Markets Small Cap Series of The DFA Investment Trust Company	78,519	0.25%
9	IDBI Small Cap Fund	66,698	0.21%
10	Profitex Shares And Securities Private Limited	66,077	0.21%

• Dematerialization of shares and liquidity	The equity shares of the Company are in compulsory demat list and are available for trading under National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As of March 31, 2018, 99.04 % of the paid-up capital has been dematerialized. Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE177A01018
• Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion dates and likely impact on equity	Not issued
• Plant Location	21-30, G.I.D.C. Estate, Naroda, Ahmedabad 382 330
• Address for correspondence	Shareholders correspondence should be addressed to the Registrars and Share Transfer Agents at the address provided in an earlier section of this report or to the Compliance Officer at the following address: The Company Secretary Ingersoll-Rand (India) Limited 8th Floor, Tower D, IBC Knowledge Park, No. 4/1, Bannerghatta Main Road, Bengaluru – 560029 E-mail: p_r_shubhakar@irco.com Telephone: 91 80 4342 7000 Fax: 91 80 2728 7482 Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant

For and on behalf of the Board of Directors

Mumbai
May 10, 2018

Amar Kaul
Chairman and Managing Director

Declaration - Compliance with Code of Conduct

In accordance with Para D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Amar Kaul, Chairman & Managing Director of the Company, hereby declare that the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2018.

For Ingersoll-Rand (India) Limited

Mumbai
May 10, 2018

Amar Kaul
Chairman and Managing Director
(DIN: 07574081)

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identity No: L05190KA1921PLC036321

Nominal Capital: Rs. 32,00,00,000/-

To

The Members of Ingersoll-Rand (India) Limited,

I have examined all the relevant records of Ingersoll-Rand (India) Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period April 01, 2017 to March 31, 2018. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. My examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

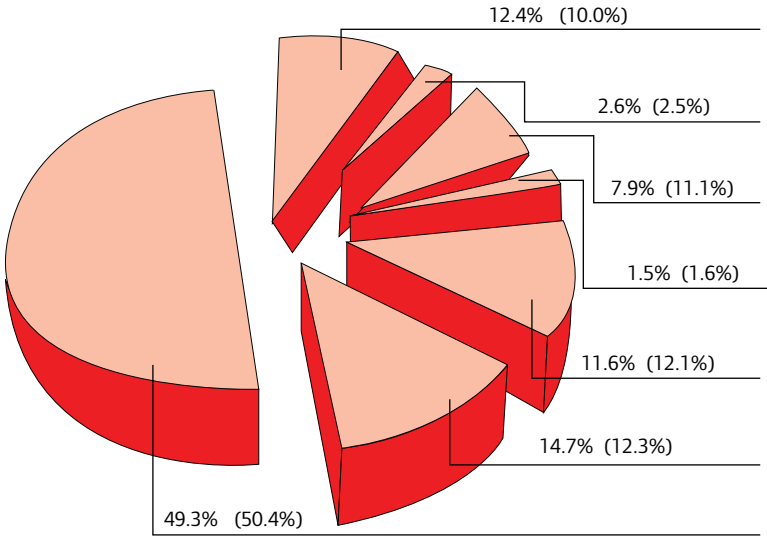
This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the said Listing Regulations. As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has complied with items C and E.

Place: Bangalore
Date: May 10, 2018

Natesh K
Practicing Company Secretary
FCS No.6835; CP No.7277

Distribution of Income



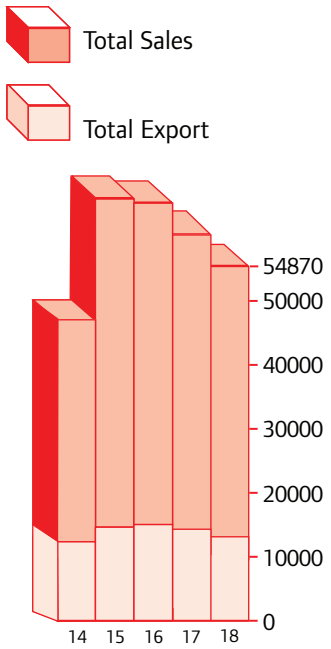
(Rs. in Lakhs)

	2017-18	2016-17
Retained Earnings	8,905.85	7,607.40
Shareholders	1,894.08	1,894.08
Corporate Taxes and Excise Duty	5,715.92	8,386.10
Depreciation/ Interest	1,051.69	1,258.80
Expenses	8,327.38	9,170.80
Employee	10,610.21	9,330.20
Materials and Services	35,439.13	38,116.40
Total	71,944.26	75,763.78

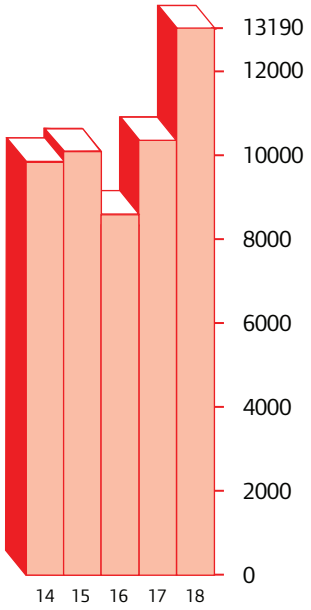
Ten years at a glance

	(Rs. in Lakhs)	2017-18	2016-17	2015-16
1.	Sales	54,869.52	59,010.20	58,998.61
2.	Other Income	14,795.07	14,473.90	12,366.60
3.	Total Income	69,664.59	73,484.10	71,365.21
4.	CAGR For Total Income (%)	3.75	-	-
5.	Manufacturing and Other Expenses	55,448.37	60,786.60	62,101.30
6.	Depreciation	1,259.71	1,180.00	977.60
7.	Interest	(208.02)	78.80	0.4670
8.	Voluntary Retirement Compensation	-	-	-
9.	Profit Before Depreciation & Income Tax	14,450.29	12,435.30	9,217.21
10.	Profit Before Tax	13,190.58	11,255.30	8,239.61
11.	Tax	4,284.73	3,647.90	2,128.00
12.	Profit After Tax	8,905.85	7,607.40	6,111.61
13.	CAGR For Profit After Tax (%)	2.86	-	-
14.	Dividend	65,661.44	1,894.08	1,894.08
15.	Dividend - Rs. per share	208.00	6.00	6.00
16.	Fixed Assets (Net)	12,196.16	12,804.40	7,754.90
17.	Current Assets, Financial Assets etc.	116,684.38	108,432.01	108,328.40
18.	Total Assets	128,880.54	121,236.41	116,083.30
19.	Share Capital	3,156.80	3,156.80	3,156.80
20.	Market Price Per Share : 52 Weeks High & Low	H 940.00	H 789.00	H 1,125.00
	(H - High ; L - Low)	L 651.90	L 621.50	L 583.00
21.	Reserves and Surplus	109,691.46	102,999.30	97,609.20
22.	Net Worth	112,848.26	106,156.10	100,766.00
23.	Loans (Secured and Unsecured)	-	-	-

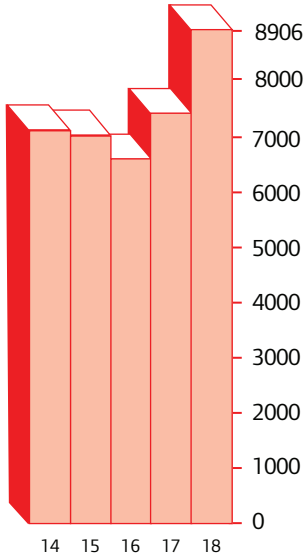
GROSS SALES
(in Rs. Lakhs)



PROFIT BEFORE TAX
(in Rs. Lakhs)



PROFIT AFTER TAX
(in Rs. Lakhs)



2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	
65,264.50	58,778.51	58,983.71	59,971.41	49,705.26	37,600.37	40,564.34	1.
12,886.70	10,744.60	10,374.80	10,058.80	7,789.91	5,714.49	7,651.17	2.
78,151.20	69,523.11	69,358.51	70,030.21	57,495.17	43,314.86	48,215.51	3.
-	-	-	-	-	-	-	4.
61,099.20	53,342.40	53,182.50	53,228.00	43,520.41	33,075.41	34,142.89	5.
1,155.90	810.60	517.60	503.60	475.30	414.86	416.32	6.
207.80	118.70	109.00	47.10	53.40	185.39	17.31	7.
-	-	-	-	-	103.16	48.47	8.
11,250.50	10,654.11	11,632.50	12,828.00	10,590.51	7,730.40	10,689.60	9.
10,094.60	9,843.51	11,114.90	12,324.40	10,115.21	7,315.54	10,273.28	10.
3,480.00	3,147.80	3,320.60	4,048.10	3,253.00	2,575.22	3,552.74	11.
6,614.60	6,695.71	7,794.30	8,276.30	6,862.21	4,740.32	6,720.54	12.
-	-	-	-	-	-	-	13.
1,894.08	1,894.08	1,894.08	7,576.32	1,894.08	1,894.08	1,894.08	14.
6.00	6.00	6.00	24.00	6.00	6.00	6.00	15.
15,494.90	11,632.41	10,202.81	4,537.61	2,536.21	2,391.54	2,234.72	16.
97,620.30	97,705.61	91,756.40	89,990.40	93,579.78	87,318.50	83,780.20	17.
113,115.20	109,338.02	101,959.21	94,528.01	96,115.99	90,205.30	86,489.84	18.
3,156.80	3,156.80	3,156.80	3,156.80	3,156.80	3,156.80	3,156.80	19.
H 1,107.80	H 473.95	H 543.70	H 558.50	H 518.40	H 376.90	H 421.45	20.
L 420.00	L 301.00	L 383.05	L 355.20	L 337.00	L 264.55	L 204.75	
92,565.10	88,303.61	83,823.94	78,238.29	78,767.49	74,110.20	71,582.20	21.
95,721.90	91,460.41	86,980.74	81,395.09	81,924.29	77,267.00	74,739.00	22.
-	-	-	-	-	-	-	23.

Independent Auditors' Report

To the Members of Ingersoll-Rand (India) Limited

Report on the Audit of the Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying Ind AS Financial Statements of Ingersoll-Rand (India) Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS Financial Statements").

Management's Responsibility for the Ind AS 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 Ind AS Financial Statements that give a true and fair view of the state of affairs, profit (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS 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 of the Ind AS Financial Statements 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS Financial Statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

Auditor's Responsibility (Continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 2018, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended 31 March 2017, included in these Ind AS Financial Statements are based on the previously issued statutory financial statements, prepared in accordance with Ind AS, that are audited by the predecessor auditor whose report dated 23 May 2017 expressed an unmodified opinion.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

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

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

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

   (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;

   (e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. the Company has disclosed the impact of pending litigations on its financial position in its Ind AS Financial Statements – Refer notes 12 and 25 to the Ind AS Financial Statements;

      ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited Ind AS Financial Statements for the year ended 31 March 2017 have been disclosed.

for B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W-100022

Sanjay Sharma
Partner
Membership number: 063980

Place: Mumbai
Date: 10 May 2018

Annexure - A to the Independent Auditors' Report

The Annexure referred to in paragraph 1 in 'Report on Other Legal and Regulatory Requirements' of the Independent Auditor's Report to the members of Ingersoll-Rand (India) Limited ("the Company") on the Ind AS Financial Statements for the year ended 31 March 2018. We report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a part of property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(ii) The inventory, except 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. The discrepancies noticed on verification between the physical stock and the book records were not material. For stocks lying with third parties at the year-end, written confirmations have been obtained by the Management.

(iii) The Company, in the previous years granted unsecured loans to a company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Further, there are no Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

(a) Since no loans have been granted/renewed during the year, the provisions of clause 3 (iii) (a) of the Companies (Auditor's Report) Order, 2016 ('the Order") are not applicable to the Company.

(b) The loans granted are not yet due for payment. Accordingly, paragraph 3(iii)(b) of the Order in respect of the receipt of the principal amounts of such loans is not applicable to the Company. The interest on such loans has been received regularly during the year.

(c) There are no overdue amounts in relation to the principal and the interest on such loans

(iv) According to the information and explanations given to us, the Company has not granted any loan or made any investment or provided any guarantee or security to the parties covered under section 185 of the Act. However the Company has complied with section 186 of the Act with respect to loans given.

(v) According to the information and explanations given to us, the Company has not accepted any deposits. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended, prescribed by the Central Government under section 148 of the Act 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.

(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 Fund, Employee's State Insurance, Income tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, Goods and Service Tax and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employee's State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of excise, Value added tax, Goods and Service tax and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax and Duty of Customs, Duty of Excise, Value Added Tax and Goods and Service Tax which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned below:

Name of the statute	Nature of the dues	Amount (INR in lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Tax	228.83 (215.60)*	AY 2003-04 and AY 2005- 06	The Honourable High Court of Karnataka
Income Tax Act, 1961	Tax/Interest	1,158.10 (514.50)*	AY 2004-05 AY 2006- 07 AY 2007-08 and 2009-10	Income Tax Appellate Tribunal, Bangalore
Income Tax Act, 1961	Tax/Interest	751.05 (724.68)*	AY 2011-12 to AY 2013-14	Assessing Officer – Income Tax
The Central Excise Act, 1944	Excise duty	67.06	2007-08	The Commissioner of Central Excise (Appeals), Bangalore
The Central Excise Act, 1944	Excise duty	2,166.51 (20.38)*	2008-2013 and 2009-2013	The Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad
The Finance Act, 1994	Service tax	612.79	2008-2016	CESTAT, Ahmedabad
The Finance Act, 1994	Service tax	244.35 (41.64)*	2008-2016 and 2012-2016	The Commissioner (Appeals) of Central Excise, Ahmedabad
The Central Sales Tax Act, 1956	Sales Tax	275.77 (175.34)*	2010-11 and 2011-12	The Gujarat Value Added Tax Tribunal, Ahmedabad
The Central Sales Tax Act, 1956	Sales Tax	206.52	2012-13	The Commissioner (Appeals) of Sales Tax, Ahmedabad
The Central Sales Tax Act, 1956	Sales Tax	23.34	2013-14	The Commissioner of Sales Tax, Ahmedabad

* The amounts in parenthesis represent the payment made under protest.

(viii) According to the information and explanation given to us, the Company did not have any outstanding loans or borrowings from any financial institutions, bank, government or dues to debenture holders during the year. Accordingly, paragraph 3(viii) of the order is not applicable.

(ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

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

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

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

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

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

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

for B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W-100022

Sanjay Sharma
Partner
Membership number: 063980

Place: Mumbai
Date: 10 May 2018

Annexure - B to the Independent Auditor's Report of even date on the Ind AS Financial Statements of Ingersoll-Rand (India) Limited

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

We have audited the internal financial controls over financial reporting of Ingersoll-Rand (India) Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, both issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

for B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W-100022

Sanjay Sharma
Partner
Membership number: 063980

Place: Mumbai
Date: 10 May 2018

Balance Sheet

(All amounts in Rupees Lakhs, unless otherwise stated)

	Notes	As at March 31, 2018	As at March 31, 2017
Assets			
Non-current assets			
Property, plant and equipment	4	12,127.97	12,614.70
Capital work-in-progress	4	68.19	189.70
Intangible assets	4	-	-
Financial assets			
(i) Loans	5.1	14,385.95	14,102.50
(ii) Other financial assets	5.5	-	-
Income tax assets (net)	9	2,096.77	2,259.80
Deferred tax assets (net)	6	530.34	829.50
Other non-current assets	7	516.34	478.00
Total non-current assets		29,725.56	30,474.20
Current assets			
Inventories	8	7,778.89	8,737.90
Financial assets			
(i) Loans	5.1	143.00	233.00
(ii) Trade receivables	5.2	11,005.16	9,774.11
(iii) Cash and cash equivalents	5.3	77,000.20	62,246.80
(iv) Bank balances other than above	5.4	56.11	5,055.30
(v) Other financial assets	5.5	981.23	831.10
Other current assets	7	2,190.39	3,884.00
Total current assets		99,154.98	90,762.21
Total assets		1,28,880.54	1,21,236.41
Equity and Liabilities			
Equity			
Equity share capital	10.1	3,156.80	3,156.80
Other equity	10.2	1,09,691.46	1,02,999.30
Total equity		1,12,848.26	1,06,156.10
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Other financial liabilities	11	-	-
Provisions	12	105.53	100.10
Employee benefit obligations	13	-	-
Other non-current liabilities		105.53	100.10
Current liabilities			
Financial liabilities			
(i) Trade payables	14	10,452.83	9,365.00
(ii) Other financial liabilities	11	1,312.39	953.90
Provisions	12	560.10	763.40
Employee benefit obligations	13	535.07	480.60
Income tax liabilities (net)		251.68	565.60
Other current liabilities	15	2,814.68	2,851.71
Total current liabilities		15,926.75	14,980.21
Total liabilities		16,032.28	15,080.31
Total equity and liabilities		1,28,880.54	1,21,236.41

The above balance sheet should be read in conjunction with the accompanying notes.

This is the Balance Sheet referred to in our report of even date

for B S R & Co. LLP
Chartered Accountants
Firm's registration number : 101248W/W-100022

Sanjay Sharma
Partner
Membership Number: 063980

Place: Mumbai
Date: May 10, 2018

for and on behalf of Board of Directors of
Ingersoll - Rand (India) Limited

Amar Kaul
Chairman and Managing Director
DIN: 07574081

Vikas Goel
Chief Financial Officer

H. C. Asher
Director
DIN: 00024863

P. R. Shubhakar
Gen. Manager-Corp. Finance and Company Secretary

Place: Mumbai
Date: May 10, 2018

Statement of Profit and Loss

(All amounts in Rupees Lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Income			
Revenue from operations	16	62,525.17	66,396.66
Other income	17	7,139.42	7,087.44
Total income		69,664.59	73,484.10
Expenses			
Cost of materials consumed	18	34,056.21	37,430.90
Purchases of stock-in-trade		1,056.55	1,355.70
Changes in inventories of work-in-progress, stock-in-trade and finished goods	19	326.37	(670.20)
Excise duty expense		1,045.59	4,352.60
Employee benefits expense	20	10,610.21	9,330.20
Finance costs	23	(208.02)	78.80
Depreciation and amortisation expense	21	1,259.71	1,180.00
Other expenses	22	8,353.44	8,987.40
Total expenses		56,500.06	62,045.40
Profit before tax		13,164.53	11,438.70
Tax expenses	24		
Current tax		4,348.98	3,757.50
Deferred tax		299.16	267.30
Current tax relating to prior years (net)		(372.43)	(313.40)
Total tax expenses		4,275.71	3,711.40
Profit for the year		8,888.82	7,727.30
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Gain/ (Loss) on remeasurements of defined benefit obligations		26.05	(183.40)
Income tax relating to this item credit/ (charge)		(9.02)	63.50
		17.03	(119.90)
Other comprehensive income for the year, net of tax		17.03	(119.90)
Total comprehensive income for the year		8,905.85	7,607.40
Earnings per equity share			
[Nominal value per share Rs.10 (March 31, 2017: Rs.10)]			
Basic and Diluted	26	28.16	24.48

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the Statement of Profit and Loss
referred to in our report of even date

for B S R & Co. LLP
Chartered Accountants
Firm's registration number : 101248W/W-100022

Sanjay Sharma
Partner
Membership Number: 063980

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Gen. Manager-Corp. Finance
and Company Secretary

Place: Mumbai
Date: May 10, 2018

Statement of Changes in Equity

(All amounts in Rupees Lakhs, unless otherwise stated)

		Amount
A.	**Equity share capital**	
	As at April 1, 2016	3,156.80
	Changes in equity share capital	-
	As at March 31, 2017	3,156.80
	Changes in equity share capital	-
	As at March 31, 2018	3,156.80

		General reserve	Retained earnings	Other reserves	Total other equity
B	**Other equity**				
	Balance at April 1, 2016	30,301.90	67,228.60	78.70	97,609.20
	Profit for the year	-	7,727.30	-	7,727.30
	Other comprehensive income	-	(119.90)	-	(119.90)
	Total comprehensive income for the year	-	7,607.40	-	7,607.40
	Dividends paid and tax thereon	-	(2,279.60)	-	(2,279.60)
	Employee stock option compensation	-	-	62.30	62.30
		-	(2,279.60)	62.30	(2,217.30)
	Balance at March 31, 2017	30,301.90	72,556.40	141.00	1,02,999.30
	Profit for the year	-	8,888.82	-	8,888.82
	Other comprehensive income	-	17.03	-	17.03
	Total comprehensive income for the year	-	8,905.85	-	8,905.85
	Dividends paid and tax thereon	-	(2,279.68)	-	(2,279.68)
	Employee stock option compensation	-	-	65.99	65.99
		-	(2,279.68)	65.99	(2,213.69)
	Balance at March 31, 2018	30,301.90	79,182.57	206.99	1,09,691.46

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is the Statement of Changes in Equity referred to in our report of even date

for B S R & Co. LLP
Chartered Accountants
Firm's registration number : 101248W/W-100022

Sanjay Sharma
Partner
Membership Number: 063980

Place: Mumbai
Date: May 10, 2018

for and on behalf of Board of Directors of
Ingersoll - Rand (India) Limited

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Vikas Goel
Chief Financial Officer

P. R. Shubhakar
Gen. Manager-Corp. Finance and Company Secretary

Place: Mumbai
Date: May 10, 2018

Statement of Cash Flows

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
A. Cash flow from operating activities		
Profit before income tax	13,164.53	11,438.70
Adjustments for:		
Depreciation and amortisation expense	1,259.71	1,180.00
Interest expense (net)	(208.02)	78.80
Interest income	(5,387.71)	(4,823.60)
Unwinding of discount on interest on loans to fellow subsidiaries	(18.10)	(10.50)
Net (gain)/ loss on disposal of property, plant and equipment	2.47	(608.20)
Employee share based payments expense	65.99	62.30
Unrealised foreign exchange (gain)/ loss	(116.90)	199.60
Change in operating assets and liabilities		
(Increase) / Decrease in trade receivables	(1,171.10)	4,179.57
(Increase) / Decrease in inventories	959.01	782.10
(Increase) / Decrease in other financial assets	(225.15)	87.10
(Increase) / Decrease in other non-current assets	(44.16)	(107.70)
(Increase) / Decrease in other current assets	1,693.61	3,741.10
Increase / (Decrease) in trade payables	1,171.28	(1,234.97)
Increase / (Decrease) in provisions	(197.87)	(21.70)
Increase / (Decrease) in employee benefit obligations	80.52	32.10
Increase / (Decrease) in employee benefits payable	(37.93)	-
Increase / (Decrease) in other financial liabilities	685.38	-
Increase / (Decrease) in other current liabilities	175.00	262.70
Cash generated from operations	**11,850.56**	**15,237.40**
Income taxes paid (net of refunds)	(4,137.35)	(3,090.00)
Net cash inflow from operating activities	**7,713.21**	**12,147.40**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work in progress)	(983.92)	(3,332.80)
Proceeds from sale of property, plant and equipment	45.36	634.10
Proceeds from disposal of assets held for sale	-	7,098.70
(Increase) / Decrease in financial asset - loans to fellow subsidiaries	-	743.70
Investments in term deposits (with original maturity more than 3 months but less than 12 months)	-	(5,000.00)
Proceeds on maturity of term deposits (with original maturity more than 3 months but less than 12 months)	5,000.00	9,250.00
Interest received	5,287.38	4,679.30
Net cash inflow from investing activities	**9,348.82**	**14,073.00**

Statement of Cash Flows (Contd.)

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
C. Cash flows from financing activities		
Dividends paid	(1,892.52)	(1,893.90)
Dividend distribution tax	(385.60)	(385.60)
Interest paid	(30.51)	(29.80)
Net cash outflow from financing activities	(2,308.63)	(2,309.30)
Net Increase/ (decrease) in cash and cash equivalents	14,753.40	23,911.10
Cash and Cash equivalents at the beginning of the year	62,246.80	38,335.70
Cash and Cash equivalents at the end of the year	77,000.20	62,246.80
Cash and cash equivalents comprise of:		
Cash on hand	0.12	0.10
Cheques on hand	-	41.40
Balances with banks (including demand deposits)	76,992.18	62,265.41
Effect of exchange differences on balances with banks in foreign currency	7.90	(60.11)
Total	77,000.20	62,246.80

Notes:

1 The above Cash Flow Statement has been compiled from and is based on the Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss for the year ended on that date.

2 The above Cash Flow Statement has been prepared under the indirect method in consonance with the requirements of Indian Accounting Standard (Ind AS) - 7 on Statement of Cash Flows and the reallocations required for the purpose are as made by the Company.

3 Prior year's figures have been regrouped/ reclassified wherever necessary in order to conform with current year's classification.

The above statement of cash flows should be read in conjunction with the accompanying notes.

for B S R & Co. LLP
Chartered Accountants
Firm's registration number : 101248W/W-100022

Sanjay Sharma
Partner
Membership Number: 063980

Place: Mumbai
Date: May 10, 2018

for and on behalf of Board of Directors of
Ingersoll - Rand (India) Limited

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Chairman and Managing Director
DIN: 07574081

H. C. Asher
Director
DIN: 00024863

Vikas Goel
Chief Financial Officer

P. R. Shubhakar
Gen. Manager-Corp. Finance and Company Secretary

Place: Mumbai
Date: May 10, 2018

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

1 General information

Ingersoll-Rand (India) Limited (the 'Company') is a public limited company incorporated in 1921 under provisions of the Companies Act, 1913 and existing under the provisions of the Companies Act, 1956/ 2013. The Company's registered office is at Bengaluru and its principal place of business and manufacturing plant is located at Naroda, Ahmedabad. It is primarily engaged in the business of manufacturing and selling of industrial air compressors of various capacities and providing related services. The Company sells air compressors primarily in India and also exports the products to American, Asian and European countries. The equity shares of the Company are listed on the Bombay Stock Exchange Limited, the National Stock Exchange of India Limited and the Ahmedabad Stock Exchange Limited.

2 Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [the Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/ non current classification of assets and liabilities.

The financial statements were authorised for issue by the Company's Board of Directors on 10 May 2018.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

(a) certain financial assets and liabilities that are measured at fair value;

(b) defined benefit plans - plan assets measured at fair value; and

(c) share-based payments measured at fair value on grant date.

(iii) Use of estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The area involving critical estimates or judgements is:

- Estimation of defined benefit obligation and fair value of plan assets — Note 20
- Useful life of fixed assets — Note 3.11
- Recognition and measurement of provisions and contingencies — Note 12 and 25
- Provision for tax — Note 24
- Deferred tax assets — Note 6
- Leases and lease classification — Note 33B
- Financial instrument — Note 28, 31 and 32

(All amounts in Rupees Lakhs, unless otherwise stated)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(iv) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (`the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

(v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as permitted by Schedule III of Companies Act, 2013, unless otherwise stated.

3 Significant accounting policies

3.1 Segment reporting

The Board, at their meeting held on 21 September 2015 decided to discontinue the operations at the Chennai Plant (i.e., Environment Solutions Business). The Company entered into a Termination Agreement with Ingersoll-Rand Climate Solutions Private Limited (IRCSPL), fellow subsidiary, whereby IRCSPL has agreed to reimburse all losses and expenses directly or indirectly, suffered or incurred by the Company upto the time all assets are sold and proceeds received by the Company. During the year ended 31 March 2017, the Company has disposed off all the assets held for sale relating to the Environment Solutions Business.

The Company reported the following two segments until 30 June 2017

(a) Air Solutions
(b) Environment Solutions

Effective 1 July 2017, the Company's chief operating decision maker (CODM) reviewed the performance of the Company as a whole as there are no operations in Environment Solutions segment. Consequently, there is only one segment and hence no separate segment disclosures have been presented as such information is available in the financial statements.

3.2 Foreign exchange transactions and translations

Transactions in foreign currencies are recorded at prevailing rate at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Nonmonetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the statement of profit or loss.

3.3 Revenue recognition

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

(a) Sale of goods:

Revenue from sale of goods is recognised when significant risks and rewards are transferred in accordance with the terms of sale, and there is no unfulfilled obligation that could affect the customers' acceptance of the products.

Amounts disclosed as revenue are inclusive of excise duty, where applicable, and net of returns, trade allowances, rebates, liquidated damages, value added taxes and goods and service tax.

(All amounts in Rupees Lakhs, unless otherwise stated)

(b) Sale of services:

Installation and commissioning revenue is recognised in the period in which the services are rendered. Service revenue from annual maintenance contract are recognised on time proportion basis over the period of contract.

Revenue from services are disclosed exclusive of tax.

(c) Business support and auxiliary services:

The Company provides business support and auxiliary services to certain fellow subsidiaries. Revenue from such services is recognised in the period in which the services are rendered. The recognition is based on the terms of the contract with the respective customers, which is on a cost-plus basis.

(d) Government grants - Export incentives:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

(e) Interest income from deposits with banks is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Interest income on loans granted are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension) but does not consider the expected credit losses.

(f) Interest income on loans is accounted using the effective interest method.

(g) Unbilled revenue represents earnings which have not been billed at the year end.

(h) Unearned revenue represents billing in advance as per contractual terms and advance payments received from customers for whom no services are rendered are presented as Advance from customers.

3.4 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences or timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, if any, only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax are recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(All amounts in Rupees Million, unless otherwise stated)

3.5 Leases

As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Leases in which a significant portion of the risks and rewards of ownership are transferred to the Company as lessee are classified as finance lease. These assets are capitalised at the inception of the lease at the lower of fair value of the leased asset and the present value of the minimum lease payments.

As a lessor:

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

3.6 Impairment of assets

Assessment is done whenever there is an event or change in circumstances as to where there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of asset, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. Non financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.7 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of raw materials comprises cost of purchases. The cost of finished goods and work in progress includes raw materials, direct labour, other direct costs and appropriate portion of variable and fixed overhead expenditure, computed on normal capacity. Costs are assigned to individual items of inventory on a first-in first-out basis. Cost of inventories also include all others costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates, discounts and refundable duties and taxes. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.9 Other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

(a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

(All amounts in Rupees Lakhs, unless otherwise stated)

(b) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 31 details how the Company determines whether there has been a significant increase in credit risk.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

(iv) Derecognition of financial assets

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

3.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

3.11 Property, plant and equipment

Leasehold land is carried at historical cost and is amortised over the period of lease on straight line method. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(All amounts in Rupees Lakhs, unless otherwise stated)

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(a) Depreciation methods, estimated useful life and residual value:

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful life as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II
Leasehold land	99 years	NA
Buildings	25-40 years	30-60 years
Leasehold improvements	Useful life of assets in line with the lease term	NA
Plant and machinery	10-15 years	15 years
Plant and machinery - given on operating lease	2-5 years	NA
Computer systems	3-5 years	3-6 years
Electrical installations	10 years	10 years
Furniture, fixtures and equipment	3-5 years	10 years
Vehicles	5 years	8 years
Small tools	5-15 years	NA
Office equipment	5 years	5 years

The property, plant and equipment acquired under finance lease is depreciated over the asset's useful life or over the lease term, whichever is lower.

The useful life has been determined based on technical evaluation done by the internal expert which are different than those specified by Schedule II to the Act, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

(b) Research and development:

Capital expenditure on development is capitalised as intangible asset and depreciated in accordance with depreciation policy of the Company. Revenue expenditure incurred during the research phase is expensed as incurred.

Development expenditure incurred on an individual project is recognised as an intangible asset when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale.
- There is an intention to complete the asset.
- There is an ability to use or sell the asset.
- The asset will generate future economic benefits.
- Adequate resources are available to complete the development and to use or sell the asset.
- The expenditure attributable to the intangible asset during development can be measured reliably.

(All amounts in Rupees Lakhs, unless otherwise stated)

Amortisation of the asset begins when development is complete and the asset is available for use and it is amortised on straight line method over the estimated useful life. Expenditure that cannot be distinguished between research phase and development phase is expensed as incurred.

3.12 Intangible assets

Operating software is capitalised along with the related fixed assets. Other computer software is stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any, and are amortised on a straight line basis over their estimated useful life. Costs associated with maintaining software programmes are recognised as an expense as incurred.

The Company amortises intangible assets (Computer software) with a finite useful life using the straight-line method over 3-5 years, less the residual values and the useful life is reviewed at end of each reporting period, and adjusted if appropriate. The amortisation method and the estimated useful life of intangible assets are reviewed at each reporting period.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

3.13 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. The amounts are unsecured and are usually paid within 45 to 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.14 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

3.15 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

3.16 Provisions and contingent liabilities

Provisions for legal claims, service warranties and others are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(All amounts in Rupees Lakhs, unless otherwise stated)

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. In case of long term provisions, they are disclosed by discounting at the rate used to determine the present value, which is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation, that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

3.17 Employee benefits

Short term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in balance sheet.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Other long term employee benefit obligations:

(i) Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is determined by an independent actuary (using the projected unit credit method) at the end of each year.

(ii) The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and provident fund, which are managed by trusts.

(b) defined contribution plans - provident fund contributions to employees' provident fund organisation.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income net of the related tax effect. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Contribution towards provident fund for certain employees is made to the regulatory authorities. Such benefits

are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. In respect of other employees, provident fund contributions are made to a Trust administered by the Company. The Company's liability towards guaranteed interest, as stipulated by the regulatory authority, is determined by an independent actuary (using the projected unit credit method) at the end of the year, and any shortfall in the interest earnings by the Trust is additionally provided for by the Company.

Termination benefits in the nature of voluntary retirement benefits are measured based on the number of employees expected to accept the offer, if any offer is made to encourage voluntary redundancy. These are recognised as and when incurred.

3.18 Share based payments

Share-based compensation benefits are provided to certain employees of the Company by Ingersoll Rand plc., Ireland (the ultimate holding company) in the form of employee option plan and restricted stock units (RSU) (equity settled transactions). The stock options vest rateably over a period of three years and expire at the end of ten years, subject to conditions related to termination of employment. The RSU will vest in one-third installments over three years. Once they vest, each unit is converted into a share of stock at current value.

The fair value of options granted by the ultimate holding company, Ingersoll-Rand plc's share based compensation plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

3.19 Dividends

Provision is made for the amount of dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

3.20 Earning per share

Basic earnings per share is 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 period.

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

3.21 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following, new and amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2018:

IndAS 115 Revenue from Contracts with Customers. The company evaluated the impact of this standard and it's effect on adoption is expected to be insignificant.

Notes to the Financial Statements

4 Property, plant and equipment, Intangible assets and Capital work-in-progress

(All amounts in Rupees Lakhs, unless otherwise stated)

	Land - leasehold	Buildings	Leasehold improvements	Plant and machinery	Computer systems	Electrical installations	Furniture, fixtures and equipment	Vehicles	Small tools	Office equipment	Total tangible assets	Capital work-in-progress	Intangible assets - Computer software
Year ended March 31, 2017													
Gross carrying amount													
Opening gross carrying amount	61.30	3,163.80	334.80	2,914.40	497.30	1,165.70	208.80	21.40	192.30	153.10	8,712.90	3,499.90	-
Additions	-	3,030.28	-	1,743.71	689.40	456.05	119.56	-	11.80	14.90	6,065.70	2,134.10	-
Disposals	-	(43.30)	-	(31.30)	(0.80)	(2.60)	(15.40)	-	(0.60)	(1.10)	(95.10)	(5,444.30)	-
Closing gross carrying amount	61.30	6,150.78	334.80	4,626.81	1,185.90	1,619.15	312.96	21.40	203.50	166.90	14,683.50	189.70	-
Accumulated depreciation													
Opening accumulated depreciation	-	152.40	137.00	315.60	114.90	136.80	33.10	5.00	8.30	54.90	958.00	-	-
Depreciation charge during the year	-	183.18	137.00	369.46	213.90	157.37	46.41	5.00	11.68	56.00	1,180.00	-	-
Disposals	-	(33.30)	-	(18.20)	(0.80)	(0.70)	(15.20)	-	(0.10)	(0.90)	(69.20)	-	-
Closing accumulated depreciation	-	302.28	274.00	666.86	328.00	293.47	64.31	10.00	19.88	110.00	2,068.80	-	-
Net carrying amount as at March 31, 2017	61.30	5,848.50	60.80	3,959.95	857.90	1,325.68	248.65	11.40	183.62	56.90	12,614.70	189.70	-
Year ended March 31, 2018													
Gross carrying amount													
Opening gross carrying amount	61.30	6,150.78	334.80	4,626.81	1,185.90	1,619.15	312.96	21.40	203.50	166.90	14,683.50	189.70	-
Additions	-	63.56	-	496.16	175.20	40.08	17.15	20.80	4.03	3.83	820.81	532.80	-
Disposals	-	(0.10)	-	(43.25)	(0.12)	(1.40)	(4.54)	(10.88)	(4.60)	(0.66)	(65.55)	(654.31)	-
Closing gross carrying amount	61.30	6,214.24	334.80	5,079.72	1,360.98	1,657.83	325.57	31.32	202.93	170.07	15,438.76	68.19	-
Accumulated depreciation													
Opening accumulated depreciation	-	302.28	274.00	666.86	328.00	293.47	64.31	10.00	19.88	110.00	2,068.80	-	-
Depreciation charge during the year	-	210.72	60.80	398.70	326.52	175.76	39.64	6.73	12.02	28.82	1,259.71	-	-
Disposals	-	-	-	(7.20)	-	(0.70)	(2.94)	(4.98)	(1.30)	(0.60)	(17.72)	-	-
Closing accumulated depreciation	-	513.00	334.80	1,058.36	654.52	468.53	101.01	11.75	30.60	138.22	3,310.79	-	-
Net carrying amount as at March 31, 2018	61.30	5,701.24	-	4,021.36	706.46	1,189.30	224.56	19.57	172.33	31.85	12,127.97	68.19	-

Notes:

(1) The following assets given under operating lease have been included in property, plant and equipment:

	Plant and machinery Year ended	
	31-March-18	31-March-17
Gross carrying amount		
Opening gross carrying amount	238.40	131.60
Additions	-	106.80
Disposals	(1.40)	-
Closing gross carrying amount	237.00	238.40
Accumulated depreciation		
Opening accumulated depreciation	111.90	55.80
Depreciation charge during the year	66.30	56.10
Disposals	(1.40)	-
Closing accumulated depreciation	176.80	111.90
Net carrying amount	60.20	126.50

(All amounts in Rupees Lakhs, unless otherwise stated)

5 Financial assets

5.1 Loans

	As at			
	March 31, 2018		March 31, 2017	
	Current	Non-current	Current	Non-current
Unsecured, considered good:				
Loans to fellow subsidiaries (refer note 35)	-	13,930.95	-	13,912.85
Security and other deposits	143.00	455.00	233.00	189.65
Total loans and advances	143.00	14,385.95	233.00	14,102.50

Note: The loans advanced to fellow subsidiaries, on interest, are repayable on June 28, 2019 as per the loan agreements. These loans including any accrued interest are backed by corporate guarantees issued to the Company by the ultimate holding company that are valid up to June 28, 2019.

5.2 Trade receivables (Unsecured)

	As at	
	March 31, 2018	March 31, 2017
Considered good		
Receivables from related parties (refer note 35)	2,818.32	2,315.90
Others	8,186.84	7,458.21
Considered doubtful		
Others	514.65	586.20
(Less): Allowance for doubtful receivables	(514.65)	(586.20)
Total receivables	11,005.16	9,774.11
Current portion	11,005.16	9,774.11

Note: The Company's exposure to credit and currency risks, and loss allowances are disclosed in note 31.

5.3 Cash and cash equivalents

	As at	
	March 31, 2018	March 31, 2017
Balances with banks		
- in current accounts	714.64	1,565.30
- in Export Earners' Foreign Currency (EEFC) accounts	1,775.44	2,150.00
Deposits with original maturity of less than three months	74,510.00	58,490.00
Cheques on hand	-	41.40
Cash on hand	0.12	0.10
Total cash and cash equivalents	77,000.20	62,246.80

(All amounts in Rupees Lakhs, unless otherwise stated)

5.4 Bank balances other than above

	As at	
	March 31, 2018	March 31, 2017
Term deposits with original maturity more than three months but less than twelve months	-	5,000.00
Unpaid dividend accounts	56.11	55.30
Total other bank balances	56.11	5,055.30

5.5 Other financial assets

	As at			
	March 31, 2018		March 31, 2017	
	Current	Non-current	Current	Non-current
Unsecured, considered good:				
From related parties (refer note 35)				
Unbilled revenues	93.82	-	109.40	-
Other receivables	253.98	-	243.20	-
From others				
Unbilled revenues	66.00	-	11.40	-
Interest accrued on deposits with banks	567.43	-	467.10	-
Total other financial assets	981.23	-	831.10	-

6 Deferred tax assets (net)

	As at	
	March 31, 2018	March 31, 2017
The balance comprises temporary differences attributable to:		
(A) Deferred tax assets arising from:		
Allowance for doubtful debts: trade receivables, advances and other receivables	301.23	344.90
Provisions: Warranties and employee benefits expenses	488.95	590.50
Depreciation: difference between carrying amount of Property, plant and equipment in the financial statements and income tax return	-	-
Others	83.17	20.70
Total deferred tax assets	873.35	956.10

(All amounts in Rupees Lakhs, unless otherwise stated)

6 Deferred tax assets (Contd.)

	As at March 31, 2018	As at March 31, 2017
(B) Deferred tax (liabilities) arising from:		
Depreciation: Difference between carrying amount of Property, plant and equipment in the financial statements and the income tax return	(343.01)	(126.60)
Total deferred tax (liabilities)	(343.01)	(126.60)
Net deferred tax assets	530.34	829.50

The Company has recognised deferred tax assets on allowances for bad and doubtful debts, difference in depreciation allowance and other tax deductible items. The Company has concluded that the deferred tax assets will be recoverable using the estimated future taxable income.

Movement in net deferred tax assets/ (liabilities)

	Depreciation	Provisions	Allowance for doubtful debts	Others	Total
As at March 31, 2017	**(126.60)**	**590.50**	**344.90**	**20.70**	**829.50**
(Charged)/ Credited to profit or loss	(216.41)	(101.55)	(43.67)	62.47	(299.16)
As at March 31, 2018	**(343.01)**	**488.95**	**301.23**	**83.17**	**530.34**

7 Other current and non-current assets

	As at March 31, 2018		As at March 31, 2017	
	Current	Non-current	Current	Non-current
Capital advances	-	8.98	-	14.80
Balance with government authorities	1,515.98	-	2,945.90	-
Indirect taxes paid under protest	-	237.36	-	235.30
Security and other deposits	-	113.25	-	117.00
Prepaid expenses	171.01	156.75	209.20	110.90
Advances to suppliers				
Considered good	138.38	-	68.70	-
Considered doubtful	32.49	-	51.40	-
(Less): Provision for doubtful advances	(32.49)	-	(51.40)	-
Export incentives receivable				
Considered good	365.02	-	660.20	-
Considered doubtful	87.53	-	131.70	-
(Less): Provision for doubtful export incentive receivables	(87.53)	-	(131.70)	-
Other receivables				
Considered doubtful	327.30	-	327.30	-
(Less): Provision for doubtful other receivables	(327.30)	-	(327.30)	-
Total other current and non-current assets	2,190.39	516.34	3,884.00	478.00

(All amounts in Rupees Lakhs, unless otherwise stated)

8 Inventories

	As at March 31, 2018	As at March 31, 2017
Raw materials	5,198.36	5,606.70
Work-in-progress	478.65	375.70
Finished goods	2,094.58	2,705.10
Traded goods	7.30	50.40
Total inventories	**7,778.89**	**8,737.90**
(a) Stock in transit (included above)		
Raw materials	942.29	1,459.80
Finished goods	521.62	440.60
Total stock in transit	**1,463.91**	**1,900.40**
(b) Details of inventories		
Work-in progress		
Air compressors	478.65	375.70
Total work-in progress	**478.65**	**375.70**
Finished goods		
Air compressors	2,094.58	2,705.10
Total finished goods	**2,094.58**	**2,705.10**

The total inventories are net of provision for obsolescence amounting to Rs.1,397.00 (March 31, 2017: Rs.1,363.90).

9 Income tax assets (net)

	As at March 31, 2018	As at March 31, 2017
Advance income tax and tax deducted at source, net	641.98	1,389.70
Income-tax paid under protest	1,454.79	870.10
	2,096.77	2,259.80

Transfer pricing:

The Finance Act, 2001, has introduced, with effect from assessment year 2002-03 detailed Transfer Pricing regulations for computing the taxable income and expenditure from 'international transactions' between 'associated enterprises' on an 'arm's length' basis. Further, the Finance Act, 2012, has widened the ambit of transfer pricing provisions to cover specified domestic transactions. These regulations, inter alia, also require the maintenance of prescribed documents and information including furnishing a report from an Accountant within the due date of filing the Return of Income.

For the year ended March 31, 2017, the Company had undertaken a study to comply with the said transfer pricing regulations for which the prescribed certificate of the Accountant has been obtained and this did not envisage any tax liability.

For the year ended March 31, 2018, the Company is in the process of carrying out a similar study to comply with the said transfer pricing regulations. However, based on the analysis of margins and considering that the terms of agreement with associated enterprises has not changed during the year, the Company is of the view that for the year ended March 31, 2018, the transactions with the said enterprises are on an arm's length basis.

(All amounts in Rupees Lakhs, unless otherwise stated)

10 Equity share capital and other equity

		Number of shares (in Lakhs)	Amount
10.1	**Equity share capital**		
	Authorised equity share capital		
	As at April 1, 2016	320.00	3,200.00
	Change during the year	-	-
	As at March 31, 2017	320.00	3,200.00
	Change during the year	-	-
	As at March 31, 2018	**320.00**	**3,200.00**
(i)	**Movements in equity share capital**		
	As at April 1, 2016	315.68	3,156.80
	Change during the year	-	-
	As at March 31, 2017	315.68	3,156.80
	Change during the year	-	-
	As at March 31, 2018	**315.68**	**3,156.80**

The above includes 31,301,500 (March 31, 2017: 31,301,500) shares allotted as fully paid-up by way of bonus shares by capitalisation of share premium and general reserves during the financial year ended March 31, 1992.

(ii) Terms and rights attached to equity shares

Equity shares have a par value of Rs.10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(iii) Equity shares held by holding company

	Amount as at	
	March 31, 2018	March 31, 2017
Ingersoll-Rand Company, USA, the immediate holding company	2,336.00	2,336.00
Total	**2,336.00**	**2,336.00**

(iv) Details of shareholders holding more than 5% shares in the Company

	As at	
	March 31, 2018	March 31, 2017
Number of Equity Shares:		
Ingersoll-Rand Company, USA, the immediate holding company	2,33,60,000	2,33,60,000
Percentage of holding	74%	74%

(v) Shares reserved for issue under options

There are no shares of the Company reserved for issue under any option.

(vi) Aggregate number of shares allotted as fully paid up by way of bonus shares/ pursuant to contract(s) without payment being received in cash:

During the period of five years immediately preceding March 31, 2018, no shares have been allotted as fully paid up by way of bonus shares or pursuant to contract(s) without payment being received in cash.

(All amounts in Rupees Lakhs, unless otherwise stated)

10.2 Other Equity

	As at	
	March 31, 2018	March 31, 2017
General reserve	30,301.90	30,301.90
Retained earnings	79,182.57	72,556.40
Other reserves	206.99	141.00
Total other equity	**1,09,691.46**	**1,02,999.30**

(i) General reserve

	As at	
	March 31, 2018	March 31, 2017
Opening balance	30,301.90	30,301.90
Add: Change during the year	-	-
Closing balance	**30,301.90**	**30,301.90**

(ii) Retained earnings

	As at	
	March 31, 2018	March 31, 2017
Opening balance	72,556.40	67,228.60
Net profit for the year	8,888.82	7,727.30
Items of other comprehensive income recognised directly in retained earnings - remeasurements of post-employment benefit obligations, net of tax	17.03	(119.90)
Dividends and tax thereon	(2,279.68)	(2,279.60)
Closing balance	**79,182.57**	**72,556.40**

(iii) Other reserves

	As at	
	March 31, 2018	March 31, 2017
Opening balance	141.00	78.70
Employee stock option compensation	65.99	62.30
Closing balance	**206.99**	**141.00**

Nature and purpose of other reserves

Notes:

General reserve

General reserve was created when the Company declared dividend to share holders as per the provisions of Companies Act, 1956. The reserve is utilised in accordance with the provisions of the Act.

Other reserve

This reserve relates to share based compensation received by the employees from Ingersoll Rand plc, the ultimate holding company. Refer note 20(c).

(All amounts in Rupees Lakhs, unless otherwise stated)

11 Other financial liabilities

	As at			
	March 31, 2018		March 31, 2017	
	Current	Non-current	Current	Non-current
Unpaid dividends (refer note below)	60.98	-	59.50	-
Employee benefits payable	495.37	-	533.30	-
Creditors for capital goods:				
- payable to related parties (refer note 35)	-	-	41.90	-
- payable to others	70.66	-	319.20	-
Others	685.38	-	-	-
Total other financial liabilities	1,312.39	-	953.90	-

Note: As at the year end, there are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013.

12 Provisions

	As at			
	March 31, 2018		March 31, 2017	
	Current	Non-current	Current	Non-current
Litigations/ disputes	-	92.94	-	81.70
Warranties	234.20	12.59	303.70	18.40
Provision for sales tax	325.90	-	459.70	-
Total provisions	560.10	105.53	763.40	100.10

Movements in each class of provision during the financial year, are set out below:

	Litigations/ disputes	Warranties	Provision for sales tax
As at March 31, 2017	81.70	322.10	459.70
Charged/ (credited) to profit or loss:			
- additional provisions recognised / (written back)	22.95	151.15	(133.80)
- unwinding of discount	5.49	-	-
- amounts utilised	(17.20)	(226.46)	-
As at March 31, 2018	92.94	246.79	325.90

Provision for Litigations/ disputes

Provision for litigations/ disputes relates to employees claiming compensation towards termination of employment and are provided for based on estimates made by the Company.

Provision for Warranties

Warranties against manufacturing and other defects, as per terms of contract(s) with the customer, are provided for based on estimates made by the Company. It is expected that this provision will be settled in the remaining unexpired warranty period ranging from twelve to eighteen months.

Provision for sales tax

Provision for sales tax relates to non-submission of statutory forms by customers to the Company. It is expected that this provision will be settled as and when the tax assessments are completed.

(All amounts in Rupees Lakhs, unless otherwise stated)

13 Employee benefit obligations

	As at			
	March 31, 2018		March 31, 2017	
	Current	Non-current	Current	Non-current
Compensated absences	356.76	-	327.40	-
Gratuity [refer note 20(a)]	178.31	-	153.20	-
Total employee benefit obligations	535.07	-	480.60	-

14 Trade Payables

	As at	
	March 31, 2018	March 31, 2017
Current:		
Total outstanding dues of micro enterprises and small enterprises (refer Note 30)	281.53	243.20
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Acceptances	1,669.09	1,789.90
- Trade payables	5,515.57	4,976.50
- Trade payables to related parties (refer note 35)	2,986.64	2,355.40
Total trade payables	10,452.83	9,365.00

Note: The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 31.

15 Other current liabilities

	As at	
	March 31, 2018	March 31, 2017
Income received in advance	1,247.59	1,195.01
Advance from customers (refer note 35)	892.43	827.70
Statutory dues including provident fund and tax deducted at source	549.19	491.50
Others - Interest payable to MSMED	125.47	337.50
Total other current liabilities	2,814.68	2,851.71

16 Revenue from operations

	Year ended	
	March 31, 2018	March 31, 2017
Sale of finished goods	54,869.52	59,010.20
Sale of services		
Installation, commissioning and maintenance	3,538.75	3,048.20
Business support and auxiliary services	3,184.79	3,091.96
Other operating revenue		
Recovery of freight, insurance and packing expenses	363.10	335.20
Export incentives	436.21	649.10
Sale of scrap	83.04	143.10
Lease rentals - equipment	49.76	118.90
Total revenue from operations	62,525.17	66,396.66

(All amounts in Rupees Lakhs, unless otherwise stated)

17 Other income

	Year ended	
	March 31, 2018	March 31, 2017
Interest Income on:		
Deposits with banks	3,924.82	3,286.60
Loans to fellow subsidiaries	1,397.28	1,537.00
On Income tax refund	65.61	-
Others	-	-
Recharge of expenses to fellow subsidiaries	1,357.34	1,210.14
Sub lease rentals from office facilities	332.52	358.90
Net gain/ (loss) on disposal of property, plant and equipment	(2.47)	608.20
Unwinding of discount on interest on loans to fellow subsidiaries	18.10	10.50
Unwinding of discount on security deposits	34.69	33.00
Miscellaneous	11.53	43.10
Total other income	7,139.42	7,087.44

18 Cost of materials consumed

	Year ended	
	March 31, 2018	March 31, 2017
Raw materials at the beginning of the year	5,606.70	6,291.40
Add: Purchases of raw materials	33,031.43	36,118.10
(Less): Raw materials at the end of the year	(5,198.36)	(5,606.70)
Cost of raw materials consumed during the year	33,439.77	36,802.80
Packing materials consumed	616.44	628.10
Total cost of materials consumed	34,056.21	37,430.90

Notes: (i) Includes provision for inventory obsolescence Rs.33.15 (March 31, 2017: Rs.151.50).

19 Changes in inventories of work-in-progress, stock-in-trade and finished goods

		Year ended	
		March 31, 2018	March 31, 2017
(a)	**Opening inventories**		
	Work-in progress	375.70	146.90
	Finished goods	2,705.10	2,279.30
	Traded goods	50.40	62.40
	Total opening balance	3,131.20	2,488.60
(b)	**Closing inventories**		
	Work-in progress	478.65	375.70
	Finished goods	2,094.58	2,705.10
	Traded goods	7.30	50.40
	Total closing balance	2,580.53	3,131.20
	(Increase)/ decrease in inventories	550.67	(642.60)
	Excise duty on opening stock of finished goods	(224.30)	(251.90)
	Excise duty on closing stock of finished goods	-	224.30
	Increase/ (decrease) in excise duty	(224.30)	(27.60)
	Total changes in inventories of work-in-progress, stock-in-trade and finished goods	326.37	(670.20)

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense

	Year ended	
	March 31, 2018	March 31, 2017
Salaries, wages and bonus	9,389.57	8,205.60
Post-employment benefits:		
Contribution to provident fund and other funds (refer notes below)		
Defined benefit plan	265.22	233.10
Defined benefit contribution	142.30	128.70
Gratuity (refer notes below)	214.49	111.59
Compensated absences	127.33	208.20
Employee share based payments expense	65.99	62.30
Staff welfare expenses	405.31	380.71
Total employee benefits expense	10,610.21	9,330.20

(a) Defined benefit plan:

Gratuity: The Company operates a gratuity plan, which is a defined benefit plan, through the "Ingersoll-Rand Employees Gratuity Trust". Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 subject to a maximum of Rs.20. It is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. In case of employees who joined the Company prior to April 1, 2006, the benefits given by the Company are more favourable to the employees than the Payment of Gratuity Act, 1972 depending upon the length of service. The board of trustees is responsible for the administration of the plan assets and investment strategy.

Provident Fund: Provident fund for certain eligible employees is managed by the Company through the "Ingersoll-Rand Employees Provident Fund Trust". In line with the Provident Fund and Miscellaneous Provisions Act, 1952, the plan guarantees interest at the rate notified by the Provident Fund authorities. The contribution are made to the fund at the rate of 12% of basic salary by the employer and employee, and this amount together with the interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. Interest shortfall, if any, is met by the Company. The benefits vest immediately on rendering of the services by the employee. The Board of trustees is responsible for the administration of the Plan assets and investment strategy.

The below disclosures under provident fund are restricted only to the defined benefit obligation and plan assets relating to guaranteed interest rate earning and shortfall thereof, if any, as provided by an independent actuary

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense (Contd.)

(i) Change in defined benefit obligations

	Gratuity		Provident Fund	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Balance at the beginning of the year	1,755.72	1,466.29	13.22	15.00
Add: Current service cost	209.42	118.55	2.71	4.40
Add: Interest cost	119.92	110.86	0.94	1.20
Add: Actuarial (gain)/ loss - experience	21.61	43.30	(0.73)	(5.30)
Add: Actuarial (gain)/ loss - demographic assumptions	-	20.61	-	(2.60)
Add: Actuarial (gain)/ loss - financial assumptions	(23.72)	122.21	(8.29)	0.52
(Less): Benefits paid directly by the Company	(9.49)	-	-	-
(Less): Benefits paid from plan assets	(124.02)	(126.10)	-	-
Balance at the end of the year	**1,949.44**	**1,755.72**	**7.85**	**13.22**

(ii) Change in plan assets

Fair value of plan assets at the beginning of the year	1,602.63	1,500.69	140.90	98.90
Add: Interest income	114.85	117.83	10.00	7.80
Add: Contributions	153.73	107.50	-	-
Add: Return on plan assets greater/ (lesser) than discount rate	23.94	2.71	(20.67)	34.20
(Less): Benefits paid	(124.02)	(126.10)	-	-
Balance at the end of the year	1,771.13	1,602.63	130.23	140.90
Actual return on plan assets (%)	7.50	7.10	9.00	9.00

(iii) Assets and Liabilities recognised in the Balance Sheet

	Gratuity (#)		Provident Fund (#) (*)	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Present value of defined benefit obligation	1,949.44	1,755.72	7.85	13.22
Less: Fair value of plan assets	1,771.13	1,602.63	130.23	140.90
Amounts recognised as liability/(asset)	178.31	153.09	-	-
Recognised/ Disclosed under:				
Short term provision (refer note 13)	178.31	153.09	-	-
Total	**178.31**	**153.09**	**-**	**-**

(*) Surplus relating to provident fund is not recognised as the plan assets belong to the Trust and the realisability is restricted.

(#) The net liability/ (asset) above relates to wholly funded plans.

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense (Contd.)

Reconciliation of Net Balance Sheet Position

	Gratuity		Provident Fund (*)	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Net defined benefit asset/ (liability) at end of prior period	(153.09)	34.40	127.73	83.90
Less: Current service cost	(209.42)	(118.55)	(2.71)	(4.40)
Add: Net interest on net defined benefit (liability)/ asset	(5.07)	6.96	9.07	6.60
Add: Amount recognised in other comprehensive income	26.05	(183.40)	-	-
Add: Actuarial (losses)/ gains	-	-	(11.69)	41.60
Add: Contributions	153.73	107.50	-	-
Add: Benefits paid directly by the Company	9.49	-	-	-
Net defined benefit asset/ (liability) at end of the year	**(178.31)**	**(153.09)**	**-**	**-**

(*) Surplus relating to provident fund is not recognised as the plan assets belong to the Trust and the realisability is restricted.

(iv) Expense recognised in the Statement of Profit and Loss

	Gratuity		Provident Fund (*)	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Current service cost	209.42	118.55	2.71	4.40
Add: Interest cost	-	-	-	1.20
Add: Net interest on net defined benefit liability/ (asset)	5.07	(6.96)	(9.07)	(6.60)
(Less): Expected Return on Plan Assets	-	-	-	-
(Less): Settlement cost	-	-	-	-
Add: Immediate recognition of (gains)/ losses - other long term employee benefit plans	-	-	11.69	(41.60)
(Less): Employee Contribution	-	-	-	-
Total expense (surplus) recognised in statement of Proft & Loss	**214.49**	**111.59**	**-**	**-**

(*) Surplus relating to provident fund is not recognised as the plan assets belong to the Trust and the realisability is restricted.

Remeasurements

	Gratuity		Provident Fund	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
(Gains)/ losses from experience assumptions	21.61	43.30	(0.73)	(5.30)
(Gains)/ losses from demographic and financial assumptions	(23.72)	142.80	(8.26)	(2.00)
Return on plan assets (greater)/less than discount rate	(23.94)	(2.70)	20.67	(34.80)
Total Expense/ (Income) recognised in other comprehensive income	**(26.05)**	**183.40**	**-**	**-**

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense (Contd.)

(v) Major Category of Assets as a % of total Plan Assets

	Gratuity		Provident Fund	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Cash (including Special Deposits)	3.26%	3.69%	6.94%	8.17%
Government Securities	53.52%	43.47%	40.05%	39.50%
Mutual funds	0.00%	0.00%	0.00%	4.75%
Corporate bonds	43.22%	52.84%	46.33%	47.58%
Others	0.00%	0.00%	6.68%	0.00%
Total	100.00%	100.00%	100.00%	100.00%

(vi) The weighted average duration of the defined benefit obligation is 9 years old (2017:9 years). The expected maturity analysis of undiscounted gratuity and provident fund benefits is as follows:

	Less than 1 year	Between 1 - 2 years	Between 2 - 5 years	Between 5 - 10 years	Total
Gratuity					
March 31, 2018	227.09	307.87	780.09	1,376.49	2,691.54
March 31, 2017	193.82	216.50	774.06	1,178.18	2,362.56
Provident Fund					
March 31, 2018	1.08	0.97	2.49	5.03	9.57
March 31, 2017	1.90	1.70	4.60	5.90	14.10

(vii) Significant Actuarial Assumptions

	Gratuity		Provident Fund	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Discount rate per annum	7.50%	7.10%	7.50%	7.10%
Expected rate of Return on Plan Assets	7.50%	7.10%	9.00%	9.00%
Expected salary increase per annum	(*)	(#)	(*)	(#)
Attrition rate	10.00%	10.00%	10.00%	10.00%

(*) Bargainable employees: 6% for three years and 5% thereafter, Others: 10% for next two years and 8% thereafter.

(#) Bargainable employees: 3% for two years and 5% thereafter, Others: 10% for next two years and 8% thereafter.

Notes:

(a) The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

(b) The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

(c) The discount rate is based on the prevailing market yield on Government securities as at the Balance Sheet date for the estimated term of obligation.

(d) Provident Fund Trust set-up by the Company guarantees the interest rate earning and any shortfall thereof, would be met by the Company. The above plan assets, defined benefit obligations and benefit for future period is relating to the interest rate guarantee only.

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense (Contd.)

(viii) Sensitivity analysis

	Gratuity		Provident Fund	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Effect on DBO due to 1% increase in discount rate	(108.89)	(101.82)	-	-
Effect on DBO due to 1% decrease in discount rate	121.79	114.11	-	-
Effect on DBO due to 1% increase in salary escalation rate	121.81	103.66	-	-
Effect on DBO due to 1% decrease in salary escalation rate	(102.89)	(96.63)	-	-
Effect on DBO due to 1% increase in withdrawal rate	3.14	0.51	-	-
Effect on DBO due to 1% decrease in withdrawal rate	(3.60)	(0.77)	-	-

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(ix) Expected contribution to the funds in the next year

	Year ended	
	March 31, 2018	March 31, 2017
Gratuity	180.00	250.00
Provident fund (including employees' contribution)	1,078.00	1,200.00

(b) Defined contribution plans

		Year ended	
		March 31, 2018	March 31, 2017
Amount recognised in the Statement of profit and loss			
(i)	Provident fund paid to the authorities	37.30	29.60
(ii)	Pension fund paid to the authorities	96.50	93.80
(iii)	Others	8.50	5.30
		142.30	128.70

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense (Contd.)

(c) Risk Exposure

Through its defined benefit plan, the Company is exposed to a number of risks. The most significant risks are:

(a) Gratuity

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to factors like mortality, withdrawal, disability and retirement. The effect of these on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and attrition rate.

(b) Provident fund

(i) Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(ii) Fund return risk : Lower the return on fund, higher the expected shortfall, if Employees Provident Fund Organisation (EPFO) declared return continues to be on the higher side, it will increase the defined benefit obligation.

(iii) Demographic risk : On an increase in membership, there will be an increase in the defined benefit obligation.

(iv) Investment risk: The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the obligations by investing in long-term interest bearing securities with maturities that match the benefit payments as they fall due. A large portion of assets consists of government and corporate bonds. The Company believes that investment in government and corporate bonds offer the best returns over the long term with an acceptable level of risk.

(d) Share-based payments

Incentive Stock Option Plan of 2007 ("2007 plan")

On June 6, 2007, the shareholders of the ultimate holding company approved the Incentive Stock Plan of 2007, which authorises the holding company to issue stock options and other share-based incentives. All the share based incentives vests equally over a period of three years and expire at the end of ten years, subject to conditions related to termination of employment.

Incentive Stock Option Plan of 2013 ("2013 plan")

On June 6, 2013, the shareholders of the ultimate holding company approved the Incentive Stock Plan of 2013, which authorises the holding company to issue stock options and other share-based incentives. All the share based incentives vests equally over a period of three years and expire at the end of ten years, subject to conditions related to termination of employment.

A Employee option plan

Certain executives of the Company are eligible to participate in the employee share based payment plans of Ingersoll-Rand plc, the ultimate holding company. The share based plans are assessed, managed and administered by the ultimate holding company. Under the plan, participants are granted options which vests over three years of service from the grant date. Once vested, the options remain exercisable till ten years from the date of grant.

Set out below is a summary of options granted under the plan:

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense (Contd.)

Particulars	As at March 31, 2018 Number of options	As at March 31, 2017 Number of options
Opening balance	12,180	10,347
Granted during the year	3,391	3,869
Exercised during the year (Note 1)	(1,005)	(2,036)
Closing balance	14,566	12,180
Vested and exercisable	8,410	5,601

Note 1: The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2018 was USD 90.05 (March 31, 2017: USD 75.09).

Note 2: No options expired or were forfeited during the periods covered in the above table.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Plan	Grant Date	Expiry date	Exercise price USD	Share options As at March 31, 2018	Share options As at March 31, 2017
2007 plan	22-Feb-13	22-Feb-16	41.91	167	167
2013 plan	25-Feb-14	25-Feb-17	59.83	1,439	1,439
2013 plan	03-Feb-15	03-Feb-18	67.06	2,332	2,520
2013 plan	10-Feb-16	10-Feb-19	50.00	3,695	4,185
2013 plan	07-Feb-17	07-Feb-20	80.21	3,542	3,869
2013 plan	06-Feb-18	05-Feb-21	90.07	3,391	-
				14,566	12,180
Weighted average remaining contractual life of options outstanding at the end of period				8.2 years	8.7 years

Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2018 was USD 13.46 per option (March 31, 2017: USD 9.42). The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The value of options have been translated to Rupees at the year end closing rate.

The model inputs for options granted during the year ended March 31, 2018 are listed below.

Particulars	As at March 31, 2018	As at March 31, 2017
Grant date	06-Feb-18	07-Feb-17
Expiry date	05-Feb-21	07-Feb-20
Share price at grant date (USD)	90.23	79.93
Expected price volatility of the company's shares	22.46%	28.60%
Expected dividend yield	2.00%	2.55%
Risk-free interest rate	1.80%	1.12%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense (Contd.)

B Restricted stock units

Restricted stock units (RSU) are share equivalents that are awarded to certain employees with a promise to issue actual shares to holders of the RSU at vesting. The RSU will vest in one-third installment over three years. Once they fully vest, each unit may be converted into a share at current value over an exercisable period of ten years.

Set out below is a summary of RSU's granted under the plan:

	As at March 31, 2018		As at March 31, 2017	
	Weighted average fair value of shares (in USD)	Number of RSU's	Weighted average fair value of shares (in USD)	Number of RSU's
Opening balance	56.95	1,731	58.14	1,811
Granted during the year	81.09	749	51.28	776
Exercised during the year (Note 1)	58.56	(842)	53.84	(856)
Closing balance		1,638		1,731
Vested and exercisable		-		-

Note 1: The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2018 was USD 95.24 (March 31, 2017: USD 78.70).

Note 2: No RSUs have expired during the periods covered in the above table.

RSU's outstanding at the end of the year have the following expiry date and exercise price:

Plan	Grant Date	Expiry date	Exercise price USD	Share options As at March 31, 2018	Share options As at March 31, 2017
2013 plan	25-Feb-14	25-Feb-17	52.04	-	-
2013 plan	03-Feb-15	03-Feb-18	61.90	-	211
2013 plan	10-Feb-16	10-Feb-19	49.49	372	744
2013 plan	07-Feb-17	07-Feb-20	78.70	517	776
2013 plan	06-Feb-18	05-Feb-21	95.24	749	-
				1,638	1,731
Weighted average remaining contractual life of RSUs outstanding at the end of period				9.09 years	9.18 years

C Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in statement of profit and loss under employee benefit expense were as follows:

Particulars	Year ended	
	March 31, 2018	March 31, 2017
Employee option plan	26.40	27.70
Restricted stock units	39.59	34.60
Total	65.99	62.30

(All amounts in Rupees Lakhs, unless otherwise stated)

21 Depreciation and amortisation expense

	Year ended	
	March 31, 2018	March 31, 2017
Depreciation on property, plant and equipment	1,259.71	1,180.00
Amortisation on intangible assets	-	-
Total depreciation and amortisation expense	1,259.71	1,180.00

22 Other expenses

	Year ended	
	March 31, 2018	March 31, 2017
Rent	782.72	842.70
Rates and taxes	149.30	290.40
Insurance	150.68	164.50
Power and fuel	423.20	403.00
Repairs and maintenance:		
Buildings	171.07	127.20
Plant and machinery	162.28	192.20
Others	1.90	2.70
Engineering services - product design, development, etc.	76.87	4.00
Information technology infrastructure	283.20	479.60
Cost contribution (Management fees)	634.90	769.30
Directors commission	48.00	44.00
Communication	352.75	427.90
Travel and conveyance	1,167.54	1,133.30
Freight, insurance and handling	598.33	547.20
Dealer commission	54.31	46.30
Advertising	6.23	27.30
Warranty	151.15	102.70
Legal and professional fees	1,089.52	656.00
Contractor charges	741.18	611.00
Net foreign exchange (gain)/ loss	(24.12)	183.10
Provision for sales tax refund receivable	-	58.60
Provision/ (write back) for doubtful debts (net)	(71.55)	197.40
Provision for doubtful advances (net)	(63.08)	-
Export incentives written off	167.90	-
Bad debts written off	96.07	183.50
Payments to auditors:		
Statutory audit fees	32.50	74.40
Tax audit fees	2.50	4.50
Limited reviews	22.00	8.50
Certification fees	6.50	-
Out of pocket expenses	3.01	6.00
Expenditure towards Corporate Social Responsibility (CSR) activities [refer note (a) below]	197.10	188.60
Miscellaneous expenses	939.48	1,211.50
Total other expenses	8,353.44	8,987.40

(All amounts in Rupees Lakhs, unless otherwise stated)

22 Other expenses (Contd.)

	Year ended March 31, 2018	Year ended March 31, 2017
Notes:		
(a) CSR expenditure:		
Gross amount required to be spent by the Company during the year	197.10	188.60
Amount spent during the year on:		
(i) Construction/ acquisition of any asset		
In Cash	-	-
Yet to be paid in cash	-	-
(ii) On purposes other than (i) above		
In Cash	197.10	188.60
Yet to be paid in cash	-	-
	197.10	188.60
(b) Expenses capitalised as a part of Capital Work-in-Progress		
Salaries and wages (specifically attributable to construction / installation of fixed assets)	-	40.89
Total	-	40.89

23 Finance costs

	Year ended March 31, 2018	Year ended March 31, 2017
Unwinding of discount on provisions	5.49	5.20
Others (Including writeback of provision on Interest on MSMED)	(213.51)	73.60
Total finance costs	(208.02)	78.80

24 Tax expenses

	Year ended March 31, 2018	Year ended March 31, 2017
(a) Tax expenses		
Current tax		
Current tax on profits for the year	4,348.98	3,757.50
Adjustments for current tax of prior periods	(372.43)	(144.40)
Total current tax expense	3,976.55	3,613.10
Deferred tax		
Decrease/ (increase) in deferred tax assets	82.75	(218.10)
(Decrease)/ increase in deferred tax liabilities	216.41	485.40
Adjustment for deferred tax for prior periods	-	(169.00)
Total deferred tax expense/(benefit)	299.16	98.30
Tax expenses	4,275.71	3,711.40
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before tax expense	13,164.53	11,438.70
Tax at the Indian tax rate of 34.608% (2016-17: 34.608%)	4,555.98	3,958.71

(All amounts in Rupees Lakhs, unless otherwise stated)

24 Tax expenses(Contd.)

	Year ended March 31, 2018	Year ended March 31, 2017
Tax effect of amounts which are not deductible (taxable) in calculating taxable Income:		
Expenditure towards Corporate Social Responsibility (CSR) activities	34.11	19.20
Employee share-based payments expense	22.84	21.56
Finance costs	18.12	25.50
Effect of change in tax rate on closing balance of net deferred tax asset	(4.50)	-
Recovery of capital loss	-	(42.50)
Adjustments for tax of prior periods	(372.43)	(313.40)
Expenses allowable on payment basis as per Income Tax Act	65.11	29.70
Other items	(43.52)	12.63
Tax expenses	4,275.71	3,711.40

25 Contingent liabilities

		Year ended March 31, 2018	Year ended March 31, 2017
(a)	Claims against the Company not acknowledged as debts [Claims filed against the Company by customers/ vendors/ employees claiming damages for non-performance of contractual obligation/ defective supply of products/ termination of employment, which is disputed by the Company and the matters are lying under appeal with various forums]	171.48	347.49
(b)	Value added tax/ Sales tax matters in dispute [Relates to demand on account of non-submission of statutory forms to the department substantiating the levy of concessional tax rate to customers. In connection with a dispute, the Company has furnished a Bank guarantee of Rs.252.15 (March 31, 2017: Rs.74.00). The Company has paid 'under protest' Rs.175.34 (March 31, 2017: Rs.175.34) to the Sales Tax Department in this regard].	329.73	330.16
(c)	Central excise matters in dispute [Relates to adjustment on account of levy of additional duty and related demands made by the Excise department / Service tax department, which is disputed by the Company and are lying under appeal with various forums). The Company has paid 'under protest' Rs.20.37 (March 31, 2017: Rs.20.37) to the Excise Department in this regard].	2,386.47	2,233.57
(d)	Service tax matters in dispute [Relates to demand on account of input credits denied by the Service tax department, which is disputed by the Company and the matter is lying under appeal with the Custom Excise and Service Tax Appellate Tribunal. The Company has paid 'under protest' Rs.41.64 (March 31, 2017: Rs.39.55) to the Income Tax Department in this regard].	1,324.27	1,312.20
(e)	Income tax matters [Relates to transfer pricing and other adjustments (including interest thereon) made by the Income Tax Department for the assessment years 2003-04 to 2007-08 and 2009-10 to 2013-14, which is disputed by the Company and the matters are lying under appeal with various forums and certain final orders are awaited. The Company has paid 'under protest' Rs.1,454.79 (March 31, 2017: Rs.870.60) to the Income Tax Department in this regard].	2,137.98	1,590.60

Note: Considering the very nature of the disputes and the dependency on decisions pending with various forums, it is not practicable for the Company to estimate the timing of the cash outflows at this stage with respect to the above contingent liabilities. In all the above cases interest has been included till the date of order.

(All amounts in Rupees Lakhs, unless otherwise stated)

26 Earnings per share

	Year ended	
	March 31, 2018	March 31, 2017
(a) Basic and Diluted earnings per share		
Attributable to the equity shareholders of the Company		
Total basic and diluted earnings per share attributable to the equity shareholders of the Company	28.16	24.48
(b) Reconciliations of earnings used in calculating earnings per share		
Basic and Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share:	8,888.82	7,727.30
(c) Weighted average number of shares used as the denominator		
Weighted average number of equity shares shares used as the denominator in calculating basic and diluted earnings per share	3,15,68,000	3,15,68,000

27 Offsetting financial assets and financial liabilities

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements as at March 31, 2018 and March 31, 2017. The column 'net amount' shows the impact on the Company's balance sheet if all set-off rights were exercised.

	Effects of offsetting on the Balance Sheet		
	Gross amounts	Gross amounts setoff in the Balance Sheet	Net amounts presented in the Balance Sheet
March 31, 2018			
Financial assets			
Trade receivables	11,381.39	(376.23)	11,005.16
Total	11,381.39	(376.23)	11,005.16
Financial liabilities			
Trade payables	10,829.06	(376.23)	10,452.83
Total	10,829.06	(376.23)	10,452.83
March 31, 2017			
Financial assets			
Trade receivables	10,453.12	(679.01)	9,774.11
Total	10,453.12	(679.01)	9,774.11
Financial liabilities			
Trade payables	10,044.01	(679.01)	9,365.00
Total	10,044.01	(679.01)	9,365.00

Offsetting arrangements

Trade receivables and payables:

The Company gives volume based rebates and also issues credit notes on account of delays, defective, etc. Under the terms of the supply agreements, these amounts payable by the Company are offset against receivables from the customers and only the net amounts are settled. The relevant amounts have therefore been presented net in the balance sheet.

(All amounts in Rupees Lakhs, unless otherwise stated)

28 Fair value measurements

	As at March 31, 2018	As at March 31, 2017
Financial instruments by category	Amortised Cost	Amortised Cost
Financial assets		
Loans - Non current	14,385.95	14,102.50
Trade receivables	11,005.16	9,774.11
Cash and cash equivalents	77,000.20	62,246.80
Other bank balances	56.11	5,055.30
Loans - Current	143.00	233.00
Other financial assets - Current	981.23	831.10
Total financial assets	1,03,571.65	92,242.81
Financial liabilities		
Other financial liabilities	1,312.39	953.90
Trade payables	10,452.83	9,365.00
Total financial liabilities	11,765.22	10,318.90

29 Particulars of research and development expenditure

	Year ended March 31, 2018	Year ended March 31, 2017
(a) Revenue expenditure debited to various heads of account:		
Employee benefits expense	208.00	187.90
Others	1.81	23.40
Total	209.81	211.30
(b) Capital (refer note below)		

Description - Gross block (Original cost of asset)	Building	Plant and Machinery	Furniture, Fixtures and Equipment	Electrical Installations	Computer Systems
Balance as at March 31, 2017	-	268.80	3.20	38.90	7.40
Additions during the year	27.51	58.73	3.71	18.88	2.44
Deletions during the year	-	-	-	-	-
Balance as at March 31, 2018	27.51	327.53	6.91	57.78	9.84

Description - Gross block (Original cost of asset)	Building	Plant and Machinery	Furniture, Fixtures and Equipment	Electrical Installations	Computer Systems
Balance as at April 1, 2016	-	120.80	3.20	32.10	3.80
Additions during the year	-	148.00	-	6.80	3.60
Deletions during the year	-	-	-	-	-
Balance as at March 31, 2017	-	268.80	3.20	38.90	7.40

Note: Vide letters dated September 29, 2012 and February 12, 2016, the Department of Scientific & Industrial Research (DSIR), Ministry of Science and Technology, Government of India has accorded recognition to the Company's in-house research and development (R&D) unit at Naroda, Ahmedabad. The above disclosure is based on requirement stipulated by DSIR, Ministry of Science and Technology, Government of India.

(All amounts in Rupees Lakhs, unless otherwise stated)

30 Dues to micro and small enterprises

	Year ended	
	March 31, 2018	March 31, 2017
	Current	Current
The Company has certain dues to suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') to the extent such enterprises are identified by the Company:		
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	281.53	243.20
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end for the year	32.67	32.87
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	1,722.17	320.06
Interest paid, other than under Section 16 for MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	44.51	5.29
Further interest remaining due and payable for earlier years	81.15	308.86

The Company has identified small enterprises and micro enterprises, as defined under the MSMED Act by requesting confirmation from vendors to the letters circularised by the Company.

31 Financial Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's risk management is carried out by the management under the policies approved of the Board of Directors that help in identification, measurement, mitigation and reporting all risks associated with the activities of the Company. These risks are identified on a continuous basis and assessed for the impact on the financial performance. Information on risks and the response strategy is escalated in a timely manner to facilitate timely decision making. Risk response strategy is formulated for key risks by management.

The below note explains the sources of risk which the Company is exposed to and how the Company manages the risk in the financial statements.

A Credit risk

Credit risk arises from cash and cash equivalents, loans to fellow subsidiaries, security deposits carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

(i) Credit risk management

Credit risk is managed and assessed on an ongoing basis. Only high rated banks/ financial institutions are accepted for banking transactions and placement of deposits. For other financial assets, the Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A : High quality assets, negligible credit risk.

B : Low quality assets, high credit risk.

C : Doubtful assets, credit-impaired.

(All amounts in Rupees Lakhs, unless otherwise stated)

31 Financial Risk Management (Contd.)

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is any significant increase in credit risk, the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers below indicators to assess credit risk :

1. Internal credit rating.
2. External credit rating (to extent available).
3. Any significant change in business, financial or economic conditions that are expected to cause a significant change in the payer's ability to meet its obligations, including changes in operating results and payment status.

Macro economic information (such as regulatory changes, legal changes, interest rate changes) are incorporated as a part of the internal rating model.

Default of a financial asset is when the counterparty fails to make contractual payments within 365 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

(ii) Provision for expected credit losses

The Company provides for expected credit loss based on the following:

Internal rating	Category	Description	Basis for recognition of expected credit loss		
			Loans	Security deposits	Trade receivables
A	High quality assets	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12- month expected credit loss	12- month expected credit loss	Life-time expected credit loss
B	Low quality assets	Assets where there is a moderate probability of default. In general, assets where contractual payments are more days than past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than past due.	Life-time expected credit loss	Life-time expected credit loss	Life-time expected credit loss
C	Doubtful assets	Assets are fully provided or written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments more than past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Asset is fully provided for or written off.	Asset is fully provided for or written off.	Asset is fully provided for or written off.

(All amounts in Rupees Lakhs, unless otherwise stated)

31 Financial Risk Management (Contd.)

Expected credit loss for loans and security deposits:

Particulars		Asset group	Internal rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Year ended March 31, 2018							
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased since its initial recognition	Loans	A	14,385.95	0%	-	14,385.95
Year ended March 31, 2017							
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased since its initial recognition	Loans	A	14,102.50	0%	-	14,102.50

Expected credit loss for trade receivables under simplified approach:

Customer category	Public sector undertaking	Direct customers	Distributors	Total
Year ended As at March 31, 2018				
Gross carrying amount	2,515.25	6,616.00	2,388.56	11,519.81
Expected loss rate	14.53%	2.25%	0.01%	4.47%
Expected credit loss (loss allowance provision)	365.56	148.89	0.20	514.65
Carrying amount of trade receivables (net of impairment)	2,149.69	6,467.11	2,388.36	11,005.16
Year ended As at March 31, 2017				
Gross carrying amount	1,311.10	6,793.71	2,255.50	10,360.31
Expected loss rate	10.74%	5.97%	1.76%	5.66%
Expected credit loss (loss allowance provision)	140.80	405.60	39.80	586.20
Carrying amount of trade receivables (net of impairment)	1,170.30	6,388.11	2,215.70	9,774.11

Reconciliation of loss allowance provision - Trade receivables

Particulars	As at	
	March 31, 2018	March 31, 2017
Opening provision for loss allowance	586.20	388.80
Add: Additional provision	24.52	400.50
Less: Utilisation/ (reversal)	(96.07)	(203.10)
Closing Provision	514.65	586.20

B Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding through adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying business, the Company maintains flexibility in funding by maintaining surplus cash in short-term deposits. Management monitors the rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

(All amounts in Rupees Lakhs, unless otherwise stated)

31 Financial Risk Management (Contd.)

Maturities of financial liabilities:

Contractual maturities of financial liabilities	Less than 12 months	More than 12 months	Total
As at March 31, 2018			
Trade payables	10,452.83	-	10,452.83
Other financial liabilities	1,312.39	-	1,312.39
Total	11,765.22	-	11,765.22
As at March 31, 2017			
Trade payables	9,365.00	-	9,365.00
Other financial liabilities	953.90	-	953.90
Total	10,318.90	-	10,318.90

C Market risk

Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (Rupees). The risk is measured through a forecast of highly probable foreign currency cash flows.

The Company exposure to foreign currency risk at the end of the reporting period expressed in Rupees is as follows:

Particulars	Currency	As at March 31, 2018		As at March 31, 2017	
		Foreign currency	Indian rupees	Foreign currency	Indian rupees
Financial assets					
Trade receivables	USD	47.50	3,095.67	44.25	2,872.80
Trade receivables	EUR	-	-	(*)	0.60
Trade receivables	ZAR	-	-	0.12	0.60
Bank balance (EEFC)	USD	27.29	1,778.25	33.12	2,150.00
Financial liabilities					
Trade payables	USD	49.53	3,227.70	31.03	2,014.76
Trade payables	EUR	2.51	200.97	8.97	625.42
Trade payables	JPY	50.73	31.08	2.18	1.27
Trade payables	GBP	0.35	32.09	0.16	13.04
Others	USD	10.52	685.38	-	-

(*) Amount is below the rounding off norm adopted by the Company.

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	Year ended	
	March 31, 2018	March 31, 2017
Sensitivity on profit after tax		
USD sensitivity		
INR/ USD - Increase by 1% (March 31, 2017: 1%)	(5.35)	5.61
INR/ USD - Decrease by 1% (March 31, 2017: 1%)	5.35	(5.61)
EUR sensitivity		
INR/ EUR - Increase by 1% (March 31, 2017: 1%)	(1.31)	(4.09)
INR/ EUR - Decrease by 1% (March 31, 2017: 1%)	1.31	4.09

(All amounts in Rupees Lakhs, unless otherwise stated)

32 Capital Management

A Risk management

The Company's objectives when managing capital are to:

(i) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and;

(ii) maintain an optimal capital structure to reduce the cost of capital.

The Company does not have any exposure towards debt. Management regularly monitors rolling forecasts of liquidity position and cash on the basis of expected cash flows. In addition, the Company projects cash flows in major currencies and considers the level of liquid assets necessary to meet these.

B Dividends

		As at	
		March 31, 2018	March 31, 2017
(i)	Equity shares		
	Interim dividend for the financial year 2017-18 of Rs.3.00 (March 31, 2017: Rs. 3.00) per fully paid equity share	947.04	947.00
(ii)	Dividends not recognised at the end of the reporting period		
(a)	The directors have declared a special dividend of Rs.202.00 (March 31, 2017: Rs.Nil) as second interim dividend for the financial year ended 31 March 2018.	63,767.36	-
(b)	The directors have recommended the payment of a final dividend of Rs.3.00 per fully paid equity share (March 31, 2017: Rs.3.00). This dividend is subject to the approval of shareholders in the ensuing annual general meeting.	947.04	947.00

33 Commitments

A Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	As at	
	March 31, 2018	March 31, 2017
Property, plant and equipment	100.82	176.10

B Operating leases

The Company leases various offices under cancellable and non-cancellable operating leases expiring within one to nine years. These leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are re-negotiated.

Rental expenses relating to operating leases:

	Year ended	
	March 31, 2018	March 31, 2017
Total rental expense relating to operating leases	782.72	842.70
Minimum lease payments in relation to non-cancellable operating lease	691.61	628.30

(All amounts in Rupees Lakhs, unless otherwise stated)

33 **Commitments (Contd.)**

	As at March 31, 2018	As at March 31, 2017
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	547.38	432.70
Later than one but not later than five years	1,558.82	1,036.80
Later than five years	-	29.30
	2,106.20	1,498.80

C **Other commitments**

	As at March 31, 2018	As at March 31, 2017
Duty free licenses for import (Value of customs duty on goods imported by utilising licenses against which export obligations are outstanding at the year end)	-	-
	-	-

34 **Segment Information:**

Description of segments and principal activities

The Company's chief operating decision maker (CODM) consists of the managing director and the chief financial officer. The Company's chief operating decision maker (CODM) reviews the performance of the Company as a whole as there are no operations in Environment Solutions segment. Consequently, there is only one segment Air Solutions. Accordingly, there are no additional disclosure to be provided under Ind AS 108, other than those already provided in the financial statements.

The Board, at their meeting held on 21 September 2015 decided to discontinue the operations at the Chennai Plant (i.e., Environment Solutions Business). The Company entered into a Termination Agreement with Ingersoll-Rand Climate Solutions Private Limited (IRCSPL), fellow subsidiary, whereby IRCSPL has agreed to reimburse all losses and expenses directly or indirectly, suffered or incurred by the Company upto the time all assets are sold and proceeds received by the Company. During the year ended 31 March 2017, the Company has disposed off all the assets held for sale relating to the Environment Solutions Business.

The Company reported the following two segments until 30 June 2017

(a) Air Solutions

(b) Environment Solutions

Effective 1 July 2017, the Company's chief operating decision maker (CODM) reviewed the performance of the Company as a whole as there are no operations in Environment Solutions segment. Consequently, there is only one segment and hence no separate segment disclosures have been presented as such information is available in the Statement.

Geographical information

Particulars	Total March 31, 2018	Total March 31, 2017
Revenue		
India	46,781.22	48,612.56
Outside India		
United States	12,637.74	14,106.23
Ireland	836.62	1,150.86
China	-	720.69
Bangladesh	1,105.38	425.90
Srilanka	570.91	620.73
Singapore	133.95	317.49
Others	459.35	442.20
	62,525.17	66,396.66
Non-Current assets (excluding deferred tax assets)		
India	29,195.22	29,644.70
Outside India	-	-
	29,195.22	29,644.70

Major customer

Revenue from one customer i.e Ingersoll-Rand Company, USA is Rs.9,641.20 for the year ended 31 March 2018 (2016-17: Rs.11,396.45) which contributes more than 10% of the Company total revenue

(All amounts in Rupees Lakhs, unless otherwise stated)

35 Related party transactions:

(a) Parent entities

Name	Type	Place of incorporation	Ownership interest	
			March 31, 2018	March 31, 2017
Ingersoll-Rand plc.	Ultimate holding company	Ireland	-	-
Ingersoll-Rand Company	Immediate holding company	USA	74%	74%

(b) Key management personnel compensation

	Year ended	
	March 31, 2018	March 31, 2017
Salaries and other employee benefits	429.79	291.74
Contribution to provident fund	54.68	69.42
Employee share-based payment	23.12	58.52
Total compensation	507.59	419.68

(c) Transactions with related parties

	Year ended			
	March 31, 2018		March 31, 2017	
	Holding company	Fellow subsidiaries	Holding company	Fellow subsidiaries
Sales and purchases of goods and services				
Sale of finished goods	9,604.16	1,144.50	11,375.78	1,911.98
Business support and auxiliary services	36.84	3,147.94	20.67	2,959.71
Purchase of raw materials, components and traded goods	214.96	7,901.45	298.58	7,691.35
Other transactions				
Recharge of expenses to fellow subsidiaries	-	1,357.34	-	1,210.14
Rent received	-	332.52	-	358.90
Rent paid	-	-	-	15.64
Purchase of property, plant and equipment	-	-	-	91.69
Expenses recharged by other companies:				
(i) Cost contribution (Management fees)	634.90	-	769.30	-
(ii) Professional fees	-	413.75	-	100.29
(iii) Repairs and maintenance - plant & machinery	-	12.70	-	-
(iv) Contractor charges	-	14.76	-	-
(v) Other miscellaneous expenses	-	135.87	20.62	277.58
Interest income on intercorporate loans given	-	1,397.28	-	1,537.00
Disposal of assets held for sale	-	-	-	67.67
Expenses/ losses recovered	-	36.49	-	1,553.68
Contributions made to gratuity fund	-	153.00	-	100.00
Contributions made to provident fund	-	265.22	-	233.10
Dividend paid	1,401.60	-	1,401.60	-
Repayment of Loan	-	-	-	743.75

(All amounts in Rupees Lakhs, unless otherwise stated)

35 Related party transactions: (Contd.)

(d) Balances with related parties

The following balances are outstanding at the end of the reporting period in relation with transactions with related parties:

	As at	
	March 31, 2018	March 31, 2017
Holding company	1,784.12	1,238.20
Trade receivables	209.24	337.20
Trade payables	3.33	3.33
Advances from customers		
Fellow subsidiaries		
Trade receivables	1,034.20	1,077.70
Other receivables	253.98	243.20
Unbilled revenues	93.82	109.40
Intercorporate Loans receivable	13,930.95	13,912.80
Trade payables	2,777.40	2,018.20
Creditors for capital goods	-	41.90
Advances from customers	38.21	19.50

(e) Remuneration paid to key management personnel

	Year ended	
	March 31, 2018	March 31, 2017
Remuneration Paid:		
Amar Kaul, Chairman and Managing Director		
Salaries and other employee benefits	227.15	150.11
Contribution to provident fund	47.90	35.18
Employee share-based payment	23.12	58.52
G. Madhusudhan Rao, Vice President - Finance (Upto 2-Jan-2018)		
Salaries and other employee benefits	115.84	141.63
Contribution to provident fund	3.43	34.24
Employee share-based payment	-	-
Vikas Goel, CFO (From 05-July-2017)		
Salaries and other employee benefits	86.80	-
Contribution to provident fund	3.35	-
Employee share-based payment	-	-

Note: The above does not include provision for gratuity and compensated absences that are calculated for the Company as a whole.

(All amounts in Rupees Lakhs, unless otherwise stated)

35 Related party transactions: (Contd.)

(f) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties other than holding company

	Year ended	
	March 31, 2018	March 31, 2017
Sales and purchases of goods and services		
(a) Sale of finished goods		
-Ingersoll-Rand International Limited, Ireland	828.77	1,014.10
-Nanjing Ingersoll Rand Compressor Co Ltd, China	-	720.69
-Ingersoll Rand Air Solutions Hibon SARL, France	131.90	121.77
-Ingersoll Rand Singapore Enterprises Pte Ltd, Singapore	141.40	-
(b) Business support and auxiliary services		
-Ingersoll Rand International Limited, Ireland	7.85	136.76
-Trane U.S. Inc, USA	2,996.73	2,709.78
(c) Purchase of raw materials, components and traded goods		
-Ingersoll Rand International Limited, Ireland	6,363.73	6,127.27
-GHH-Rand Schraubenkompressoren GmbH, Germany	-	181.73
-Ingersoll-Rand (China) Industrial Equipment Manufacturing Co. Limited, China	1,259.06	991.24

	Year ended	
	March 31, 2018	March 31, 2017
Other transactions		
(a) Recharge of expenses to fellow subsidiaries		
-Ingersoll-Rand Technologies and Services Private Limited, India	723.52	626.59
-Ingersoll-Rand Climate Solutions Private Limited, India	630.50	475.36
-Ingersoll-Rand International (India) Private Limited, India	3.32	108.19
(b) Rent received		
-Ingersoll-Rand International (India) Private Limited, India	-	30.49
-Ingersoll-Rand Technologies and Services Private Limited, India	44.55	46.02
-Ingersoll-Rand Climate Solutions Private Limited, India	287.97	282.41
(c) Rent paid		
-Ingersoll-Rand Technologies and Services Private Limited, India	-	15.64

(All amounts in Rupees Lakhs, unless otherwise stated)

35 **Related party transactions: (Contd.)**

		Year ended	
		March 31, 2018	March 31, 2017
(d)	Purchase of property, plant and equipment		
	-Ingersoll-Rand Technologies and Services Private Limited, India	-	71.77
	-Ingersoll-Rand Climate Solutions Private Limited, India	-	9.48
(e)	Expenses recharged by other companies		
	-Ingersoll-Rand Technologies and Services Private Limited, India	137.25	277.58
	-Ingersoll-Rand International (India) Private Limited, India	413.17	100.29
(f)	Interest income on intercorporate loans given		
	-Ingersoll-Rand Technologies and Services Private Limited, India	876.03	1,002.82
	-Ingersoll-Rand Climate Solutions Private Limited, India	521.24	456.39
	-Thermo King India Private Limited, India	-	77.76
(g)	Disposal of assets held for sale		
	-Ingersoll-Rand (China) Industrial Equipment Manufacturing Co. Limited, China	-	58.65
(h)	Expenses/ losses recovered		
	-Ingersoll-Rand Climate Solutions Private Limited, India	36.49	1,478.10
(i)	Contributions made to gratuity fund		
	-Ingersoll-Rand Employees Gratuity Trust, India	153.00	100.00
(j)	Contributions made to provident fund		
	-Ingersoll-Rand Employees Provident Fund Trust, India	265.22	233.10
(k)	Repayment of loan		
	-Thermo King India Private Limited, India	-	743.75

Balances with related parties:

		As at	
		March 31, 2018	March 31, 2017
(a)	Trade receivables		
	-Ingersoll Rand International Limited, Ireland	98.44	115.53
	-Trane U.S. Inc, USA	778.05	863.91
	-Ingersoll Rand Singapore Enterprises Pte Ltd, Singapore	132.37	-
(b)	Other receivables		
	-Ingersoll-Rand Climate Solutions Private Limited, India	197.55	156.59
	-Ingersoll-Rand Technologies and Services Private Limited, India	56.43	64.92
	-Ingersoll-Rand International (India) Private Limited, India	-	21.69

(All amounts in Rupees Lakhs, unless otherwise stated)

35 **Related party transactions: (Contd.)**

		Year ended	
		March 31, 2018	March 31, 2017
(c)	Unbilled revenues		
	-Ingersoll-Rand Climate Solutions Private Limited, India	93.82	109.40
(d)	Intercorporate Loans receivable		
	-Ingersoll-Rand Climate Solutions Private Limited, India	5,196.81	5,190.04
	-Ingersoll-Rand Technologies and Services Private Limited, India	8,734.14	8,722.76
(e)	Trade payables		
	-Ingersoll Rand International Limited, Ireland	2,148.13	1,477.11
	-Ingersoll-Rand (China) Industrial Equipment Manufacturing Co. Limited, China	396.36	283.01
(f)	Creditors for capital goods		
	-Ingersoll-Rand Climate Solutions Private Limited, India	-	13.41
	-Officine Meccaniche Industrali SRL, Italy	-	24.81
(g)	Advances from customers		
	-Ingersoll Rand International Limited, Ireland	33.09	15.10
	-Ingersoll-Rand Technologies and Services Private Limited, India	4.55	4.40

(g) Terms and conditions

(1) Transaction relating to dividends was on the same terms and conditions that applied to other shareholders.

(2) The loans to fellow subsidiaries are for periods of 5 years repayable at the end of the term at interest rate of 1% above bank interest rate. The average interest rate on the loans to fellow subsidiaries during the year was 9.75% (March 31, 2017: 10.25%).

(3) Management services were bought from the immediate holding company on a cost to cost basis. Export of IT services to immediate holding company is on cost-plus basis.

(4) All transactions including sale of goods were made on normal commercial terms and conditions and at arm's length price.

(5) All outstanding balances are unsecured and are repayable in cash

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

36 Disclosures relating to Specified Bank Notes* (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016

(Amounts in Rupees)

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	13,000	22,119	35,119
(+) Permitted receipts	-	27,000	27,000
(-) Permitted payments	-	38,478	38,478
(-) Amount deposited in Banks	13,000	-	13,000
Closing cash in hand as on December 30, 2016	-	10,641	10,641

(*) Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated November 8, 2016.

37 Events occurring after the reporting period

Refer note 32(B) with respect to dividend recommended by the Board of Directors.

38 Prior year figures

Prior year's figures have been regrouped/ reclassified wherever necessary to conform to current year's classifications which also include Ind AS requirements.

39 The financial statements for the previous year were audited by a firm other than B S R & Co. LLP

for and on behalf of Board of Directors of
Ingersoll - Rand (India) Limited.

for B S R & Co. LLP
Chartered Accountants
Firm's registration number : 101248W/W-100022

Sanjay Sharma
Partner
Membership Number: 063980

Place: Mumbai
Date: May 10, 2018

Amar Kaul
Chairman and Managing Director
DIN: 07574081

Vikas Goel
Chief Financial Officer

Place: Mumbai
Date: May 10, 2018

H. C. Asher
Director
DIN: 00024863

P. R. Shubhakar
Gen. Manager-Corp. Finance
and Company Secretary

Ingersoll Rand
Inspiring Progress™

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