

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IGLCHEM INTERNATIONAL USA LLC

Report on the Financial Statements

1. We have audited the accompanying financial statements of **IGL CHEM INTERNATIONAL USA LLC** ("the Company"), which comprises the Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss and the Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provision 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 there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statement 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:-
- (a) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2015;
 - (b) In the case of Statement of Profit and Loss, of the Loss for the period ended on that date; and
 - (c) In the case of Cash Flow Statement, of the Cash Flows for the period ended on that date.

Report on Other Legal and Regulatory Requirements

7. This report does not include a statement on the matters specified vide Companies (Auditor's Report) Order, 2015 ('Order') issued by the Central Government of the India in terms of sub-section (11) of the Section 143 of the Act, in our opinion and said order is not applicable to the Company as the Company is not incorporated in India under the Indian Companies Act, 2013.
8. As required by section 143 (3) of the Act, we report that :-
- a) We have 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 appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit & Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit & Loss, and Cash Flow Statement comply with by this report comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with the Rule 7 of the Companies (Accounts) Rule 2014.



- e) With respect of 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) There were no pending litigation which would impact the consolidated financial position of the Company;
 - ii) The Company did not have any foreseeable losses on long term contracts and had no derivative contracts outstanding as at 31st March, 2015; and
 - iii) The Company did not have any dues on account of Investor Education and Protection Fund.

PLACE : NEW DELHI

DATE : 27th May, 2015

For K. N. GUTGUTIA & COMPANY
CHARTERED ACCOUNTANTS
FRN 304153E


(B. R. GOYAL)
PARTNER
M. NO.12172



IGI CHEM INTERNATIONAL USA LLC**BALANCE SHEET**

Particulars	Note No	As at 31st March 2015 (Amt in USD)	As at 31st March 2015 (Amt in Rs)
EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	100,000	6,283,000
(b) Reserves and Surplus	3	(23,047)	(1,473,816)
(2) Current Liabilities			
(a) Other current liabilities	4	23,047	1,440,316
Total		100,000	6,249,500
Assets			
(1) Current assets			
(a) Cash and cash equivalents	5	100,000	6,249,500
Total		100,000	6,249,500

Summary of significant accounting policies 1

The accompanying notes (1 to 14) are integral part of the financial statements

IN TERMS OF OUR REPORT OF EVEN DATE.

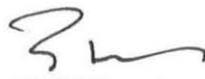
FOR K N GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
Firm Registration Number: 304153E


B R GOYAL
PARTNER
M. NO.12172

NOIDA
DATE : 27.5.2015



For and on behalf of the Board


U.S. Bhartia
Director


Mehta Dharmesh Yashwant
Director

IGL CHEM INTERNATIONAL USA LLC

STATEMENT OF PROFIT AND LOSS

Particulars	Note No	For The Period Ended 31st March,2015 (Amt in USD)	For The Period Ended 31st March,2015 (Amt in Rs)
REVENUE			
Revenue from operations		-	-
Total Revenue		-	-
EXPENSES			
Other expenses	6	23,047	1,438,832
Total Expenses		23,047	1,438,832
Profit/(loss) before tax		(23,047)	(1,438,832)
Tax expense:			
- Current tax		-	-
- Adjustment related to earlier year		-	-
Profit/(Loss) for the period		(23,047)	(1,438,832)
Earning per equity share:			
- Basic	12	(4.01)	(250.08)
- Diluted	12	(4.01)	(250.08)

Summary of significant accounting policies 1

The accompanying notes (1 to 14) are integral part of the financial statements

IN TERMS OF OUR REPORT OF EVEN DATE.

FOR K N GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
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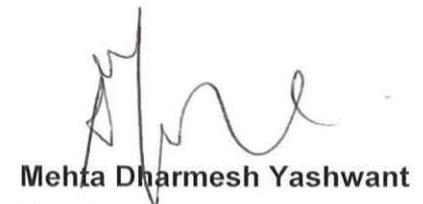

B R GOYAL
PARTNER
M. NO.12172

NOIDA
DATE : 27.05.2015



For and on behalf of the Board


U.S. Bhartia
Director


Mehta Dharmesh Yashwant
Director

IGL CHEM INTERNATIONAL USA LLC

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH,2015

Particulars	FOR THE PERIOD ENDED 31ST MARCH,2015		FOR THE PERIOD ENDED 31ST MARCH,2015	
		(Amt in USD)		(Amt in Rs)
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit/(Loss) Before Tax		(23,047)		(1,438,832)
Foreign Currency Translation Reserve		-		(34,984)
Operating profit before working capital changes		(23,047)		(1,473,816)
Adjustment for :				
(Increase)/Decrease in trade and other receivables		-	-	-
Increase/(Decrease) in other payables	23,047	23,047	1,440,316	1,440,316
Cash Generated from Operations		-		(33,500)
Less : Income Tax Paid		-		-
Net Cash Inflow/(outflow) from Operating Activities (A)		-		(33,500)
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Net Cash Inflow/(outflow) from Investing Activities (B)		-		-
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from issue of shares		100,000		6,283,000
Net cash Inflow/(outflow) from financing activities (C)		100,000		6,283,000
Net increase/ (Decrease) in cash and cash equivalents (A+B+C)		100,000		6,249,500
Cash and cash equivalents at the beginning of the year (Opening Balance)		-		-
Cash and cash equivalents at the closing of the year (Closing Balance)		100,000		6,249,500

Note:-

1 The above cash flow has been prepared under the Indirect Method as set out in the Accounting Standard-3 Cash Flow Statements issued by The Institute of Chartered Accountants of India.

IN TERMS OF OUR REPORT OF EVEN DATE.

FOR K N GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
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B R GOYAL

B R GOYAL
PARTNER
M. NO.12172

NEW DELHI
DATE : 27.05.2015



For and on behalf of the board

U.S. Bhartia

U.S. Bhartia
Director

Melita Dharmesh Yashwant

Melita Dharmesh Yashwant
Director

IGL CHEM INTERNATIONAL USA LLC

Notes to the Financial Statements

1. Corporate information

IGL Chem International USA LLC (the Company) is a company incorporated in United States of America (USA) in July, 2014. The Company is wholly owned subsidiary of India Glycols Limited (the parent company), a company incorporated in India. The Company has been formed for the purpose of marketing and distribution of chemicals to customers based in USA and nearby Countries.

2. Statement of Significant Accounting Policies

A. Basis of Preparation & Presentation of Financial Statements

The accounts of the Company are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the other relevant provisions of the Companies Act, 2013. The Financial Statements are presented as per Schedule III to the Companies Act, 2013 in Indian rupees and USD.

Current-non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. 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 – noncurrent classification of assets and liabilities.

B. Tangible and Intangible Fixed Assets

Fixed Assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation/amortization and impairment loss. The cost of fixed assets includes freight and other incidental expenses related to the acquisition, installation of the respective assets..

C. Depreciation and Amortization

Pursuant to the Companies Act, 2013 ("the Act") being effective from 1st April, 2014, the Company has charged depreciation rates on fixed assets as per useful life specified in Part "C" of Schedule II of the Act, read with Notification dated 29th August, 2014 of the Ministry of Corporate Affairs, on the original cost/ acquisition cost of fixed assets or other amount substituted for cost.

Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to month of addition/disposal.

D. Valuation of Inventories

Inventories are valued at lower of cost or net realizable value except stock of residual products and scrap which are valued at net realizable value.

The methods of determining cost of inventory are Weighted Average Method.

Cost includes all direct costs and such other costs incurred as to bring the inventory to its present location and condition.

IGL CHEM INTERNATIONAL USA LLC

Notes to the Financial Statements

E. Income Tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the results for the period. Tax provision has been made on the basis of estimation.

F. Foreign Currency Transactions and Translations

a) Initial Recognition: Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on/or closely approximating to the date of the transaction.

b) Conversion: Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c) Exchange Difference: Exchange differences arising on the settlement of monetary items or on reporting such monetary items of the Company at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise. For the purpose of conversion of Financial Statement, , year to date average rate of currencies has been taken for revenue items and closing rate has been taken for Balance Sheet items, except for Share Capital and Reserve and Surplus, which are carried at historical exchange rate. The net exchange difference on account of translation of financial statement is taken to foreign exchange translation reserve.

G. Provisions, Contingent Liabilities and Contingent Assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed in respect of possible obligations that may arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent Assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognized in the period in which the change occurs.

H. Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences, performance incentives and contribution to 401 (k) plan as it prevalent in USA, etc. and are recognized as expenses in the period in which the employee renders the related service and measured accordingly.

IGL CHEM INTERNATIONAL USA LLC

Notes to the Financial Statements

I. Revenue Recognition

Revenue from sale of products is recognized when the significant risks and rewards of ownership of the products are transferred to the buyer, recovery of the consideration is reasonably assured and the amount of revenue can be measured reliably.

J. Earnings Per Share

The basic earnings per share is calculated by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares is ignored.

K. Investments

Long Term investments are stated at cost. When there is a decline other than temporary in their value, the carrying amount is reduced on individual investment basis and is charged to the Statement of Profit & Loss.

L. Borrowing Cost

Interest and other costs in connection with the borrowings of funds are capitalized up to the date when such qualifying assets are ready for its intended use and other borrowing costs are charged to statement of Profit & Loss. Ancillary cost incurred in connection with the borrowings is amortized over the term of loan.

IGL CHEM INTERNATIONAL USA LLC

Note No 2	Particulars	As at 31st March 2015	As at 31st March 2015
		Amt in USD	Amt in Rs
	Authorized 100000 Shares of USD.1/- each	100,000	6,283,000
	Issued, Subscribed & Paid up 100000 Shares of USD.1/- each fully paid up	100,000	6,283,000
		100,000	6,283,000

2.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March 2015		
	Number	Amount in USD	Amount in Rs.
Shares outstanding at the beginning of the year	-	-	-
Shares Issued during the year (Refer Note No 2.3)	100,000	100,000	6,283,000
Shares bought back during the year	-	-	-
Shares outstanding at the end of the year	100,000	100,000	6,283,000

2.2 The Company has only one class of Equity Shares having a par value of USD 1 per share. Each holder of Equity Shares is entitled to one vote per share.

2.3 During the year, 1,00,000 shares of USD 1/- each issued and allotted at par to its holding company, namely India Glycols Limited.

2.4 Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	As at 31st March 2015	
	No. of Shares held	% of Holding
INDIA GLYCOLS LIMITED	100000	100.00%

2.5 The details of shares held by holding / ultimate holding company and / or their subsidiaries / associates: -

Name of Shareholder	As at 31st March 2015	
	No. of Shares held	% of Holding
INDIA GLYCOLS LIMITED	100000	100.00%

Note No.3	Reserves & Surplus	As at 31st March 2015	As at 31st March 2015
		Amt in USD	Amt in Rs
	a. Surplus/(Deficit)		
	As per last Balance Sheet	-	-
	Add: Profit/(loss) after tax transferred from statement of Profit & Loss	(23,047)	(1,438,832)
		(23,047)	(1,438,832)
	b. Foreign Currency Translation Reserve		
	As per last Balance Sheet	-	-
	Add:- Addition during the year	-	(34,984)
		(23,047)	(1,473,816)

Note No. 4	Other current liabilities	Amt in USD	Amt in Rs
	Other payables (Refer Note No.-11 for related party Disclosure)	23,047	1,440,316
	Total	23,047	1,440,316

Note No.5	Cash and cash equivalents	Amt in USD	Amt in Rs
	Balances with banks in Current Assets	100,000	6,249,500
	Total	100,000	6,249,500

Note No. 6	Particulars	FOR THE YEAR ENDED 31st March,2015	FOR THE YEAR ENDED 31st March,2015
		Amt in USD	Amt in Rs
	Other Expenses		
	Rent	6,993	437,607
	Travelling Expenses	5,608	350,449
	Legal & Professional Fees	10,446	650,776
	Total	23,047	1,438,832



Note No. 7 Accounts of the Company (a wholly owned subsidiary of India Glycols Limited, India, a company incorporated in India), incorporated in USA have been made out as per the requirements of Companies Act, 2013 of India ("the Act"), in due adherence of provisions of the Act. This entailed drawing up the Balance Sheet, Statement of Profit and Loss & Cash Flow Statement (including Auditor's Report thereon) of the subsidiary in a manner so as to make it appear conforming to requirements of the Act for the purpose of annexing the particulars of the Company with its holding company and for the preparation of the consolidated accounts of the group pursuant to the provisions of the Act and consolidating the Financial Statements of this company with the parent holding company in terms of AS-21 in respect of Consolidation of Accounts as required under AS-21 notified by the Ministry of Corporate Affairs and in pursuant of the provisions of the Act and this exercise also related to translation of treatment of various heads of accounts in terms of accounting standards referred to in the Act, read with the accounting policy of parent company and presentation of accounts in terms of Schedule III of the Act, including disclosure of necessary information as laid down under the said Act.

Note No. 8 This is the first year of the Company hence, there are no corresponding figures for the previous period.

Note No. 9 Commitments - NIL

Note No. 10 Contingent Liabilities to the extent not provided for - NIL

Note No. 11 Related Party Disclosure:

Name of Related Party	Relationship
India Glycols Limited	100% holding company
IGL Chem International Pte Ltd	Fellow Subsidiary
IGL Finance Limited	Fellow Subsidiary
Shakumbari Sugar and Allied Industries Ltd.	Fellow Subsidiary
IGL Infrastructure Pvt. Ltd.	Fellow Subsidiary
U. S. Bhartia	Key Management Personnel
Mehta Dharmesh Yashwant	Key Management Personnel

The Company has entered into transactions with the following related parties:

India Glycols Limited

Nature of transactions	(Amt in USD)	(Amt in Rs)
	FOR THE PERIOD ENDED 31st March, 2015	FOR THE PERIOD ENDED 31st March, 2015
Allotment of equity Shares	100,000	6,283,000
Re-imbusement of Expenses	2,338	144,902
Total outstanding payable	2,338	146,082

IGL Chem International Pte Ltd

Nature of transactions	(Amt in USD)	(Amt in Rs)
	FOR THE PERIOD ENDED 31st March, 2015	FOR THE PERIOD ENDED 31st March, 2015
Re-imbusement of Expenses	20,709	1,293,931
Total outstanding payable	20,709	1,294,235

Note No. 12 Earnings per share

Particulars	FOR THE PERIOD ENDED 31st March, 2015	FOR THE PERIOD ENDED 31st March, 2015
	(Amt in USD)	(Amt in Rs)
Profit/(loss) after tax	(23,047)	(1,438,832)
Weighted Average Number of Shares outstanding during the year (Nos.)	5,753	5,753
Face Value per Share	1	62.83
Basic and diluted EPS	(4.01)	(250.08)

Weighted average number of equity shares for Earnings Per Share computation

Numbers of shares at the beginning (In Lacs)	-
Add: Shares issued during the year on 11.03.2015 (100000*21/365)	5,753
Weighted average number of equity shares	5,753

Note No. 13 For the purpose of conversion of accounts in to Indian Currency, following rates are applied:

Average rate for 2014-15	1 USD = Rs 62.43
Rate as at 31st March, 2015	1 USD = Rs 62.495

Note No. 14 Figures in USD have been given only for conversion purpose.

For K. N. GUTGUTIA & COMPANY
CHARTERED ACCOUNTANTS
FRN 304153E

(B. R. GOYAL)
PARTNER
M. NO. 12172

NOIDA

DATE : 27.05.2015



For and on behalf of the Board


U.S. Bhartia
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