



INDIA GLYCOLS LIMITED

Plot No. 2-B, Sector- 126, NOIDA- 201304, Distt. Gautam Budh Nagar, Uttar Pradesh, Tel : +91 120 3090100, 3090200
Fax : +91 120 3090111, 3090211, E-mail : iglho@indiaglycols.com, Website: www.indiaglycols.com

26th May, 2016

The Secretary Listing Department, National Stock Exchange of India Ltd. "Exchange Plaza", C-1, Block "G", Bandra-Kurla Complex, Bandra (E), Mumbai-400 051.	The Secretary, Corporate Relationship Department, BSE Limited, 1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, Mumbai - 400 001
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SYMBOL: INDIAGLYCO

Security Code : 500201

Sub: Audited Financial Results for the quarter/Financial Year ended March 31,2016

Pursuant to Regulation 33 SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board at its meeting held on Thursday the 26th May, 2016 which commenced at 12.00 Noon and concluded at 3.20 P.M. inter alia, considered and approved (Standalone and consolidated) Financial Results for the quarter/financial year ended 31st March 2016.

In this connection, we enclose herewith the following:

- i) Statements showing the Audited Financial Results (Standalone and Consolidated) for the quarter/year ended March 31, 2016;
- ii) Form B (for audit report with modified opinion) – Standalone and Consolidated; and
- iii) Auditors' Report on the Audited Financial Results – Standalone and Consolidated.

The Results are also being published in Newspapers as per requirement of the Listing Regulations.

Thanking you,

Yours faithfully,
for **India Glycols Limited**


Anand Singhal
Chief Financial Officer



INDIA GLYCOLS LIMITED

Regd. Office ; A-1, Industrial Area, Bazpur Road, Kashipur - 244 713, Distt. Udham Singh Nagar (Uttarakhand)
 Phones: +91 5947 269000/ 269500/ 275320. +91 9411108202, Fax: +91 5947 275315/ 269535
 Email: iglho@indiaglycols.com, Website: www.indiaglycols.com
 CIN No.L24111UR1983PLC009097

Part I Statement of Audited Financial Results for the Quarter and Year ended March 31, 2016

(Rs. In Lacs, except as stated)

S.I.N No.	Particulars	Standalone					Consolidated	
		Quarter ended			Year ended		Year ended	
		31.03.2016 (Audited)	31.12.2015 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)
1	Gross sales/ income from operations	79,503	77,483	80,206	323,936	309,173	324,223	311,390
	Less: Excise Duty	26,265	25,056	18,120	95,147	57,022	95,239	57,174
	Income from operations							
	(a) Net sales/ income from operations (Net of excise duty)	53,238	52,427	62,086	228,789	252,151	228,984	254,216
	(b) Other operating income / (loss)	699	737	1,043	3,434	3,590	3,593	3,734
	Total income from operations (net)	53,937	53,164	63,129	232,223	255,741	232,577	257,950
2	Expenses							
	(a) Cost of materials consumed	28,136	32,344	29,348	124,328	138,900	123,924	138,648
	(b) Purchase of stock-in-trade	4,241	5,848	4,343	25,052	32,934	26,619	32,934
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	4,227	(5,128)	8,044	(3,099)	1,770	(3,852)	4,378
	(d) Employee benefits expense	1,955	2,304	2,323	8,521	8,561	8,774	9,214
	(e) Depreciation and amortisation expense	(171)	1,828	1,485	5,324	8,116	5,756	8,878
	(f) Power and fuel	6,247	7,623	8,515	30,146	33,529	30,160	33,594
	(g) Others	7,642	6,865	7,646	28,585	26,364	28,805	26,792
	Total Expenses	52,277	51,684	61,704	218,857	250,174	220,186	254,438
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	1,660	1,480	1,425	13,366	5,567	12,391	3,512
4	Other Income / (Loss)	97	78	556	676	4,334	677	4,227
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	1,757	1,558	1,981	14,042	9,901	13,068	7,739
6	Finance costs (net)	2,946	3,268	3,440	13,282	15,770	13,803	16,339
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(1,189)	(1,710)	(1,459)	760	(5,869)	(735)	(8,600)
8	Exceptional Items ((Income)/ Loss)	1,736	1,941	939	6,007	5,796	6,007	5,796
9	Profit / (Loss) from ordinary activities before Tax (7-8)	(2,925)	(3,651)	(2,398)	(5,247)	(11,665)	(6,742)	(14,396)
10	Tax expense (Net) (Refer Note 1)	(1,167)	(1,083)	(2,135)	(1,831)	(5,531)	(1,830)	(5,532)
11	Net Profit / (Loss) from Ordinary Activities after tax (9-10)	(1,758)	(2,568)	(263)	(3,416)	(6,134)	(4,912)	(8,864)
12	Extraordinary items	-	-	-	-	-	-	-
13	Net Profit / (loss) for the period (11-12)	(1,758)	(2,568)	(263)	(3,416)	(6,134)	(4,912)	(8,864)
14	Paid-up Equity Share Capital (Face value - Rs. 10/- per share)	3,096	3,096	3,096	3,096	3,096	3,096	3,096
15	Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)					43,133		27,308
16	Basic / Diluted EPS after exceptional items for the period - not annualised (In Rs.)	(5.68)	(8.29)	(0.85)	(11.03)	(19.81)	(15.86)	(28.63)

Segment wise Revenue, Results and Capital Employed

(Rs. In Lacs)

S.N.	Particulars	Standalone					Consolidated	
		Quarter ended			Year ended		Year ended	
		31.03.2016 (Audited)	31.12.2015 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)
1	Segment Revenue (Net of excise duty)							
	- Industrial Chemicals	43,714	41,682	51,461	189,334	219,180	188,819	219,271
	- Ethyl Alcohol (Potable)	8,058	9,313	8,781	32,808	25,035	32,808	25,035
	- Others	1,466	1,432	1,844	6,647	7,936	7,357	9,910
	Total	53,238	52,427	62,086	228,789	252,151	228,984	254,216
2	Segment Results (Profit / (Loss) before Interest and Tax)							
	- Industrial Chemicals	1,270	256	(4,992)	11,851	2,912	11,239	2,537
	- Ethyl Alcohol (Potable)	762	1,400	1,206	4,172	1,760	4,168	1,751
	- Others	642	721	789	2,260	1,579	1,959	(25)
	Total	2,674	2,377	(2,997)	18,283	6,251	17,366	4,263
	Less :							
	- Interest (Net)	2,946	3,268	3,440	13,282	15,770	13,803	16,339
	- Unallocated corporate expenses net of unallocable income	2,653	2,760	(4,039)	10,248	2,146	10,305	2,320
	Profit / (Loss) before tax	(2,925)	(3,651)	(2,398)	(5,247)	(11,665)	(6,742)	(14,396)
3	Capital Employed (Segment assets- Segment liabilities)							
	- Industrial Chemicals	80,058	87,017	185,887	80,058	185,887	74,914	180,859
	- Ethyl Alcohol (Potable)	17,534	16,469	16,359	17,534	16,359	17,759	16,592
	- Others	15,318	14,652	14,198	15,318	14,198	17,426	17,268
	- Unallocated	(70,181)	(73,537)	(170,914)	(70,181)	(170,914)	(84,658)	(185,014)
	Total	42,729	44,601	45,530	42,729	45,530	25,441	29,705



Statement of Assets and Liabilities

(Rs. in lacs)

Particulars	Standalone		Consolidated	
	As At		As At	
	31.03.2016 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)
A. EQUITY AND LIABILITIES				
Shareholders' Funds:				
(a) Share Capital	3,096	3,096	3,096	3,096
(b) Reserves and Surplus	39,633	42,434	22,345	26,609
Total Shareholders' funds	42,729	45,530	25,441	29,705
Minority Interest				
Non-Current Liabilities				
(a) Long term borrowings	14,617	34,458	21,473	40,068
(b) Deferred tax liabilities (Net)	2,574	4,875	2,574	4,875
(c) Other long-term liabilities	65,394	17	65,859	408
(d) Long-term provisions	557	513	561	520
Non-Current Liabilities	83,142	39,863	90,467	45,871
Current Liabilities				
(a) Short term borrowings	95,887	136,036	101,610	141,759
(b) Trade payables	47,068	24,328	48,044	24,653
(c) Other current liabilities	31,178	69,530	33,727	72,954
(d) Short-term provisions	353	488	365	499
Current Liabilities	174,486	230,382	183,746	239,865
TOTAL - EQUITY AND LIABILITIES	300,357	315,775	299,654	315,441
B. ASSETS				
Non-Current Assets				
(a) Fixed Assets	121,646	117,439	132,856	127,740
(b) Goodwill on consolidation	-	-	3,039	3,039
(c) Non-current investment	8,252	8,193	395	400
(d) Deferred tax Assets (net)	-	-	-	-
(e) Long-term loans and advances	7,131	5,858	6,995	5,816
(f) Other non-current assets	4,453	241	4,265	314
Total Non-current Assets	141,482	131,731	147,550	137,309
Current Assets				
(a) Current Investments	-	-	-	-
(b) Inventories	50,812	47,358	52,612	48,709
(c) Trade Receivables	37,984	43,756	36,848	43,720
(d) Cash and cash equivalents	2,962	14,741	4,578	16,192
(e) Short-term loans and advances	65,852	77,721	56,802	69,043
(f) Other current assets	1,264	468	1,264	468
Total Current Assets	158,875	184,044	152,104	178,132
TOTAL - ASSETS	300,357	315,775	299,654	315,441

Notes:

- Tax expenses represent (i) deferred tax assets of Rs. 1,167 Lacs and Rs. 2,241 Lacs for the quarter and year ended March 31, 2016 (ii) reversal of Minimum Alternate Tax Credit entitlement of Rs. Nil and Rs. 410 Lacs for the quarter and year ended March 31, 2016.
- Exceptional item includes (i) Loss on account of exchange rate differences amounting to Rs. 574 Lacs and Rs. 4,295 Lacs for quarter and year ended 31st March 2016 respectively, on payment, settlement as well as reinstatement of short term foreign currency borrowings and other monetary assets/ liabilities, (ii) provision made against amount receivable from an overseas debtor on account of special discount due to steep fall in the natural gum prices and quality issues amounting to Rs. 245 Lacs and Rs. 746 Lacs for the quarter and year ended March 31, 2016, pending final reconciliation and necessary approval from Reserve Bank of India, (iii) A Provision/ Liability of Rs. Nil and Rs 49 Lacs for the quarter and year ended March 31, 2016 respectively has been created against foreign exchange contract related dispute (iv) Loss on sale of spent silver catalyst amounting to Rs. 917 Lacs for the quarter and year ended March 31, 2016.
- a) Company has an investment of Rs. 5,428 Lacs in equity shares & 10% cumulative redeemable preference share capital, has given loans amounting to Rs. 1,915 Lacs (including interest accrued) and advances amounting to Rs. 8,454 Lacs in a subsidiary company, Shakumbhari Sugar and Allied Industries Limited (SSAIL), where the net worth as per the audited accounts for the year ended March 31, 2013 had been fully eroded and has also been declared a sick industrial undertaking as per the provision of Sick Industrial Companies Act, 1985. Further Company have also extended corporate guarantee of Rs. 10,845 Lacs on behalf of SSAIL against outstanding loans amount of Financial Institution and Banks. Considering the intrinsic value of the investee assets, long term nature of investment and filing of TEV (Technical Evaluation Study) report, and revival scheme by the operating agency so appointed as directed by the Hon'ble Board for Industrial and Financial Reconstruction (BIFR), no provision at this stage is considered necessary by the management against investments and loan & advances made in above stated subsidiary. On this auditors have drawn attention.
b) Short Term loans and advances includes Rs. 14,650 Lacs given to IGL Finance Ltd. (IGLFL), a 100% subsidiary of the company. IGLFL in turn had invested funds for short term in commodity financing contracts offered by National Spot Exchange Ltd. (NSEL). NSEL has defaulted in settling the contracts on due dates. However, considering the arrangement of merger of NSEL with Financial Technologies (India) Limited and other measure which have so far been taken for and pending before Govt. and other authorities, the management is confident for recovery of dues from NSEL over a period of time. Accordingly, against the total exposure in IGLFL of Rs. 14,775 Lacs (including Investment in capital of Rs.125 Lacs), no provision has been considered necessary at this stage by the company and has been shown as good and fully recoverable. On this auditors have drawn attention.
c) For the above (a) and (b), Company has received letters dated 30th Oct 2014 and 05th May 2015 from National Stock Exchange of India (NSE), wherein the Company has been advised to reinstate its financial statement w.r.t. qualification raised for the years FY 2012-13 by the statutory auditors on investments and loans to SSAIL and suitably rectify the qualification raised for the year FY 2013-14 by the statutory auditors w.r.t. investment and loan to IGLFL respectively. For the above matters, the Company has submitted reply based on legal advice.
- During the current year, the Company has upward revised the useful life of certain class of fixed assets (plant & machinery) based on technical study and assessment done by an external technical valuer as well as internal assessment carried out by the management. The Company believes that the useful life as certified by external technical valuer best represent the period over which Company expects to use these assets. Had there not been any change in the useful lives of the certain plant & machinery, the depreciation for the year would have been higher by Rs. 2488 Lacs.
- During the current year, the Company has completed the process of Componentisation of fixed assets as prescribed in Part II of The Companies Act 2013. The impact of component accounting has taken place w.e.f 01st April 2015 and accordingly the depreciation expenses for the quarter and year ended 31st March 2016 is higher by 483 Lacs. Further based on transitional provision provided in Note 7(b) of Schedule II, an amount of Rs. 114 Lacs (net of deferred tax of Rs. 60 Lacs) on account of assets whose useful life is already exhausted as on 01st April 2015 have been adjusted to General Reserve during the year ended March 31st, 2016.
- In view of the management with respect to subsidiary, Shakumbhari Sugar and Allied Industries Ltd (SSAIL), (a) Interest on borrowings (which has been categorised as NPA) from Bank Rs. 2,080 Lacs (including previous year Rs. 978 Lacs) has not been provided as rehabilitation scheme with OA are in process and balance of loan are subject to confirmation. (b) No impairment loss on its Fixed Assets (includes capital work in progress and capital advance) is considered necessary at this stage, as its expected recoverable value is more than its carrying value. On this auditors have drawn attention.
- The figure for the quarter ended 31st March are the balancing figure between the audited figure for the full financial year and the unaudited figure upto nine months ended 31st December.
- Previous quarters / year figures have been regrouped / reclassified wherever considered necessary.
- The above results were reviewed by the Audit committee and have been approved by the Board of Directors in its meeting held on May 26, 2016.

for INDIA GLYCOLS LIMITED

U.S. BHARTIA

Chairman and Managing Director

DIN: 00063091

Place : Noida

Date : 26th May, 2016



FORM B

Format of covering Letter of the Annual Audit report to be filed with the Stock Exchange

1.	Name of The Company	INDIA GLYCOLS LIMITED
2.	Annual Financial Statements for the year ended (Standalone)	March 31, 2016
3.	Type of Audit Qualification	<p><i>Qualified :</i></p> <p>Attention is invited to:</p> <p><i>(a) Note No. 3 (a) of the accompanying Statement regarding Non - provision against diminution in the value of investment and inter corporate deposit (including accrued interest Rs. 950.65 Lacs and total amount as stated in said note) made in a subsidiary M/S Shakumbari Sugar and Allied Industries Limited (SSAIL) and net worth of SSAIL had been fully eroded, where in the opinion of management no provision for diminution in value is necessary considering the long term nature and the intrinsic value of the assets of subsidiary company and direction issued by the Hon'ble Board for Industrial and Financial Reconstruction for preparation of revival scheme by the operating agency as stated in the said note.</i></p> <p><i>Also attention is drawn for Non-provision against advance to SSAIL of amounting to Rs. 8,453.81 Lacs and against corporate guarantee extended of amounting to Rs. 10,845.38 Lacs (P.Y. 12,045.43 Lacs) (note no. 33(A) of the financial statements) on behalf of SSAIL for loan facility availed by SSAIL (excluding penal interest, penalty etc.) from Financial Institutions and Banks (as stated in Note 3(a)).</i></p> <p><i>Our Audit Report on the financial statements for the year ended March 31, 2015 and our limited review report on result for the quarter ended Dec</i></p>

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		<p>31, 2015 was also qualified in respect of the above matters.</p> <p>(b) Note No. 3 (b) of the accompanying Statement regarding Non-provision against total exposure of amounting to Rs. 14,774.64 Lacs (including Investment of Rs. 125 Lacs) in a subsidiary, IGL Finance Limited (IGLFL), where the management is confident about its recoverability for the reasons as stated in the said note, and our inability to comment thereon (note no. 33 (B) of financial statements.). Our Audit Report on the financial statements for the year ended March 31, 2015 and our limited review report on result for the quarter ended Dec 31, 2015 was also qualified in respect of the above matter.</p> <p>Further Attention is drawn to:</p> <p>Regarding matters stated under para (a) & (b) above, read with note no. 3(c) of the accompanying statement regarding reinstatement/suitably rectify the financial statements, attention is drawn.</p>
4.	Frequency of qualification	<p><u>Qualification (a)</u></p> <p>This qualification w.r.t. investment in SSAIL is appearing since 2008-09.</p> <p>This qualification w.r.t. inter corporate deposit in SSAIL is appearing since 2010-11.</p> <p>This qualification w.r.t. advances in SSAIL is appearing since 2013-14.</p> <p>This qualification w.r.t. Corporate Guarantee given on behalf of SSAIL against outstanding amount of Financial Institution and Banks in above stated subsidiary company is appearing since 2011-12.</p> <p><u>Qualification (b)</u></p> <p>This qualification w.r.t. inter corporate deposit in IGL Finance Limited is appearing since 2013-14.</p>



<p>5. Draw Attention to relevant notes in the annual financial statements and management response to the qualification in the directors report</p>	<p>Qualification (a)</p> <p>33 (A)(i) Company has investment of Rs. 5427.50 Lacs (Previous Year Rs. 5,427.50 Lacs) in equity share capital and 10% cumulative redeemable preference share capital in a subsidiary company Shakumbari Sugar and Allied Industries Limited (SSAIL) whose net worth has been fully eroded and SSAIL has also been declared sick industrial undertaking as per the provision of Sick Industrial Companies Act, 1985.</p> <p>Considering the intrinsic value of the investee assets, long term nature of investment and filing of TEV (Technical Evaluation Study) report, and revival scheme by the operating agency (OA- IDBI) so appointed as directed by the Hon'ble Board for Industrial and Financial Reconstruction (BIFR), no provision at this stage is considered necessary by the management against investments made in above stated subsidiary namely SSAIL.</p> <p>(ii) Loans and advances includes Inter corporate deposit with SSAIL amounting to Rs. 1,915.13 Lacs (Previous Year Rs. 1,915.13 Lacs) (including interest thereon) and advances of Rs. 8,453.81 Lacs (Previous Year Rs. 8,453.81 Lacs), where management is confident about recoverability/ realisability of the same. Accordingly, considering the facts as stated in Para (i) above and read with comment in Para (iii) below, amount is considered good and fully recoverable and no provision there against and also against corporate guarantee extended read with note no 28 A (iii) of Rs. 10,845.38 Lacs (Previous year Rs. 12,045.43 Lacs) (excluding penal interest, penalty etc) is considered necessary by the management.</p>
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(iii) Central Bank of India (CBI) vide its letter dated 28.05.2014 had issued a notice under Section 13(2) of SARFAESI Act 2002 to SSAIL and IGL. The said notice was replied by SSAIL and IGL has challenged the legality of issuance of such notices. CBI, thereafter, on 11.09.2014 had issued another notice under Section 13(4) of SARFAESI on SSAIL and IGL, which has been challenged at DRT, Lucknow. As per the legal opinion, the notice issued by the CBI is not valid since SSAIL is registered with BIFR as sick industrial Company. Meanwhile BIFR vide its order dated 24.09.2015 has rejected the appeal of CBI for seeking recovery certificate, against the order of BIFR, CBI has filed an appeal before Appellate Authority for Industrial and Financial Reconstruction (AAIFR) which is pending.

Clarification on above in Director's report

The Management Response will be provided in the Directors' Report in due course.

Qualification (b)

33(B)(i) Short term loans and advances to related party includes Inter Corporate Deposit (ICD) amounting to Rs. 14,649.64 Lacs (Previous Year Rs. 14,649.64 Lacs) given to IGL Finance Ltd. (IGLFL), a 100% subsidiary of the company. IGLFL in earlier year had invested funds for short term in commodity financing contracts offered by National Spot Exchange Ltd. (NSEL). NSEL had defaulted in settling the contracts on due dates, for which IGLFL has



initiated legal and other action and in turn IGLFL did not pay due amount to the company. Accordingly considering the prudence no interest on above ICD has been accrued for the period from 01-09-2013 onwards. Further considering the arrangement of merger of NSEL with Financial Technologies (India) Limited (FTIL) and other measure which have so far been taken for and pending before the Govt. and other authorities, the management and IGLFL is confident for recovery of dues from NSEL over a period of time.

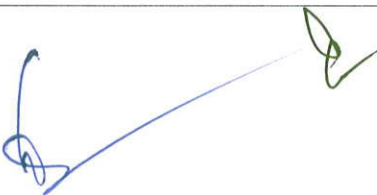
(ii) Considering above no provision has been considered necessary at this stage against total exposure in IGLFL of Rs. 14,774.64 Lacs (Previous Year Rs. 14,774.64 Lacs) (including Investment in capital of Rs.125.00 Lacs), and the same is considered good and fully recoverable, by the management.

Clarification on above in Director's report

The Management Response will be provided in the Directors' Report in due course.

Further Attention is drawn to :

33 (c) Company has received letters dated 30th Oct 2014 and 05th May 2015 from National Stock Exchange of India (NSE), wherein the Company has been advised to reinstate its financial statement w.r.t. qualification raised for the years FY 2012-13 by the statutory auditor on investments and loans to SSAIL (Note no. 32 (A) (i) & (ii)) and suitably rectified the qualification raised for the year FY 2013-14 by the statutory auditor w.r.t. investment and loan to IGLFL





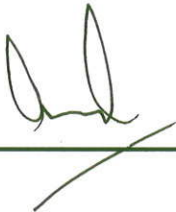

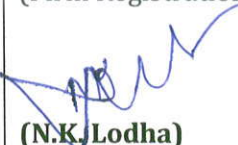


		<p>(Note no. 32 (B)) respectively. For the above matters, the Company has submitted reply based on legal advice.</p> <p>Clarification on above in Director's report</p> <p>The Management Response will be provided in the Directors' Report in due course.</p>
6.	Additional comments from the board/audit committee chair	<p><u>Qualification (a)</u></p> <p>In the books of SSAIL assets are appearing at cost less depreciation. However, based on the valuation done by an independent valuer dated March 31, 2013 the fair value of the fixed assets as assessed is significantly higher than as stated in financial statements.</p> <p>In view of the above, management feel that it is not feasible and practicable to ascertain the quantum of provision, if any, that should be made against total exposure of Company in SSAIL.</p> <p><u>Qualification (b)</u></p> <p>Economic offence wing (EOW) has initiated various action/ enquiries and frozen assets worth Rs 4,500 crore</p> <p>Also, the arrangement of merger of NSEL with Financial Technologies (India) Limited (FTIL) and other measure which have so far been taken for and pending before the Govt. and other authorities, the management is confident for recovery of dues from NSEL over a period of time.</p>
7.		<u>Emphasis of Matters:</u>

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		(As per the attached Annexure 'A')
To be signed by:		
Chairman and Managing Director		(Uma Shankar Bhartia)
Chief Financial Officer		(Anand Singhal)
Chairman (Audit Committee)		(Pradip Kumar Khaitan)
Auditor of the Company		Refer our audit report dated 26 th May, 2016 on the Standalone Financial Statements of the Company For Lodha & Co. Chartered Accountants (Firm Registration No.301051E)  (N.K. Lodha) Partner (Membership No.85155) 26th May, 2016 Noida, Uttar Pradesh



INDIA GLYCOLS LIMITED

(Standalone Financial Statement)

Financial Year ended 31.03.2016

Annexure 'A'

Emphasis of Matter:

Attention is drawn to the following :

- (i) Note no. 36 (a) of audited standalone financial statements for the year ended 31st March, 2016 regarding pending receipts of necessary approvals as stated in note for provision made of amounting to Rs. 14,167.57 Lacs (including made in earlier years of Rs. 13,421.55 Lacs) for special discount on account of steep fall in prices.

Our opinion is not modified in respect of this matter.

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Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**Independent Auditor's Report
To The Board of Directors of
India Glycols Limited**

1. We have audited the standalone quarterly financial results of **India Glycols Limited** ('the Company') for the quarter ended March 31, 2016 and the financial results for the year ended March 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2016 and the published year-to-date figures up to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter and year to date ended March 31, 2016 have been prepared on the basis of the financial results for the nine-month period ended December 31, 2015, the audited annual financial statements as at and for the year ended March 31, 2016, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2015 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25 "Interim Financial Reporting", Interim Financial Reporting, specified under the Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31, 2016; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
- 3 **Basis for Qualified Opinion**

Attention is invited to:

- (a) *Note No. 3 (a) of the accompanying Statement regarding Non - provision against diminution in the value of investment and inter corporate deposit (including accrued interest Rs. 950.65 Lacs and total amount as stated in said note) made in a subsidiary M/S Shakumbari Sugar and Allied Industries Limited (SSAIL) and net worth of SSAIL had been fully eroded, where in the opinion of management no provision for diminution in value is necessary considering the long term nature and the intrinsic value of the assets of subsidiary company and direction issued by the Hon'ble Board for Industrial and Financial Reconstruction for preparation of revival scheme by the operating agency as stated in the said note.*



Also attention is drawn for Non-provision against advance to SSAIL of amounting to Rs. 8,453.81 Lacs and against corporate guarantee extended of amounting to Rs. 10,845.38 Lacs (P.Y. 12,045.43 Lacs)(note no. 33(A) of the financial statements) on behalf of SSAIL for loan facility availed by SSAIL (excluding penal interest, penalty etc.) from Financial Institutions and Banks (as stated in Note 3(a)).

Our Audit Report on the financial statements for the year ended March 31, 2015 and our limited review report on result for the quarter ended Dec 31, 2015 was also qualified in respect of the above matters.

- (b) Note No. 3 (b) of the accompanying Statement regarding Non-provision against total exposure of amounting to Rs. 14,774.64 Lacs (including Investment of Rs. 125 Lacs) in a subsidiary, IGL Finance Limited (IGLFL), where the management is confident about its recoverability for the reasons as stated in the said note, and our inability to comment thereon (note no. 33 (B) of financial statements.). Our Audit Report on the financial statements for the year ended March 31, 2015 and our limited review report on result for the quarter ended Dec 31, 2015 was also qualified in respect of the above matter.

Further Attention is drawn to:

Regarding matters stated under para (a) & (b) above, read with note no. 3(c) of the accompanying statement regarding reinstatement/suitably rectify the financial statements, attention is drawn.

4. In our opinion and to the best of our information and according to the explanations given to us, subject to paragraph 3 above, these quarterly financial results as well as the year to date results:
- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - (ii) give a true and fair view of the net loss and other financial information for the quarter ended March 31, 2016 and for the year ended March 31, 2016.

5. **Emphasis of Matter**

Attention is drawn to the following :

- (i) Note no. 36 (a) of audited standalone financial statements for the year ended 31st March, 2016 regarding pending receipts of necessary approvals as stated in note for provision made of amounting to Rs. 14,167.57 Lacs (including made in earlier years of Rs. 13,421.55 Lacs) for special discount on account of steep fall in prices.

Our opinion is not modified in respect of this matter.

For LODHA & CO.,
Chartered Accountants
Firm's Registration-No. 301051E

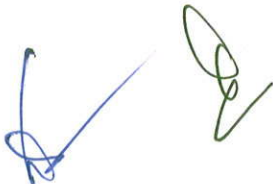
(N.J. LODHA)
Partner
M.No. 85155
Place: Noida
Date : 26-05-2016



FORM B

Format of covering Letter of the Annual Audit report to be filed with the Stock Exchanges

1.	Name of The Company	INDIA GLYCOLS LIMITED
2.	Annual Financial Statements for the year ended (Consolidated)	March 31, 2016
3.	Type of Audit Qualification	<p>Attention is invited to:</p> <p>i. <i>Note no. 3(b)(and read with note no. 32 of consolidated financial statements) of the accompanying statement regarding non provision against total exposure of amounting Rs. 14,444.43 Lacs (Previous Year 14,444.43 Lacs) in NSEL made by a subsidiary, where the management is confident about its recoverability for the reason as stated in said note, and our inability to comment thereon.</i></p> <p>ii. <i>(a) Note no. 6(a) of the accompanying statement related with a subsidiary Company SSAIL regarding non-provisioning of interest amounting to Rs. 2,079.64 Lacs (P.Y. - Rs. 977.52 lacs) (excluding penal interest, charges etc. - amount unascertained) and pending confirmation of secured loans, as stated in the said note. In respect of loan facility availed by the SSAIL (a sick company), the Company has given corporate guarantee to the Banks and Financial Institutions [read with note no. 47(b)(iii) & note no. 34], and (b) preparation of Financial Statements of SSAIL on going concern basis as stated in note no. 3(a) for the reason stated in the said note and our inability to comment thereon. (read with note no. 47(a) of audited Consolidated Financial Statements).</i></p> <p>iii. <i>Note no 6 (b) of the accompanying statement related with a subsidiary SSAIL regarding non provision against impairment loss on its fixed assets for the reason stated in the said note, as its expected recoverable value is more than its carrying value and our inability to comment thereon.</i></p> <p>Our Audit Report on the consolidated financial statements for the year ended March 31, 2015</p>

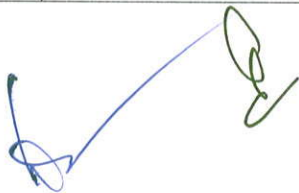


		was also qualified in respect of the above matters stated in para (i), (ii)(a) and (iii).
4.	Frequency of qualification	<p><u>Qualification (i)</u></p> <p>This qualification w.r.t. inter corporate deposit in IGL Finance Limited is appearing since 2013-14.</p> <p><u>Qualification (ii)</u></p> <p>(a) This qualification w.r.t. non provision of interest, penal interest, charges etc for SSAIL is appearing since 2014-15.</p> <p>(b) This qualification w.r.t. preparation of accounts on going concern basis – first time.</p> <p><u>Qualification (iii)</u></p> <p>This qualification w.r.t. non provision against impairment loss on fixed assets for SSAIL is appearing since 2014-15</p>
5.	Draw Attention to relevant notes in the annual financial statements and management response to the qualification in the directors report	<p><u>Qualification (i)</u></p> <p>32. The subsidiary company, IGL Finance Limited, had invested funds for short term in commodity financing contracts offered by National Spot Exchange Limited (NSEL). NSEL has defaulted in settling the contracts on due dates. However, considering the proposal of the arrangement of merger of NSEL with Financial Technologies (India) Limited (FITL) as announced by the Central Government; and other measure which have so far been taken for and pending before the Govt. and other authorities, legal actions taken by the subsidiary company, the management is confident of recovery of the dues from NSEL over the period of time. Accordingly, against total exposure of Rs. 14,444.43 Lacs (Previous Year Rs. 14,444.43 Lacs), no provision has been considered necessary at this stage by the subsidiary company and hence treated as good and fully recoverable.</p> <p>Clarification on above in Director's report The Management Response will be provided in the Directors' Report in due course.</p>

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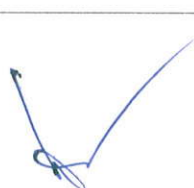



		<p><u>Qualification (ii)</u></p> <p>(a) 47(b)(iii) Interest on borrowings (which has been categorised as NPA) from Bank Rs. 2,079.64 Lacs (including previous year Rs. 977.52 Lacs) has not been provided as rehabilitation scheme with OA are in process and balance of loan are subject to confirmation.</p> <p>(b) 47(a) The Company had been incurring cash losses due to which its net worth has been completely eroded and its current liabilities are far in excess of its current assets. Accordingly, in the Year 2012-13 Company had filed application with the Board for Industrial and Financial Reconstruction (BIFR). The BIFR vide its order dated 4th April 2013 has declared M/s. Shakumbari Sugar & Allied Industries Ltd. as a sick industrial company in terms of Sec 3(1)(o) of Sick Industrial Companies (Special Provisions) Act, 1985. Further, BIFR has appointed IDBI as the Operating Agency (OA) with directions to prepare a revival scheme for the company and also company had filed Draft Rehabilitation Scheme with BIFR in the year 2013-14. Further company is looking and evaluating other business opportunities, considering this and continuous support from the Holding company, the management considers it appropriate to prepare these Financial Statements on Going Concern basis despite the negative net worth on the balance sheet date.</p> <p>Clarification on above in Director's report</p> <p>The Management Response will be provided in the Directors' Report in due course.</p> <p><u>Qualification (iii)</u></p> <p>44. In accordance with the Accounting Standard (AS-28) on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, in view of the management with respect to SSAIL, no impairment loss on its Fixed Assets [including Capital Work in Progress of Rs.</p>
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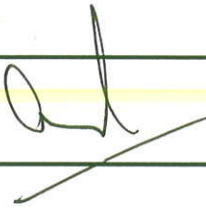

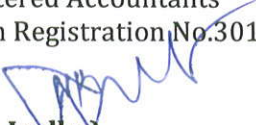


		<p>1,368.38 Lacs (Previous Year Rs. 1,368.38 Lacs) and Capital Advance of Rs. 708.27 Lacs (Previous Year Rs. 708.27 Lacs)] is considered necessary at this stage, as its expected recoverable value is more than its carrying value.</p> <p>Clarification on above in Director's report</p> <p>The Management Response will be provided in the Directors' Report in due course.</p>
6.	Additional comments from the board/audit committee chair	<p><u>Qualification (i)</u></p> <p>Economic offence wing (EOW) has initiated various action/ enquiries and frozen assets worth Rs 4,500 crore.</p> <p>Also, the arrangement of merger of NSEL with Financial Technologies (India) Limited (FTIL) and other measure which have so far been taken for and pending before the Govt. and other authorities, the management is confident for recovery of dues from NSEL over a period of time.</p> <p><u>Qualification (ii)</u></p> <p>(a) Considering that Hon'ble Board for Industrial and Financial Reconstruction (BIFR) has declared Shakumbari Sugar and Allied Industries Limited (SSAIL) as sick company on 04th April 2013 and the direction issued by them for preparation of revival scheme by the operating agency as appointed, which has been filed with BIFR on 11th January 2014 and also filed TEV (Technical Evaluation Study), Management is confident the said interest amount will be waived under the revival scheme, accordingly.</p> <p>(b) BIFR has appointed IDBI as the Operating Agency (OA) with directions to prepare a revival scheme for the company and also company had filed Draft Rehabilitation Scheme with BIFR in the year 2013-14. Further company is looking and evaluating other business opportunities, considering this and continuous support from the Holding company, the management considers it appropriate to prepare these Financial Statements on Going</p>





		<p>Concern basis.</p> <p><u>Qualification (iii)</u></p> <p>In the books of SSAIL assets are appearing at cost less depreciation. However, based on the valuation done by an independent valuer dated March 31, 2013 fair value of the fixed assets as assessed is significantly higher than as stated in financial statements.</p>
		<p><u>Emphasis of Matters:</u> (As per the attached Annexure 'A')</p>
	<p>To be signed by:</p> <p>Chairman and Managing Director</p> <p>Chief Financial Officer</p> <p>Chairman (Audit Committee)</p> <p>Auditor of the Company</p>	<p> (Uma Shankar Bhartia)</p> <p> (Anand Singhal)</p> <p> (Pradip Kumar Khaitan)</p> <p>Refer our audit report dated 26th May, 2016 on the Consolidated Financial Statements of the Company For Lodha & Co. Chartered Accountants (Firm Registration No.301051E)</p> <p> (N.K. Lodha) Partner (Membership No.85155) 26th May, 2016 Noida, Uttar Pradesh</p>



INDIA GLYCOLS LIMITED

(Consolidated Financial Statement)

Financial Year ended 31.03.2016

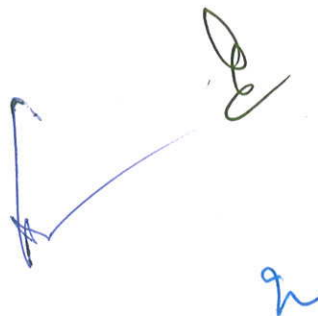
Annexure 'A'

Emphasis of Matter:

Attention is drawn to the following:

- i. Note no. 37 (a) of audited financial statements for the year ended 31.03.2016 regarding pending receipts of necessary approvals as stated in note for provision made amounting to Rs. 14,167.57 Lacs (including made in earlier years of Rs. 13,421.55 Lacs) for special discount on account of steep fall in prices.
- ii. Note no. 45 and 43 (i) (a) of audited financial statements related with a subsidiary regarding pending confirmation/ reconciliation of balances of receivables, payables , banks (including fixed deposits with bank), loans & advances {including capital advances}, current liabilities and provision and internal control to be further strengthened for the reasons as stated in the said note and consequential impact whereof presently cannot be ascertained and pending verification and updation of certain fixed assets records as stated in the said note.
- iii. For the qualifications (a) and (b) stated under para **Basis for Qualified Opinion** of standalone audit report regarding letters received dated 30th October 2014 and 5th May 2015 from National Stock Exchange of India, wherein the Company has advised to reinstatement/suitably rectify financial statements, attention is drawn. (this to be read with Note no. 3(c) of the accompanying statement).

Our opinion is not modified in respect of above matters.



Auditor's Report on Consolidated Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**Independent Auditor's Report
To Board of Directors of
India Glycols Limited**

1. We have audited the accompanying Statement of consolidated financial results of India Glycols Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), and its joint venture which has been approved by the Board of Directors for the year ended 31.03.2016 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement ("consolidated results"), which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related consolidated financial statements of the group which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement.
2. We conducted our audit in accordance with the auditing standards issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, 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 Statement 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 the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

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

3. We did not audit the financial statements of the three subsidiary companies & one joint venture whose financial statements reflect total assets of Rs. 17,386.85 Lacs as at 31st March, 2016, total revenues of Rs. 5,219.66 Lacs and net profit/(loss) after tax amounting to Rs. (244.70) Lacs for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors, whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries & joint venture and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries & joint venture are based solely on the report of the other auditors.



4. Basis for Qualified opinion

Attention is invited to:

- i. Note no. 3(b)(and read with note no. 32 of consolidated financial statements) of the accompanying statement regarding non provision against total exposure of amounting Rs. 14,444.43 Lacs (Previous Year 14,444.43 Lacs) in NSEL made by a subsidiary, where the management is confident about its recoverability for the reason as stated in said note, and our inability to comment thereon.
- ii. (a) Note no. 6(a) of the accompanying statement related with a subsidiary Company SSAIL regarding non-provisioning of interest amounting to Rs. 2,079.64 Lacs (P.Y. - Rs. 977.52 lacs) (excluding penal interest, charges etc. - amount unascertained) and pending confirmation of secured loans, as stated in the said note. In respect of loan facility availed by the SSAIL (a sick company), the Company has given corporate guarantee to the Banks and Financial Institutions (read with note no. 47(b)(iii) and note no. 34), and
(b) preparation of Financial Statements of SSAIL on going concern basis as stated in note no. 3(a) for the reason stated in the said note and our inability to comment thereon. (read with note no. 47(a) of audited Consolidated Financial Statements).
- iii. Note no 6 (b) of the accompanying statement related with a subsidiary SSAIL regarding non provision against impairment loss on its fixed assets for the reason stated in the said note, as its expected recoverable value is more than its carrying value and our inability to comment thereon.

Our Audit Report on the consolidated financial statements for the year ended March 31, 2015 was also qualified in respect of the above matters stated in para (i), (ii)(a) and (iii).

5. In our opinion and to the best of our information and according to explanations given to us, subject to paragraph 4 above and based on the consideration of the reports of the other auditors referred to in paragraph 3 above, the Statement in the case of consolidated financial results of the group and its joint venture:
 - i. Includes the result for the year ended 31st March 2016 of subsidiaries Shakumbari Sugar & Allied Industries Limited, IGL Chem International PTE. Ltd, IGL Finance Limited, IGL Chem International USA LLC and joint venture Kashipur Infrastructure and Freight Terminal Private Limited;
 - ii. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - iii. give a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India, of the consolidated net loss and other financial information of the Group for the year ended March 31, 2016.

6. Emphasis of Matters

Attention is drawn to the following:

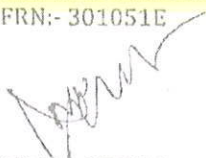
- i. Note no. 37 (a) of audited financial statement for the year ended 31.03.2016 regarding pending receipts of necessary approvals as stated in note for provision made amounting to Rs. 14,167.57 Lacs (including made in earlier years of Rs. 13,421.55 Lacs) for special discount on account of steep fall in prices.



- ii. Note no. 45 and 43 (i) (a) related with a subsidiary regarding pending confirmation/reconciliation of balances of receivables, payables, banks (including fixed deposits with bank), loans & advances (including capital advances), current liabilities and provision and internal control to be further strengthened for the reasons as stated in the said note and consequential impact whereof presently cannot be ascertained and pending verification and updation of certain fixed assets records as stated in the said note.
- iii. For the qualifications (a) and (b) stated under para Basis for Qualified Opinion of standalone audit report regarding letters received dated 30th October 2014 and 5th May 2015 from National Stock Exchange of India, wherein the Company has advised to reinstatement/suitably rectify financial statements, attention is drawn. (this to be read with Note no. 3(c) of the accompanying statement).

Our opinion is not modified in respect of these matters.

For LODHA & CO.
Chartered Accountants
FRN:- 301051E


(N.K. LODHA)
Partner
M.No. 85155
Place: Noida
Date : 26-05-2016

