



INDIA GLYCOLS LIMITED

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CIN- L24111UR1983PLC009097

Part I Statement of Unaudited Standalone Financial Results for the Quarter ended June 30, 2016 (Rs. in Lacs, except as stated)

S.N.	Particulars	Quarter ended	
		30.06.2016 (Unaudited)	30.06.2015 (Unaudited)
1	Gross sales/ income from operations	87,165	91,515
	Less: Excise Duty	26,977	21,633
	Income from operations		
	(a) Net sales/ income from operations (Net of excise duty)	60,188	69,882
	(b) Other operating income / (loss)	603	914
	Total income from operations (net)	60,791	70,796
2	Expenses		
	(a) Cost of materials consumed	30,119	33,008
	(b) Purchase of stock-in-trade	11,344	14,963
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,686)	(1,595)
	(d) Employee benefits expense	2,292	2,081
	(e) Depreciation and amortisation expense	1,352	1,838
	(f) Power and fuel	6,659	8,065
	(g) Others	6,423	6,746
	Total Expenses	55,503	65,106
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	5,288	5,690
4	Other Income / (Loss)	126	158
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	5,414	5,848
6	Finance costs (net)	3,210	3,786
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	2,204	2,062
8	Exceptional Items [(Income)/ Loss]	981	945
9	Profit / (Loss) before Tax (7-8)	1,223	1,117
10	Tax expense (Net) (Refer Note 6)	444	349
11	Net Profit / (Loss) after tax (9-10)	779	768
12	Other Comprehensive Income	-	-
13	Total comprehensive income / (loss) for the period (11+12)	779	768
14	Paid-up Equity Share Capital (Face value - Rs. 10/- per share)	3,096	3,096
15	Basic / Diluted EPS after exceptional items for the period - not annualised (In Rs.)	2.52	2.48

Segment wise Revenue, Results and Capital Employed (Rs. in Lacs)

S.N.	Particulars	Quarter ended	
		30.06.2016 (Unaudited)	30.06.2015 (Unaudited)
1	Segment Revenue (Net of excise duty)		
	- Industrial Chemicals	50,489	60,912
	- Ethyl Alcohol (Potable)	7,329	6,978
	- Herbal	2,370	1,992
	Total	60,188	69,882
2	Segment Results (Profit / (Loss) before Interest and Tax)		
	- Industrial Chemicals	5,006	6,314
	- Ethyl Alcohol (Potable)	737	653
	- Herbal	946	174
	Total	6,689	7,141
	Less :		
	- Interest (Net)	3,210	3,786
	- Unallocated corporate expenses net of unallocable income	2,256	2,238
	Profit / (Loss) before tax	1,223	1,117
3	Segment Assets		
	- Industrial Chemicals	198,700	223,243
	- Ethyl Alcohol (Potable)	28,565	27,036
	- Herbal	19,032	17,215
	- Unallocated	45,484	52,006
	Total	291,781	319,500
4	Segment liabilities		
	- Industrial Chemicals	123,912	113,727
	- Ethyl Alcohol (Potable)	12,025	11,623
	- Herbal	1,994	2,598
	- Unallocated	111,069	145,520
	Total	249,000	273,468



Ind-AS to make them comparable.

- 2 The above financial results were reviewed and recommended by the Audit Committee of the Board and approved by the Board of Directors at their meeting held on 05th August 2016.
- 3 Results for the quarter ended 30th June, 2016 have been subjected to a Limited Review by the Auditors. The Ind-AS compliant corresponding figures of quarter ended 30th June, 2015 have not been subjected to Limited Review by the Auditors. The company has exercised necessary due diligence to ensure that such financial results provides a true & fair view of its affairs.
- 4 Reconciliation of Profit after Tax for the quarter ended 30th June, 2015 between Ind-AS compliant results with as per previous Indian GAAP results are given below:-

(Rs. In Lacs)	
	Quarter ended 30th June, 2015
Profit after tax reported in previous Indian GAAP	773
1. Expenses	
a) Changes in financial asset and liabilities	23
b) Fair value changes on Investment in Equity Instruments	22
c) Effect of accounting of transaction cost on borrowing	8
2. Other Income	
a) Recognition of deferred government grant	3
b) Changes in financial asset and liabilities	26
c) Fair value changes on Investment in Preference Share	19
Profit after tax as per Ind-AS	768
3. Other Comprehensive Income	-
Total Comprehensive income as per Ind-AS	768

- 5 The format for unaudited quarterly results as prescribed in SEBI's circular CIR/CFD/CMD/15/2015 dated 13-Nov-2015 has been modified to comply with requirements of SEBI's circular dated 5th July 2016, Ind-AS and Schedule III (Division II) to the Companies Act, 2013 applicable to companies that are required to comply with Ind-AS.
- 6 Tax expenses represent deferred tax of Rs. 444 Lacs for the quarter ended 30th June 2016.
- 7 In line with consistent practice followed in the quarterly results, exchange differences arising due to change in exchange rates during the quarter, on account of foreign exchange contracts pertaining to certain trade receivables on account of exports will be recognised at the year end. Gain/loss, if any, being notional do not effect the cash flow of the Company and actual gain/loss in this respect is ascertainable only on the final settlement of such contracts.
- 8 Exceptional item for the quarter ended 30th June, 2016 represent exchange rate differences on payment, settlement as well as reinstatement of foreign currency borrowings and other monetary assets/ liabilities.
- 9 a) Company has an investment of Rs. 4,428 Lacs in equity shares & Rs.1,000 lacs (as per Ind-AS considered at Rs. 677 lacs as on 30th June 2016) in 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, Shakumbari 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. 10,768 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 above auditors have drawn attention.(As per IND AS there is change in carrying amount due to change in measurement for non-provision against impairment on preference share with corresponding impact in Retained Earning on 1st April 2015 i.e. on the date of transition to Ind-AS Retained Earning is lower by Rs.418 lacs).
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 proposed 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.
- 10 Based on technical evaluation and internal assessment done by the Management, during the quarter ended 31st March, 2016, the Company has upward revised the useful life of certain class of assets (Plant & Machinery).

For and on behalf of the Board of Directors

U.S.BHARTIA

Chairman and Managing Director

DIN: 00063091

Place : Noida

Date : 05th August, 2016



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

To The Board of Directors of India Glycols Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **India Glycols Limited** ('the Company') for the quarter ended June 30th, 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, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE 2410) "Review of Interim financial information performed by the Independent Auditor of the Entity " , issued by the Institute of The Chartered Accountants. Those standards require that we plan and perform the review to obtain moderate assurance about whether the financial results are free of material misstatement(s). A review is limited primarily to enquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. **Attention is drawn to following qualification:**
 - (a) *Note No. 9 (a) of the accompanying Statement regarding Non - provision against diminution in the value of investment and inter corporate deposit (including accrued interest 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 in value is necessary considering 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. 10,767.58 Lacs on behalf of SSAIL for loan facility availed by SSAIL (excluding penal interest, penalty etc.) from Financial Institutions and Banks (as stated in Note 9(a)) (Also read with note no. 33(A) of the audited standalone financial statements for the year ended 31st March, 2016).

Our limited review report on result for the quarter ended June 30 ,2015 was also qualified in respect of the above matters.

- (b) *Note No. 9 (b) of the accompanying Statement regarding Non-provision against total exposure of amounting to Rs. 14,775 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. Our limited review report on result for the quarter ended June 30 ,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. 9(c) of the accompanying statement regarding reinstatement/suitably rectify the financial statements, attention is drawn.

- (c) *Note No. 7 of the accompanying Statement regarding non-provision of MTM Loss of Rs. 56.95 Lacs on outstanding foreign exchange contracts and non disclosure of quantification in accompanying Statement. Our limited review report on result for the quarter ended June 30, 2015 was also qualified in respect of the above matter.*

4. Based on our review conducted as stated above and subject to para 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Emphasis of Matter

Attention is drawn to the following:

Note no. 37 (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 for special discount on account of steep fall in prices.

Our opinion is not modified in respect of this matter.

6. Other Matter

The figures for the corresponding quarter ended 30th June 2015 including the reconciliation of net profit for the quarter under IND AS of the corresponding quarter under previous



GAAP, as reported in these financial results have approved by the Company's Board of Directors but have not subjected to review.

Our opinion is not modified in respect of this matter.

For LODHA & CO.,

Chartered Accountants

Firm's Registration No. 301051E



(N.K. LODHA)

Partner

Membership No. 85155

Place: Noida

Date : 05-08-2016

