

Independent Auditor's Report

To the Members of IGL Finance Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **IGL Finance Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements read together with other notes thereon, give the information required by the Companies Act, 2013 ("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 the affairs of the company as at March 31, 2021, and its loss (including other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



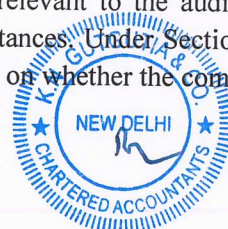
Responsibilities of Management and Those Charged with Governance for the Financial Statements

5. 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal



financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

12. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
13. 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 (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder;



K N GUTGUTIA & Co.
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- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 over financial reporting 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 the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provided for any remuneration to its directors during the year.

- (h) 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 pending litigations in note 11 of the financial statement as at 31st March, 2021, which would impact its financial position;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **K N GUTGUTIA & Co.**
Chartered Accountants
(Firm’s Registration Number: 304153E)





(B. R. GOYAL)

Partner

Membership No. 012172

(UDIN: 21012172AAAAPE3531)

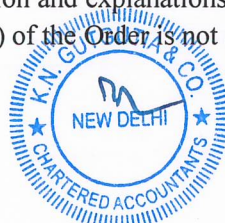
Place: Delhi

Date: June 25, 2021

“Annexure A” to the Independent Auditor’s Report to the members of IGL Finance Limited

- i) The Company has no fixed assets, hence paragraph 3(i) of the order is not applicable to the Company.
- ii) There is no inventory held by the company, hence, paragraph 3 (ii) of the Order is not applicable to Company.
- iii) According to the information and explanations given to us, the Company has, during the year, not granted any loans, secured or unsecured to companies, firm Limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- iv) The Company has not entered into any transaction in respect of loans, investments, guarantee and security which attracts compliance to provisions of section 185 & 186 of the Companies Act, 2013, therefore, paragraph 3 (iv) of the order is not applicable to the company.
- v) The Company has not accepted any deposits during the year and hence paragraph 3 (v) of the Order is not applicable to the Company.
- vi) The Central Government has not prescribed the maintenance of cost records under under sub-section (1) of Section 148 of the Companies Act, 2013 for any of the services of the Company.
- vii) (a) According to the information and explanations given to us and the records examined by us, there were no statutory dues payable by the Company during the period 1 April 2020 to 31 March 2021 and there were no outstanding statutory dues as on 31 March 2021 for a period of more than six months from the date they became payable.

(b) According to the records of the Company, there were no dues in respect of income tax, Sales Tax, Service Tax, Goods & Service Tax, duty of customs, duty of excise, value added tax, cess and other statutory dues which have not been deposited on account of disputes.
- viii) Based on our audit procedures and according to the information given the management, the Company has not taken any loan or borrowings from any financial institution, bank and government and has not issued any debentures during the year.
- ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable to the Company.
- x) Based upon the audit procedures performed and to the best of our knowledge and according to the information and explanations given to us by the management, we report that no fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi) As per the records, the Company has not paid/provided for any managerial remuneration during the year. Accordingly, paragraph 3(xi) of the Order is applicable to the Company.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence paragraph 3 (xii) of the Order is not applicable to the Company.



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- xiii) As explained to us and as per the records of the company, in our opinion the transactions with the related parties are in Compliance with Section 177 and Section 188 of the Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements as required by the applicable accounting standard.
- xiv) According to the records the company, it has not made any preferential allotment of shares during the year under report. Accordingly paragraph 3 (xiv) of the Order is not applicable to the Company.
- xv) During the year, the Company has not entered into any non-cash transaction with Directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.
- xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Accordingly paragraph 3 (xvi) of the Order is not applicable to the Company.

For **K N GUTGUTIA & Co.**
Chartered Accountants
(Firm's Registration Number: 304153E)



B. R. GOYAL
(Partner)

Membership No: 012172
(UDIN: 21012172AAAAPE3531)



Place: Delhi
Date: June 25, 2021

Annexure 'B' to the Independent Auditor's Report of even date on the Financial Statements of IGL Finance Limited

Report on the Internal Financial Controls Over Financial Reporting 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 IGL Finance Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the 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 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 Companies Act, 2013.

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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgement, including the assessment of the risks of material misstatement of the 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 financial statements for external purposes in accordance with generally accepted accounting principles. A



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CHARTERED ACCOUNTANTS

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 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 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 of March 31, 2021, 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 issued by the Institute of Chartered Accountants of India.

For **KN GUTGUTIA & Co.**
Chartered Accountants
(Firm's Registration No. 304153E)



B.R. Goyal

(B. R. GOYAL)

Partner

Membership No. 012172

(UDIN: 21012172AAAAPE3531)

Place: Delhi

Date: June 25, 2021


IGL Finance Limited
Balance Sheet as at March 31, 2021

Particulars	Note No.	(₹ in Lakhs)	
		As at March 31, 2021	As at March 31, 2020
ASSETS			
NON-CURRENT ASSETS:			
(a) Financial Assets			
(i) Other financial assets	2	0.10	0.10
		<u>0.10</u>	<u>0.10</u>
CURRENT ASSETS:			
(a) Financial Assets			
(i) Cash and cash equivalents	3	7.28	6.95
(ii) Other financial assets	4	2,333.86	2,616.62
		<u>2,341.14</u>	<u>2,623.57</u>
TOTAL ASSETS		<u>2,341.24</u>	<u>2,623.67</u>
EQUITY AND LIABILITIES			
EQUITY:			
(a) Equity Share capital	5	150.00	150.00
(b) Other Equity	5A	119.90	120.40
		<u>269.90</u>	<u>270.40</u>
LIABILITIES:			
CURRENT LIABILITIES:			
(a) Financial Liabilities			
(i) Borrowings	6	2,041.93	2,323.93
(ii) Other financial liabilities	7	29.41	29.34
		<u>2,071.34</u>	<u>2,353.27</u>
TOTAL EQUITY AND LIABILITIES		<u>2,341.24</u>	<u>2,623.67</u>
Company Overview & Summary of significant accounting policies	1		

The accompanying notes are an integral part of these financial statements.


As per our report of even date

For **K N GUTGUTIA & CO.**
CHARTERED ACCOUNTANTS
 FRN: 304153E


B R GOYAL
 PARTNER
 M. NO.12172

Place - Delhi
 Date - 25th June 2021

For and on behalf of the board
 of IGL FINANCE LTD


U. S. Bhartia
 Director
 DIN - 00063091


Anand Singhal
 Director
 DIN - 02366573



IGL Finance Limited

Statement of Profit & Loss for the year ended March 31, 2021

₹ in Lakhs except as otherwise stated

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from operations		-	-
Other income	8	-	-
Total Income		-	-
Expenses:			
Other expenses	9	0.50	0.56
Total Expenses		0.50	0.56
Profit/ (Loss) before tax		(0.50)	(0.56)
Tax Expense:			
- Current Tax		-	-
- Tax for earlier years		-	-
Profit/ (Loss) for the year		(0.50)	(0.56)
Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss		-	-
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
B (i) Items that will be reclassified to Profit or Loss		-	-
(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-
Other comprehensive Income/ (Loss) for the year		-	-
Total Comprehensive Income for the year		(0.50)	(0.56)
Earnings per Equity share (face value of Rs. 10 each)			
Basic/ diluted (in Rs.)	16	(0.03)	(0.04)


Company Overview & Summary of significant accounting policies

1

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For K N GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
FRN: 304153E


B R GOYAL
PARTNER
M. NO.12172

Place - Delhi
Date - 25th June 2021

For and on behalf of the board
of IGL FINANCE LTD


U. S. Bhartia
Director
DIN - 00063091


Anand Singhal
Director
DIN - 02566573



IGL Finance Limited
Statement of Changes in Equity for the year ended 31st March 2021

A. Equity Share Capital

(₹ in Lakhs)

Particulars	Balance as at 31st March 2019	Changes in equity share capital during the year	Balance as at 31st March 2020	Changes in equity share capital during the year	Balance as at 31st March 2021
15,00,000 Equity Shares of Rs. 10/- each fully paid up	150	-	150	-	150
	150	-	150	-	150

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings		
Balance As at March 31, 2019	416.00	0.19	0.30	(295.53)	-	120.96
Profit / (Loss) for the year	-	-	-	(0.56)	-	(0.56)
Other Comprehensive Income for the year	-	-	-	-	-	-
Balance As at March 31, 2020	416.00	0.19	0.30	(296.09)	-	120.40
Profit / (Loss) for the year	-	-	-	(0.50)	-	(0.50)
Other Comprehensive Income for the year	-	-	-	-	-	-
Balance As at March 31, 2021	416.00	0.19	0.30	(296.59)	-	119.90

As per our report of even date

For K N GUTGUTIA & CO.
 CHARTERED ACCOUNTANTS
 FRN: 304153E

B.R.Goyal
 Partner
 M.No. 012172

For and on behalf of the board
 of IGL FINANCE LTD

U. S. Bhartia
 Director
 DIN - 00063091

Anand Singhal
 Director
 DIN - 02366573

Place - Delhi
 Date - 25th June 2021



IGL Finance Limited

Cash Flow Statement For The Year Ended March 31, 2021

Particulars	(₹ in Lakhs)	
	2020-21	2019-20
A Cash Flow from Operating Activities		
Net Profit/(Loss) Before Tax	(0.50)	(0.56)
Adjustments For:		
Dividend income on preference shares	-	-
Operating Profit/(Loss) before Working Capital Changes	(0.50)	(0.56)
Adjustments For:		
(Increase)/Decrease in Trade & Other Receivables	282.76	-
Increase / (Decrease) in Trade & Other Payables	0.07	0.05
Cash Generated from/ (Used in) Operations	282.33	(0.51)
Income Tax Paid (Net)	-	-
Net Cash flow generated from/ (Used in) Operating Activities	282.33	(0.51)
B Cash Flow from Investing Activities		
Dividend received	-	-
Net Cash flow generated from / (Used in) Investing Activities	-	-
C Cash Flow from Financing Activities		
Inter-corporate deposit repaid	(282.00)	-
Net Cash flow generated from / (Used in) Financing Activities	(282.00)	-
Net Increase/(Decrease) in Cash & Cash Equivalents [A+B+C]	0.33	(0.51)
Opening Cash & Cash Equivalents (refer note 3)	6.95	7.46
Closing Cash & Cash Equivalents (refer note 3)	7.28	6.95

Note:-

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flows.

As per our report of even date

For K N GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
FRN: 304153E


B R GOYAL
PARTNER
M. NO.12172

Place - Delhi
Date - 25th June 2021

For and on behalf of the board
of IGL FINANCE LTD


Uma Shankar Bhartia
Director
DIN - 00063091


Anand Singhal
Director
DIN - 02366573



IGL Finance Limited

Notes to the financial statements for the year ended 31 March 2021

1.1 Corporate Information

IGL Finance Limited is a limited company domiciled in India, incorporated under the provisions of Companies Act, 1956. It is subsidiary company of India Glycols Limited, a company incorporated in India.

The financial statements of the Company for the year ended 31 March 2021 were authorized for issue in accordance with resolution of the board of directors on June 25, 2021.

1.2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation and Presentation of Financial Statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

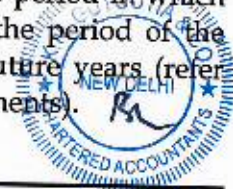
The Financial statements have been prepared and presented under the historical cost convention, on accrual and going concern basis, except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period as required by relevant Ind- AS. The financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency and all amounts are rounded to the nearest lakhs (00,000) and two decimals thereof, except as stated otherwise.

The accounting policies are applied consistently to all the periods presented in the financial statements. The Company's financial statements provide comparative information in respect to the previous year. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes in these financial statements.

The financial statements of the Company for the year ended 31st March, 2021 were approved for issue in accordance with the resolution of the Board of Directors on 25th June, 2021.

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 1.3 on significant accounting estimates, assumptions and judgments).



IGL Finance Limited

Notes to the financial statements for the year ended 31 March 2021

B. Financial instruments – initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial assets or a liability is recognised when the Company becomes a party to the contractual provision of the instrument.

a) Financial Assets

Financial assets include cash and cash equivalent, other receivables, investments in securities.

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash-flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

The company derecognizes a financial assets when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and the transfer qualifies for the derecognition under Ind AS 109.

Investment in Preference shares

Investments in preference shares are initially measured at amortised cost and subsequently measured at amortized cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of financial assets. The EIR amortization is included in interest income in the statement of profit and loss.

The company assesses impairment based on expected credit loss (ECL) model to all its financial assets measured at amortised cost.

b) Financial liabilities

Financial liabilities include short term loan and other payables.

All financial liabilities recognized initially at fair value and, in the case of loans and borrowing and other payable, net of directly attributable transaction costs. After initial recognition, financial liabilities are classified under one of the following two categories

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.



IGL Finance Limited

Notes to the financial statements for the year ended 31 March 2021

Financial liabilities measured at amortised cost

After initial recognition, such financial liabilities are subsequently measured at amortized cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of financial liability. The EIR amortization is included in finance expense in the statement of profit and loss.

De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

C. Revenue recognition and other income

Commodity finance Income, if any, is accounted for on time propitiation basis, if the contract is not over. In case of completed contracts, it is recognised as revenue when the right to received is established and there is no uncertainty as to realisation.

Dividend Income, if any is accounted for, when the right to receive the income is established. Interest income is recognized using effective interest rate method.

D. Taxation

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that in future taxable profits will be available to set off such deductible temporary differences. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

1.3 Critical accounting estimates, assumptions and judgments

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgments, which have significant effect on



IGL Finance Limited

Notes to the financial statements for the year ended 31 March 2021

the amounts recognised in the financial statement. Uncertainty about these assumptions and estimates could result in outcome that require a material adjustment to assets or liabilities affected in future periods.

Income Taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities based on probability that taxable profit will be available against which the deductible temporary differences can be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax assets and liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

Allowance for uncollected accounts receivable and advances

Receivables and advances are stated at their transaction value as reduced by appropriate allowances for estimated irrecoverable amounts. Receivables and advances are written off on case to case basis when management deems them not collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.



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Notes to financial statements as at and for the year ended March 31, 2021

(₹ in Lakhs)

2 OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposit	0.10	0.10
	0.10	0.10



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Notes to financial statements as at and for the year ended March 31, 2021

3. CASH & CASH EQUIVALENTS

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
(i) Balance with Banks		
- On Current Accounts	7.24	6.91
(ii) Cash on Hand	0.04	0.04
	7.28	6.95

4. OTHER FINANCIAL ASSETS

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Advances recoverable in cash or in kind or for value to be received (unsecured, considered good)	14,053.57	14,336.33
Less :- Provision for doubtful financial assets (Refer Note no 11)	(11,719.71)	(11,719.71)
	2,333.86	2,616.62



5. EQUITY SHARE CAPITAL

₹ in Lakhs except as otherwise stated

Particulars	As at March, 31	
	2021	2020
Authorised : 5000000 Equity Shares of Rs.10/- each (Previous Year 5000000 Equity Shares of Rs.10/- each)	500	500
Issued, Subscribed and paid up : 1500000 Equity Shares of Rs.10/- each fully paid-up* (Previous Year 1500000 Equity Shares of Rs.10/- each fully paid up)*	150	150
*shares held by the holding Company, namely India Glycols Limited	150	150

a) Terms/rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Details of shareholders holding more than 5% equity shares in the company

Name of Shareholders	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% of holding	No. of Shares	% of holding
INDIA GLYCOLS LIMITED with Nominees	1500000	100%	1500000	100%
Total	1500000	100%	1500000	100%

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

Particulars	No. of Shares As at March 31, 2021	No. of Shares As at March 31, 2020
Shares outstanding at the beginning of the year	15,00,000	15,00,000
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding as at the end of the year	15,00,000	15,00,000

d) In last 5 years, there was no bonus Issue, buy back and /or issue of shares for consideration other than cash.

5A. Other Equity

(₹ in Lakhs)

Particulars	Reserve & Surplus					Total
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Other Comprehensive Income	
Balance As at March 31, 2019	416.00	0.30	(295.53)	0.19	-	120.96
Profit / (Loss) for the year	-	-	(0.56)	-	-	(0.56)
Other Comprehensive Income for the year	-	-	-	-	-	-
Balance As at March 31, 2020	416.00	0.30	(296.09)	0.19	-	120.40
Profit / (Loss) for the year	-	-	(0.50)	-	-	(0.50)
Other Comprehensive Income for the year	-	-	-	-	-	-
Balance As at March 31, 2021	416.00	0.30	(296.59)	0.19	-	119.90

Nature & purpose of reserves

General Reserve - General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Capital Reserve - Capital reserve was created on reversal of provision for diminution in value of investment.

Retained Earnings - Retained earnings are the profits/(losses) that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.



IGL Finance Limited

Notes to financial statements as at and for the year ended March 31, 2021

6. CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31,2020
UNSECURED LOANS		
Loan Repayable on demand From related party* (Interest Free w.e.f. 1st September, 2013)	13,761.64	14,043.64
Less :- Fair value adjustment (Refer note no 11)	(11,719.71)	(11,719.71)
	2,041.93	2,323.93

*Refer Note 17 for related party details

7. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31,2020
Other Payables (Refer Not no 17 for related party)	29.41	29.34
	29.41	29.34



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Notes to financial statements as at and for the year ended March 31, 2021

8. OTHER INCOME	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
Other Non Operative Income	-	-
	-	-

9. OTHER EXPENSES	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
Audit Fees	0.30	0.30
Miscellaneous Expenses	0.20	0.26
	0.50	0.56



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Notes to the financial statements for the year ended 31 March 2021

10. Contingent Liabilities not Provided For (As Certified by the Management) :- NIL (March 31, 2020: Nil).

11. The company 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 company has initiated legal and other action.

The Company made a loss allowance of ₹ 11,719.71 Lakhs based on expected credit loss policy and other estimation made by the company and for the balance of ₹ 2,333.86 lakhs, the company is confident for recovery of dues from NSEL over a period of time and hence shown as good (considering the arrangement of merger of NSEL with Financial Technologies (India) Limited (FTIL) and other measures which have so far been taken for and pending before the Government and other authorities and current scenario/present state of affairs.).

The company has taken inter corporate deposits of ₹ 14,649.64 Lakhs (Outstanding as on 31 March 2021: ₹ 13761.64 lakhs) from holding company namely India Glycols Limited for the purpose of commodity financing contracts offered by National Spot Exchange Ltd. (NSEL). As NSEL had defaulted in settling the contracts, the company is unable to repayment of inter corporate deposit to holding company. Accordingly, the company has made adjustment of ₹ 11,719.71 Lakhs in terms of fair value of financial liability on the basis of estimation made by the company on the basis of information received from the parent company and considering the prudence no interest on above ICD has been accrued for the period from 01-09-2013 onwards.

12. During the Financial year 2013-14, the company wrote to Reserve Bank of India (RBI) to allow the company to surrender its NBFC Registration in view of non-fulfilment of conditions as applicable to an NBFC and during the previous F.Y. 2015-16, RBI cancelled the NBFC registration vide its order dated 17th Feb, 2016.

13. Financial risk management objectives and Policies

- **Market Risk:**

Currently, the company has no business and hence company is not exposed to market risk.

- **Credit Risk:**

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as advance and other receivables. The Company's exposure to credit risk is disclosed in Note 2 & 4 (refer Note 11 above).

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on advances/credits.

Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The



IGL Finance Limited

Notes to the financial statements for the year ended 31 March 2021

allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

- **Liquidity Risk:**

Liquidity risk is the risk, where the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company has no sufficient funds to meet the liability and hence company has liquidity risk (refer Note 11 above).

- **Capital risk management**

The Company has not adequate capital and hence company has capital risk.

14. Expenditure & Earning in Foreign Currency -NIL

15. Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(₹ in Lakhs)

Particular	As at 31.03.2021		As at 31.03.2020	
	Carrying amount	Fair Value	Carrying amount	Fair Value
(A) Financial Assets				
1. At fair value through profit & Loss	-	-	-	-
2. At Amortized Cost				
- Investment in Preference Shares	-	-	-	-
- Security deposit	0.10	0.10	0.10	0.10
- Cash and cash equivalents	7.28	7.28	6.95	6.95
- Advances recoverable	2333.86	2333.86	2616.62	2616.62
Total Financial Assets	2341.24	2341.24	2623.67	2623.67
(B) Financial Liabilities				
1. At fair value through profit & Loss				
- Borrowing	2041.93	2041.93	2323.93	2323.93
2. At Amortized Cost				
- Others	29.41	29.41	29.34	29.34
Total Financial Liabilities	2071.34	2071.34	2353.27	2353.27



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Notes to the financial statements for the year ended 31 March 2021

The methods and assumptions were used to estimate the fair values: Fair value of cash and bank balance, receivables, payables, and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Fair Value hierarchy

All financial assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows: -

Level 1 - Quoted prices in active markets.

Level 2 - Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3 - Inputs which are not based on observable market data.

The following table presents the fair value measurement hierarchy of financial assets and liabilities, which have been measured subsequent to initial recognition at fair value as at 31st March, 2021, 31st March 2020:

(₹ in Lakhs)

Assets / Liabilities measured at fair value through P\L(Accounted)	As at March 31, 2021		
	Level 1	Level 2	Level 3
Financial liabilities			
- Borrowings	-	-	2041.93

(₹ in Lakhs)

Assets / Liabilities measured at fair value (Accounted)	As at March 31, 2020		
	Level 1	Level 2	Level 3
Financial liabilities			
- Borrowings	-	-	2323.93

16. Earnings per share (EPS)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Net profit\ (loss) for the year attributable to equity shareholders (₹ in Lakhs)	(0.50)	(0.56)
Weighted average number of equity shares outstanding	1500000	1500000
Basic and diluted earnings per share (face value of Rs 10 each)*	(0.03)	(0.04)

*Earning per share is calculated by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.



IGL Finance Limited

Notes to the financial statements for the year ended 31 March 2021

17. Related Party Disclosures as per Ind AS-24

Relationship

- India Glycols Limited (100% holding company)
- Hindustan Wires Ltd (Entities over which KMP have significant influence)
- Uma Shankar Bhartia (Director)
- Jayshree Bhartia (Director)
- Anand Singhal (Director)
- Harsh Vardhan Gautam (Director)
- Mukesh Sharma (Director)

Related party transaction

Nature of transactions	Related Party	(₹ in lakhs)	
		2020-21	2019-20
Repayment of ICD	India Glycols Limited	282.00	-
Outstanding Payable at the end of the year	India Glycols Limited	28.99	28.99
ICD payable at the end of the year	India Glycols Limited	13761.64	14043.64
Fair value provision (ICD payable) (Refer Note 11)	India Glycols Limited	11719.71	11719.71


18. Income Tax and Deferred Tax Assets

The company has incurred taxable losses during the current financial year, therefore, no provision for income tax has been made in the books.

Based on the market projections of the company, management is not expecting taxable profit to accrue in near future, therefore, no deferred tax assets have been recognised. The company have unused tax losses of Rs 268.56 lakhs, which arose due to business losses as per the Income Tax Act for which no deferred tax asset has been recognized in the financial statement based upon prudence as it is not probable that future taxable profits will be available against which the asset can be utilized.

In terms of our report of even date attached

For K N GUTGUTIA & CO.
Chartered Accountants
ICAI'S FRN 304153E



B.R. Goyal
Partner
M.No: 12172

For and on behalf of the Board
of IGL FINANCE LTD



U. S. Bhartia
(Director)
DIN-00063091



Anand Singhal
(Director)
DIN-02366573

Place: Delhi
Date: June 25, 2021

