

INDO RAMA

**INDORAMA SUSTAINABLE POLYESTER
YARNS PRIVATE LIMITED**

ANNUAL REPORT 2022-23

NOTICE

NOTICE is hereby given that the 1st Annual General Meeting of the Members of Indorama Sustainable Polyester Yarns Private Limited will be held on Thursday, the 13th day of July 2023, at 11:45 AM IST, through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), deemed to be the Registered Office of the Company situated at A-31, MIDC Industrial Area, Butibori, Nagpur-441122, Maharashtra, India, to transact the following business:

ORDINARY BUSINESS

1. Adoption of the Financial Statements

To receive, consider and adopt the Audited Financial Statement of the Company, for the period from December 17, 2022 to March 31, 2023, together with the Reports of the Board of Directors and the Statutory Auditors' thereon.

2. To appoint a director in place of Mr. Umesh Kumar Agrawal, (DIN: 08502514), who retires by rotation at this meeting, and being eligible, offers himself for re-appointment.

3. Appointment of M/s Walker Chandiook & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company and if thought fit, pass with or without modifications, the following Resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder and such other applicable provisions, if any, M/s Walker Chandiook & Co. LLP, (Firm Registration No. 001076N/N500013), Chartered Accountants, be and is hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 6th Annual General Meeting on such remuneration as may be decided by the Board of Directors;

RESOLVED FURTHER THAT Board of Directors of the Company to and is hereby authorised to file the necessary forms /documents with the Registrar of Companies and to do all such acts, deeds, matters and things as may deemed necessary, desirable, proper and expedient for the purpose of giving effect of this Resolution for matters connected therewith or incidental thereto."

By Order of the Board


Umesh Kumar Agrawal
Director (DIN: 08502514)

Place: Gurugram
Date: May 12, 2023

NOTES:

1. The Ministry of Corporate Affairs, Government of India ("MCA") has vide its circular dated December 28, 2022, read with Circulars dated January 13, 2021, May 5, 2020, April 13, 2020 and April 8, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM" or "Meeting") through Video Conferencing/Other Audio Visual Means ("VC/OAVM"), on or before September 30, 2023, without the physical presence of the Members at a common venue.

In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circular, the AGM of the Company will be held through VC/OVAM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The Registered Office of the Company shall be deemed as the venue of the AGM.

2. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 (the "Act").
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with.

Accordingly, the facility for the appointment of proxies by the Members will not be available for the AGM. Hence, the Proxy Form is not annexed to this Notice.

4. A statement giving the relevant details of the directors seeking appointment/re-appointment under Item No. 2 of the accompanying Notice, as required by Secretarial Standard-2 is annexed herewith.
5. The helpline E-mail ID regarding any query/for assistance in participation in AGM through VC is: info@irspolyarn.com.
6. In the case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
7. Since the AGM will be held through VC/OAVM, the route map, proxy form, and attendance slips are not annexed in this notice.
8. The facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM.
9. Unless a poll is demanded, the resolution will be passed by a show of hands.
10. For the poll, the members have to send an email from their registered email address to the following designated email address: info@irspolyarn.com.
11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e., July 13, 2023. Members seeking to inspect such documents can send an email to info@irspolyarn.com.

INDORAMA SUSTAINABLE POLYESTER YARNS PRIVATE LIMITED

Corporate Office: Plot No. 53-54, Delhi Press Building, Phase-IV, Udyog Vihar, Gurugram-122015, Haryana, India | Tel.: 0124-4997000
Regd. Office: A-31, MIDC Industrial Area, Butibori, Nagpur-441122, Maharashtra, India. Tel.: 07104-663000 | Fax: 07104-663200
CIN: U17299MH2022PTC395518 | E-mail: info@irspolyarn.com | Website: www.indoramaindia.com

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ANNEXURE I TO THE NOTICE

Details of Directors seeking appointment/re-appointment at the 1st Annual General Meeting, in pursuance of Secretarial Standard on General Meeting (SS-2).

ITEM NO. 02

Mr. Umesh Kumar Agrawal, Non-Executive Director

Name of Director	Mr. Umesh Kumar Agrawal
Father's Name	Shri Sat Narain Agrawal
Directors Identification Number (DIN)	08502514
Age and Date of Birth	55 Years and April 26, 1968
Date of First Appointment	December 17, 2022
Experience/Expertise in the specific functional area	Seasoned Chartered Accountants with 33 years of industry experience in Finance, Commercial, Accounts, Taxation, Borrowing, Treasury Management Taxation, Legal, Secretarial, and other allied areas.
Qualification	B. Com (Hons), CA and CS
Directorship/ Chairman/ CEO held in other Companies	i) Indorama Yarns Private Limited - Director ii) Indorama Ventures Yarns Private Limited - Director iii) Indorama Sustainable Polymers (India) Private Limited - Director
Chairman/Member of the Committee of the Board of Directors of the Company, i.e., Indorama Sustainable Polyester Yarns Private Limited.	Nil
Chairman/Member of the Committee of the Board of Directors of other Company in which he is Director	Nil
Shareholding (including shareholding as a beneficial owner) in Indorama Sustainable Polyester Yarns Private Limited.	Own : Nil For other person as beneficial basis : Nil

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No. of Board Meeting attended during the financial year 2022-23	1 (One)
Relationship of the Director, Manager, and other KMP of the Company	None
Listed entities from which the director has resigned in the past 3 years	Nil
Terms and conditions of appointment/re-appointment	Non-Executive Director liable to retire by rotation.
Details of Remuneration last drawn (2022-23)	Nil

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BOARD'S REPORT

To

The Members,

Your directors have the pleasure of presenting the 1st Annual Report of your Company together with the Audited Financial Statements, for the period from December 17, 2022 to March 31, 2023.

FINANCIAL PERFORMANCE

The highlights of your Company's financial performance, for the period from December 17, 2022 to March 31, 2023, are summarized below:

(Amounts in ₹ Lakhs)

Particulars	At the end of Current Reporting Period
Total Revenue	Nil
Expenditure	0.38
Profit/(Loss) before exceptional, extraordinary items and tax	(0.38)
Profit/(Loss) for the year	(0.38)

RESULT OF OPERATIONS AND THE STATE OF COMPANY AFFAIRS

Your Company is yet to firm up its project Capex Plans and future business plan thereof.

During the period under review, there were no operations. However, your Company has incurred a net loss of ₹0.38 Lakhs mainly consisting of incorporation expenses.

HOLDING SUBSIDIARIES, JOINT VENTURES, AND ASSOCIATE COMPANIES

Your Company is a Wholly Owned Subsidiary Company of Indo Rama Synthetics (India) Limited (CIN: L17124MH1986PLC166615).

During the period under review, your Company does not have any subsidiaries, joint ventures, or associate companies.

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MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments which affect the financial position of your Company which occurred between the period close as on March 31, 2023 and the date of this Report.

DIVIDEND

Your directors have not recommended any dividend for the year under review.

CHANGE IN NATURE OF BUSINESS

There is no change in the nature of Business during the year.

TRANSFER TO RESERVES

No amount was transferred to the reserves during the period from December 17, 2022 to March 31, 2023.

SHARE CAPITAL

The Authorised Share Capital of your Company is ₹10,00,000/- (Indian Rupees Ten Lakhs only) divided into 1,00,000 equity shares of ₹10/- each and the issued, subscribed, and paid-up share capital of your Company is ₹1,00,000/- (Indian Rupees One Lakh only) divided into 10,000 equity shares of ₹10/- each.

During the year under review, there has been no change in the share capital of your Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board was duly constituted having two directors as under:

- i) Mr. M. N. Sudhindra Rao (DIN: 01820347); and
- ii) Mr. Umesh Kumar Agrawal (DIN: 08502514)

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In accordance with the provisions of Section 152(6) of the Companies Act, 2013 (the "Act") and your Company's Articles of Association, Mr. Umesh Kumar Agrawal (DIN: 08502514), Director of your Company is liable to retire by rotation at the forthcoming Annual General Meeting ("AGM"), and being eligible, offers himself for re-appointment.

Further, the provisions of Section 203 of the Act relating to the appointment of Key Managerial Personnel are not applicable to your Company.

None of the Directors of your Company is disqualified under Section 164(2) (a) & (b) of the Act.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the period from December 17, 2022 to March 31, 2023, 1 (One) meeting of the Board of Directors was held on January 11, 2023.

During the period under review, your Company was required to hold only one Board meeting and had one Board Meeting during the period, therefore a gap of One Hundred and Twenty (120) days between any two Board Meetings is not applicable.

The name of the Board Members and their attendance at the Board Meetings held during the period from December 17, 2022 to March 31, 2023 are as under:

Name of Directors	Number of Board Meetings attended/Total Meetings
Mr. M. N. Sudhindra Rao	1/1
Mr. Umesh Kumar Agrawal	1/1

DECLARATION BY INDEPENDENT DIRECTOR

The provisions of Section 149(6) of the Act with regard to the statements on declaration given by the Independent Director are not applicable to your Company.

AUDIT COMMITTEE

The provisions of Section 177 of the Act read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013, are not applicable to your Company.

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NOMINATION AND REMUNERATION POLICY

The provisions of Section 178(1) of the Act relating to the constitution of the Nomination and Remuneration Committee, are not applicable to your Company.

SECRETARIAL STANDARDS

During the year under review, your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

EXTRACTS OF ANNUAL RETURN

Pursuant to Sections 92(3) and 134(3)(a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return as on March 31, 2023, is available on your Company's website, <https://www.indoramaindia.com/subsidiary-irspolyarn.php>.

STATUTORY AUDITORS AND THEIR REPORT

M/s PGSJ & Co., Chartered Accountants, Firm Registration No. 032387N, First Statutory Auditor of your Company will retire at the ensuing AGM of your Company.

The Directors recommend appointment of M/s Walker Chandiok & Co LLP (Firm Registration No. 001076N/N500013), Chartered Accountants, as Statutory Auditors of your Company and to hold office for a tenure of five years from the conclusion of the first Annual General Meeting until the conclusion of the 6th Annual General Meeting of your Company on such remuneration as may be decided by the Board of Directors. Your directors have received the consent for the same from the Statutory Auditors and a certificate under Section 141 of the Act that they are not disqualified for appointment as Statutory Auditors of your Company.

The Report given by M/s PGSJ & Co. on the financial statements of your Company, for the period from December 17, 2022 to March 31, 2023, is part of the Annual Report. The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for further comments. The observations of the Auditors are explained wherever necessary in the appropriate Notes on Accounts. The Auditors' Report does not contain any qualifications, reservations, or adverse remarks.

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During the year under review, the Auditors had not reported any matter under Section 143(12) of the Act, therefore no details are required to be disclosed under Section 134 (3)(ca) of the Act.

COST AUDITORS

During the year under review, Cost Audit was not applicable to your Company.

INTERNAL AUDITOR

During the year under review, Internal Audit was not applicable to your Company.

SECRETARIAL AUDITOR

During the year under review, the Secretarial Audit was not applicable to your Company.

VIGIL MECHANISM

In pursuance of the provisions of Section 177 (9) and (10) of the Act, the Vigil Mechanism for Directors and Employees to report genuine concerns is not applicable to your Company.

CORPORATE SOCIAL RESPONSIBILITY

During the year under review, the provisions related to Corporate Social Responsibility are not applicable to your Company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable to your Company.

RISK MANAGEMENT

Your Company continuously monitors business and operational risks. At present, there are no risks identified by the Board of Directors which may threaten the existence of your Company.

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INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

Your Company has in place adequate internal financial control commensurate with the size of the Company and the nature of its business.

DEPOSITS

During the year, your Company did not invite or accept any deposits from the public under Section 76 of the Act.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS & OUTGO

Since the operations of your Company are yet to be started, the particulars relating to conservation of energy and technology absorption are not applicable to your Company. However, efforts are being made to conserve and optimize the use of energy, wherever possible.

The foreign exchange earnings or outgo during the period under review was NIL.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, your Directors, to the best of their knowledge and ability, confirm that:

- (i) In the preparation of the Annual Accounts, for the period from December 17, 2022 to March 31, 2023, the applicable accounting standards had been followed and there are no material departures;
- (ii) the accounting policies selected and applied are consistent and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the year and of the loss of the Company for that period;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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- (iv) the Annual Accounts, during the period from December 17, 2022 to March 31, 2023, have been prepared on a going concern basis;
- (v) the internal financial controls laid down by the Board and being followed by the Company, are adequate and were operating effectively;
- (vi) the proper systems, devised by Directors to ensure compliance with the provisions of all applicable laws, were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES AND/OR INVESTMENTS

During the year under review, your Company has not given any loan and/or guarantee or provided security in connection with a loan to any other body corporate or person or made any investment under the provisions of Section 186 of the Act.

RELATED PARTY TRANSACTION

During the period under review, no related party transaction was entered. Further, there are no materially significant related party transactions made by your Company which may have potential conflict with the interest of your Company. Thus, disclosure in Form AOC-2 is not required.

PARTICULARS OF EMPLOYEES AND RELATED INFORMATION

There was no employee in respect of whom information is required to be given pursuant to Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended up to date.

BUY-BACK OF SECURITIES

During the year under review, your Company has not bought back any of its securities.

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GENERAL

Your directors state that no disclosures or reporting is required in respect of the following items as there were no transactions on these items during the year under review:


- a) Your Company had not issued any equity shares with differential rights as to dividend or voting or otherwise;
- b) Your Company had not issued any shares (including sweat equity shares) to employees of your Company under any scheme;
- c) No significant or material order was passed by any Regulator/ Court/ Tribunal which impacts the going concern status of your Company or its future operations.
- d) Your Company has not resorted to any buy back of its Equity Shares during the year under review;
- e) No fraud has been reported by auditors under sub-section (12) of Section 143;
- f) The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof - Not Applicable; and
- g) The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year- Not Applicable

ACKNOWLEDGEMENT

Your directors wish to place on record their appreciation for the continuous support extended by shareholders, customers, government authorities and bankers, and lenders for their continued support and faith reposed in your Company.

By Order of the Board

Place: Gurugram
Date: May 12, 2023


M. N. Sudhindra Rao
Director (DIN: 01820347)


Umesh Kumar Agrawal
Director (DIN: 08502514)

PGSJ & Co.

Chartered Accountants

Independent Auditor's Report

To

The Members of

Indorama Sustainable Polyester Yarns Private Limited

Opinion

We have audited the accompanying financial statement Indorama Sustainable Polyester Yarns Private Limited ('the company') which comprise the Balance Sheet as at 31 March 2023, the statement of Profit and Loss (including other Comprehensive Income), the Statement of Cash Flow and Statement of Changes in Equity for the period then ended, and the summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, its Profit (or Loss) on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards of Auditing specified under section 143(10) of the Act. Our responsibilities under those standards the further described in the Author's Responsibilities for the Audit of the Financial Statements section of our reports. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') 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.

Key Audit Matters

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.



PGSJ & Co., Chartered Accountants, 272, Rajdhani Enclave, Delhi-110034

T: +91 – 9911814171

Registered office: KP 333, Pitampura, Delhi-110034

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility 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 standalone financial statements or our knowledge obtained during the course of our 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.

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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 the 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.

As part of an audit in accordance with SAs, specified under section 143(10) of the Act 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 system 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.

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.

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

1. As required by section 143(3) of the Act, we report that:
- 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.
 - 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.
 - The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors as on 31st March 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023, from being appointed as a director in terms of Section 164(2) of the Act.
 - With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
 - 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:
 - The Company does not have any pending litigations which would impact its financial position.
 - The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

For PGSJ & Co
(Chartered Accountants)
(Firm Registration No. 032387N)



Chirag Garg
Partner
M.No. 540579

UDIN: 23540579B6WNYF4175



Place: Gurugram
Date: 12th May 2023

(Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i) The Company does not have any Property, Plant and Equipment, accordingly reporting under clause 3(i) the order is not applicable to the company.

(ii) The Company does not hold any inventory, accordingly, reporting under clause 3(ii) of the order is not applicable to the company.

(iii) The Company has not made investments in, neither provided any guarantee or nor given security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clauses 3(iii) of the Order are not applicable;

(iv) According to the information and explanation given to us, the company has not made any loans, investments, guarantees or security where provisions of section 185 and 186 of the Companies Act, 2013.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company’s products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii) The Company does not have any statutory dues including Goods and Services Tax, provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable, with the appropriate authorities during the years, accordingly, reporting under clause 3(vii) of the order is not applicable;

(viii) According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);

(ix) In our opinion, the company has not taken any loans or other borrowings during the year, accordingly, reporting under clause 3(ix) of the order is not applicable;



(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the order is not applicable;

(b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the order is not applicable;

(xi) (a) According to the information and explanation given to us, any fraud by the company or any fraud on the company has not been noticed or reported during the year. Accordingly, reporting under clause 3(xi)(a) of the order is not applicable,

(b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) According to the information and explanation given to us, no whistle-blower complaints, received during the year by the company;

(xii) Company is not a Nidhi company, accordingly provisions of the Clause 3(xii) of the Order is not applicable to the company;

(xiii) According to the information and explanations given to us, we are of the opinion that all transactions with related parties are in compliance with Section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the Accounting Standards and the Companies Act, 2013. Further Section 177 of the company's act 2013 is not applicable to the company.

(xiv) According to the information and explanations given to us, section 138 of the Companies Act 2013 does not apply to the company, accordingly provisions of the Clause 3(xiv) of the Order are not applicable to the company;

(xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of section 192 of the Act are not applicable to the company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order are not applicable to the Company.

(xvii) According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial year;

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable;

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial



statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) The provisions of Section 135 towards corporate social responsibility are not applicable to the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.

(xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For PGSJ & CO.

Chartered Accountants

(Firm Registration No. 032387N)



Chirag Garg

Partner

Membership No.: 540579

UDIN: 23540579BQWNYFA175

Place: Gurugram

Date: 12th May 2023

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of sub-Section 3 of Section 143 of the Companies Act, 2013 ('the Act')

- 1 In conjunction with our audit of the standalone financial statements of Indorama Sustainable Polyester Yarns Private Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls.

- 2 The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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. 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

- 3 Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
- 4 Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.
- 5 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 with reference to financial statements.



Meaning of Internal Financial Controls with Reference to Financial Statements

- 6 A company's internal financial controls with reference to financial statements 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 company's internal financial controls with reference to financial statements include 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 with Reference to Financial Statements

- 7 Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

- 8 In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For PGSJ & CO.

Chartered Accountants

(Firm Registration No. 032387N)



Chirag Garg

Partner

Membership No.: 540579

UDIN: 23540579B6WNXF4175

Place: Gurugram

Date: 12th May 2023

Indorama Sustainable Polyester Yarns Private Limited
Balance Sheet as at 31-Mar-2023

CIN: U17299MH2022PTC395518

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	As at 31-Mar-2023
Assets		
Non-current assets		
Total non-current assets (i)		-
Current assets		
a) Financial assets		-
i) Cash and cash equivalents	2	1.00
Total current assets (ii)		1.00
Total assets (i+ii)		1.00
Equity and liabilities		
Equity		
a) Equity share capital	3	1.00
b) Other equity	4	(0.38)
Total equity (i)		0.62
Liabilities		
Non current liabilities		
Total non-current liabilities (ii)		-
Current liabilities		
a) Financial liabilities		
i) Trade payables	5	
-Total outstanding dues of micro enterprises and small enterprises		-
-Total outstanding dues of creditors other than micro enterprises and small enterprises		0.28
b) Other financial liabilities	6	0.10
Total current liabilities (iii)		0.38
Total liabilities (ii+iii)		0.38
Total equity and liabilities (i+ii+iii)		1.00

Notes 1 to 17 forms an integral part of these financial statements
This is the Balance Sheet referred to in our report of even date

For **PGSJ & CO.**
Chartered Accountants
Firm Registration No.: 032387N



Chirag Garg
Partner
Membership No.: 540579
Place : Gurugram
Date: 12th May 2023



For **Indorama Sustainable Polyester Yarns Private Limited**



M N Sudhindra Rao
(Director)
DIN Number: 01820347
Place : Gurugram
Date: 12th May 2023



Umesh Kumar Agrawal
(Director)
DIN Number: 08502514
Place : Gurugram
Date: 12th May 2023

UDIN: 23540579B6WNXF4175

Indorama Sustainable Polyester Yarns Private Limited
Statement of Profit and Loss for the year ended 31-Mar-2023
CIN: U17299MH2022PTC395518
(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	For the year ended 31 March 2023
I Income		
Revenue from operations		-
Other income		-
Total income (i)		<u>-</u>
II Expenses		
Other expenses	7	0.38
Total Expenses (ii)		<u>0.38</u>
III Profit/(loss) before exceptional items and tax (i - ii)		<u>(0.38)</u>
IV Exceptional items (net)		-
V Profit /(loss) before tax (III + IV)		<u>(0.38)</u>
VI Tax		
Current tax		-
Deferred tax		-
Total tax expenses		<u>-</u>
VII Profit/(Loss) for the year [V-VI]		<u>(0.38)</u>
VIII Other comprehensive income (OCI)		
Items that will not be reclassified to Profit or Loss :		
-Re-measurement gains / (losses) on defined benefit plans		-
-Income Tax relating to Items that will not be reclassified to Profit or Loss		-
Total other comprehensive income for the period / year (net of tax)		<u>-</u>
IX Total comprehensive income for the year (VII + VIII)		<u>(0.38)</u>
X Earnings per equity share (EPS)		
Basic and diluted	8	(3.80)
Face value per share (in Rs)		10.00

Notes 1 to 17 forms an integral part of these financial statements

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

For PGSJ & CO.

Chartered Accountants

Firm Registration No.: 032387N



Chirag Garg

Partner

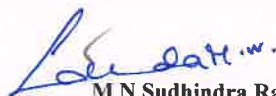
Membership No.: 540579

Place : Gurugram

Date: 12th May 2023



For Indorama Sustainable Polyester Yarns Private Limited



M N Sudhindra Rao
(Director)

DIN Number: 01820347

Place : Gurugram

Date: 12th May 2023



Umesh Kumar Agrawal
(Director)

DIN Number: 08502514

Place : Gurugram

Date: 12th May 2023

UDIN: 23540579B6WNXF4175

Indorama Sustainable Polyester Yarns Private Limited
Cash flow statement for the year ended 31 March 2023
CIN: U17299MH2022PTC395518
(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES	
Net profit before tax	(0.38)
Adjustments for movement in:	-
(Decrease)/Increase in trade payables	0.28
(Decrease)/Increase in Other financial liabilities	0.10
Cash generated from operating activities	<u>-</u>
Income tax paid	<u>-</u>
Net cash (used in)/ generated from operating activities [A]	<u>-</u>
B. Cash flow from investing activities	<u>-</u>
Net cash (used in)/ generated from investing activities [B]	<u>-</u>
C. Cash flow from financing activities	
Proceeds from issue of share capital	<u>1.00</u>
Net cash (used in) / generated from financing activities [C]	<u>1.00</u>
Net increase in cash and cash equivalents [A+B+C]	<u>1.00</u>
Cash and cash equivalents at the beginning of the year	<u>-</u>
Cash and cash equivalents at the closing of the year	<u><u>1.00</u></u>
Cash and cash equivalents include:	
Balances with banks	<u>1.00</u>
Cash and bank balances	<u><u>1.00</u></u>

1. The above statement of cash flows has been prepared under the "Indirect method" as set out in Indian accounting Standard 7 (IND AS-7) on "Statement of cash flows"

2. Negative figures have been shown in brackets

Notes 1 to 17 forms an integral part of these financial statements

This is the Cash Flow Statement referred to in our report of even date

For **PGSJ & CO.**
Chartered Accountants
Firm Registration No.: 032387N

For **Indorama Sustainable Polyester Yarns Private Limited**





Chirag Garg
Partner
Membership No.: 540579
Place : Gurugram
Date: 12th May 2023



M N Sudhindra Rao
(Director)
DIN Number: 01820347
Place : Gurugram
Date: 12th May 2023



Umesh Kumar Agrawal
(Director)
DIN Number: 08502514
Place : Gurugram
Date: 12th May 2023

UDIN: 23540579BGWNXF4175

Indorama Sustainable Polyester Yarns Private Limited
Statement of changes in equity for the year ended as at 31-Mar-2023
CIN: U17299MH2022PTC395518

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Note	As at 31-Mar-2023
A. Equity share capital		
Balance at the beginning of the year		-
Changes in equity share capital during the year	3	1.00
Balance at the end of the year		1.00
B. Other equity		
Attributable to the equity holders		
Retained earnings		
Other equity		
a. Retained earnings		
Balance at the beginning of the year		0.00
Add : Profit/(Loss) during the year	4	(0.38)
Balance at the end of the year		(0.38)

Notes 1 to 17 forms an integral part of these financial statements

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

For **PGSJ & CO.**
Chartered Accountants
Firm Registration No.: 032387N

For **Indorama Sustainable Polyester Yarns Private Limited**





Chirag Garg
Partner
Membership No.: 540579
Place : Gurugram
Date: 12th May 2023



M N Sudhindra Rao
(Director)
DIN Number: 01820347
Place : Gurugram
Date: 12th May 2023



Umesh Kumar Agrawal
(Director)
DIN Number: 08502514
Place : Gurugram
Date: 12th May 2023

0DIN: 23540579B6WNXF4175

Indorama Sustainable Polyester Yarns Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

1. (i) **Corporate information**

Indorama Sustainable Polyester Yarns Private Limited (hereinafter referred to as 'the Company') is a Private Company domiciled in India, with its registered office situated at A-31, MIDC Industrial Area, Butibori, Nagpur. The Company has been incorporated under the provisions of Companies Act, 2013. The Company is engaged in trading of polyester yarn and is in process of setting up project to manufacture draw textured yarn (DTY).

(ii) **Basis of preparation and presentation**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. The financial statements have been prepared on the historical cost basis. All amounts have been rounded-off to the nearest lakhs and two decimals thereof, unless otherwise indicated.

The statement of cash flows has been prepared under indirect method.

The financial statements have been prepared on the historical cost basis, except for certain financial assets and financial liabilities which are measured at fair value/ amortised cost.

Amended Accounting Standards (Ind AS) and interpretations effective during the year

a. **Ind AS 109 Financial Instruments; Ind AS 107 Financial Instruments: Disclosures and Ind AS 116 Leases (amendments related to Interest Rate Benchmark Reform)**

The amendment to Ind AS 109, provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortized cost, for the changes in the financial assets that may arise as a result of Interest Rate Benchmark Reform. An additional temporary exception from applying hedge accounting is also added for Interest Rate Benchmark Reform.

The amendment to Ind AS 107, clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform:

- the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform;
- the entity's progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition;
- the instruments exposed to benchmark reform disaggregated by significant interest rate benchmark along with qualitative information about the financial instruments that are yet to transition to alternative benchmark rate;
- changes to entity's risk management strategy.

The amendments introduced a similar practical expedient in Ind AS 116. Accordingly, while accounting for lease modification i.e. remeasuring the lease liability, in case this is required by interest rate benchmark reform, the lessee will use a revised discount rate that reflects the changes in the interest rate.

These amendments did not have any material impact on the financial statements of the Company.



Indorama Sustainable Polyester Yarns Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

b. Ind AS 116 Leases (amendment related to rent concessions arising due to COVID-19 pandemic)

The amendment to Ind AS 116 Leases extended the practical expedient introduced for financial year 2020-21 related to rent concessions arising due to Covid-19 pandemic, that provides an option to the lessee to choose that rent concessions for lease payments due on or before 30 June 2022 (from erstwhile notified date of 30 June 2021), arising due to COVID-19 pandemic ('COVID-19 rent related concessions') need not be treated as lease modification. The amendment did not have any material impact on financial statements of the Company.

c. Amendments consequent to issue of Conceptual Framework for Financial reporting under Ind AS (Conceptual Framework)

- Ind AS 102 Share Based Payments - Amended the definition of 'liabilities' to 'a present obligation of the entity to transfer an economic resource as a result of past events'.
- Ind AS 103 Business Combinations - The MCA clarified that for the purpose of this Ind AS, acquirers are required to apply the definitions of an asset and a liability given in the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards rather than the Conceptual Framework.
- Ind AS 114 Regulatory Deferral Accounts - The amendment added a footnote against the term 'reliable' used in the Ind AS 114. The footnote clarifies that term 'faithful representation' used in the Conceptual Framework encompasses the main characteristics that the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards called 'reliability'. However, for the purpose of this Ind AS, the term 'reliable' would be based on the requirements of Ind AS 8.
- Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets - The MCA clarified that the definition of term 'liability' in this Ind AS is not being revised following the revision of the definition of liability in the Conceptual Framework.
- Ind AS 38 Intangible Assets - The MCA clarified that the definition of an 'asset' in this Ind AS is not being revised following the revision of the definition of asset in the Conceptual Framework.
- Ind AS 106 Exploration for and Evaluation of Mineral Resources; Ind AS 1 Presentation of Financial Statements; Ind AS 8 Accounting policies, Changes in Accounting Estimates and Errors and Ind AS 34 Interim Financial Reporting - The reference to the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards has been substituted with reference to the Conceptual Framework.

The above amendments did not have any material impact on the financial statements of the Company.

(iii) Significant accounting policies

a. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes. Accounting estimates could change from period to period. Actual results may differ from these estimates.



Indorama Sustainable Polyester Yarns Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

These estimates and judgment are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other estimates and judgments that are believed to be reasonable under the circumstances. Accounting estimates could change from period to period. Accounting estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial statements in the period in which changes are made. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have most significant effect of the amounts recognized in the financial statements is included.

b. Going concern

Going concern basis of accounting used for preparation of the accompanying financial statements is appropriate with no material uncertainty.

c. Current/non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- 1) It is expected to be realised in, or is intended to be sold or consumed in, the Company's normal operating cycle;
- 2) It is held primarily for the purpose of being traded;
- 3) It is expected to be realised within twelve months after the reporting date; or
- 4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- 1) It is expected to be settled in the Company's normal operating cycle;
- 2) It is held primarily for the purpose of being traded;
- 3) It is due to be settled within twelve months after the reporting date; or
- 4) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.



Indorama Sustainable Polyester Yarns Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

d. Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The Company identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

e. Capital work-in-progress

The cost of property, plant and equipment not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific property, plant and equipment and that are attributable to construction activity in general and can be allocated to specific property, plant and equipment are included in capital work-in-progress.

Expenditure against the assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

f. Impairment

(i) Impairment of financial assets

The Company recognises loss allowance for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract such as a default in payment within the due date;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for a security because of financial difficulties;
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The Company measures loss allowances at an amount equal to lifetime expected credit losses. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.



Indorama Sustainable Polyester Yarns Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information. The Company considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any) is held.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.



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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

g. Inventories

Inventories are measured at the lower of cost and net realisable value.

Stock-in-trade: The cost of inventories is calculated on weighted average basis, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition. Traded goods and other supplies held for use in trading are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished goods will exceed their net realisable value.

h. Revenue

i. Sale of goods

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue is recognised upon transfer of control of promised products to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over or managerial involvement with, the goods, and the amount of revenue can be measured reliably. Where the payment extends beyond normal credit period, interest is recovered separately.

The company is yet to commence operations.

ii. Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

i. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

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

Borrowings are classified as current financial liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements, not to demand payment as a consequence of the breach.



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j. Financial instruments

i. Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability of another entity. Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial instrument is measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss (FVTPL) which are measured initially at fair value.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at amortised cost or at FVTPL. Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL.

For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not



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considered sales for this purpose, consistent with the Company's continuing recognition of the assets

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it

would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding. Additionally, for a financial asset acquired at a significant discount or premium to its contractual amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition. Financial assets at amortised cost are measured at amortised cost using the effective interest method. Interest income recognised in Statement of Profit and Loss.

Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.



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iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

iv. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

k. Measurement of fair values

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

Assets and liabilities are to be measured based on the following valuation techniques:

- Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- Income approach – Converting the future amounts based on market expectations to its present value using the discounting methodology.
- Cost approach – Replacement cost method.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable - inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.



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The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

l. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cheques on hand, cash on hand, short term deposits with an original maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

m. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

n. Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future obligation at pre-tax rate that reflects current market assessments of the time value of money risks specific to liability. They are not discounted where they are assessed as current in nature. Provisions are not made for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made. Therefore, in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Company, and requires interpretation of laws and past legal rulings.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

o. Foreign exchange transactions

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

All monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at



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fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities if any that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

All exchange differences, except those relating to long-term monetary foreign currency items, are dealt with in the Statement of Profit and Loss.

p. Taxation

Income tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

The Company's ability to recover the deferred tax assets is assessed by the management at the close of each financial year which depends upon the forecasts of the future results and taxable profits that Company expects to earn within the period by which such brought forward losses may be adjusted against the taxable profits as governed by the Income-tax Act, 1961. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset deferred tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle deferred tax liabilities and assets on a net basis or



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their tax assets and liabilities will be realised simultaneously.

q. Measurement of loss before finance costs and foreign exchange fluctuation

The Company have elected to present loss before finance costs, and foreign exchange fluctuation as a separate line item on the face of the statement of Profit and Loss.

In the measurement, the Company includes interest income but does not include finance costs, foreign exchange fluctuation and tax expense.

r. Amendment to Accounting Standards (Ind AS) issued but not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact on its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact on its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact on its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognize a financial liability. The Company does not expect the amendment to have any significant impact on its financial statements.

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 CIN: U17299MH2022PTC395518
 (All amounts in ₹ lakhs, unless stated otherwise)

2. Cash and cash equivalents	
Particulars	As at 31-Mar-2023
Balances with banks	
- On current accounts	1.00
Total cash and cash equivalents	1.00

3. Equity share capital	
Particulars	As at 31-Mar-2023
Authorised	
100,000 equity shares of ₹ 10 each	10.00
Issued, subscribed and fully paid up	10.00
10,000 equity shares of ₹ 10 each fully paid-up	-
Add: Issue of equity shares of Rs 10 each	1.00
10,000 equity shares of Rs.10 each fully paid-up	1.00

Notes:

i) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31-Mar-2023	
	Number of shares	Amount
Balance at the beginning of the year	-	-
Add: Issued during the year	10,000	1.00
Balance at the end of the year	10,000	1.00

ii) The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii) Shares in the Company held by each shareholder holding more than 5% and shares held by holding Company are as under:

Names of shareholders	As at 31-Mar-2023	
	Number of shares	% of shareholding
Indo Rama Synthetics (India) Limited	10,000	100.00%
	10,000	100.00%

iv) Details of shareholding of Promoters

Names of shareholders	As at 31-Mar-2023	
	Number of shares	% of shareholding
Indo Rama Synthetics (India) Limited*	10,000	100.00%
	10,000	100.00%

* Includes nominee shareholders

v) The Company has not issued any share pursuant to a contract without payment being received in cash in the current year. The Company has not issued any bonus shares nor has there been any buy-back of shares in the current year.

4. Other equity	
Particulars	As at 31-Mar-2023
a. Retained earnings	
Balance at the beginning of the year	-
Add : Profit/(Loss) during the year	(0.38)
Balance at the end of the year	(0.38)

Nature of reserves:

Retained earnings

Retained earnings refer to the net profit/(loss) retained by the Company for its core business activities.

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5. Trade payables	
Particulars	As at 31-Mar-2023
Carried at amortised cost	
Total outstanding dues of micro enterprises and small enterprises	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.28
Total Trade payables	0.28

Notes
 Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year/ period ended is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at 31-Mar-2023
-Principal amount remaining unpaid to any supplier as at the end of the accounting year	-
-Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-
-The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-
-The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-
-The amount of interest accrued and remaining unpaid at the end of the accounting year	-
-The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-

Trade payable ageing schedule:

As at March 31, 2023	Outstanding for following periods from date of transactions				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
Others	0.28	-	-	-	0.28
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	0.28	-	-	-	0.28

6. Other financial liabilities	
Particulars	As at 31-Mar-2023
Expenses payable	0.10
Total	0.10

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Summary of significant accounting policies and other explanatory information for the year ended 31-Mar-2023

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7. Other expenses

Particulars	For the year ended 31
	March 2023
Legal & Professional charges (Refer Note below)	0.38
	<u>0.38</u>

* Includes payment to auditors
As auditor:

Audit fee	0.10
	<u>0.10</u>



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Indorama Sustainable Polyester Yarns Private Limited**Summary of significant accounting policies and other explanatory information for the year ended 31-Mar-2023**

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*(All amounts in ₹ lakhs, unless stated otherwise)***8. Earning/(loss) per share**

Particulars	As at 31-Mar-2023
Profit/(Loss) attributable to the equity shareholders (A)	(0.38)
Number of equity shares at the beginning of the year	-
Total number of shares outstanding at the end of the year	10,000
Weighted-average number of equity shares (B)	10,000
Earnings/(loss) per share (₹) (A/B) - Basic and Diluted	(3.80)
Nominal value of equity share (₹)	10.00

9 Segment reporting

Segments are identified in line with Ind AS-108, "Operating Segment" [specified under the section 133 of the Companies Act 2013 (the Act)] read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act, taking into consideration the internal organisation and management structure as well as differential risk and return of the segment. Based on above, as the company is engaged in the business of trading of polyester goods. The Company does not have any geographical segment as the Company mainly operates from single geographical location, primarily within India. Hence no separate disclosures are provided in these financial statements.

10 Contingencies

In the ordinary course of business, the Company may face claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary.

The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The company does not have any contingent liability on the reporting date.

11 Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) The Company did not have any material transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the respective reported financial year.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) The company is not declared willful defaulter by any bank, financial institution or lender.
- (ix) During the year, no scheme of arrangements in relation to the company has been approved by the competent authority in terms of Section 232 to 237 of the Companies Act, 2013. Accordingly, this clause is not applicable to the company.
- (x) The company does not have any unrecorded transactions which have been surrendered or disclosed as Income during the year/period in the tax assessment under the Income Tax Act, 1961.

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12 Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the companies:

As at March 31, 2023

Particulars	FVTPL/ FVTOCI	Amortised cost	Total carrying value	Total Fair Value
Financial assets				
(i) Trade receivables	-	-	-	-
(ii) Cash and cash equivalents	-	1.00	1.00	1.00
(iii) Bank balances other than cash and cash equivalents	-	-	-	-
(iv) Other financial assets	-	-	-	-
Total	-	1.00	1.00	1.00
Financial liabilities				
(i) Borrowings	-	-	-	-
(ii) Lease Liabilities	-	-	-	-
(iii) Trade payables	-	0.28	0.28	0.28
(iv) Other financial liabilities	-	0.10	0.10	0.10
Total	-	0.38	0.38	0.38

The following methods and assumptions were used to estimate the fair values:

- Cash and cash equivalents and Bank balances other than cash and cash equivalents, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Other non-current receivables are evaluated by the Company, based on parameters such as interest rates, individual creditworthiness of the counterparty etc. Based on this evaluation, allowances are considered to account for the expected losses of these receivables. As at end of each reporting year, the carrying amounts of such receivables, net of allowances (if any), are not materially different from their calculated fair values.

Return on investment (other than Investment in subsidiaries) (%) Income generated from invested funds

b) Fair value hierarchy

- Level 1 - Quoted prices in active markets
 Level 2 - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
 Level 3 - Inputs that 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 March 31, 2023

Particulars	Total carrying value	Level 1	Level 2	Level 3	Total
Financial assets					
(i) Trade receivables	-	-	-	-	-
(ii) Cash and cash equivalents	1.00	-	-	-	1.00
(iii) Bank balances other than cash and cash equivalents	-	-	-	-	-
(iv) Other financial assets	-	-	-	-	-
Total	1.00	-	-	-	1.00
Financial liabilities					
(i) Borrowings	-	-	-	-	-
(ii) Lease Liabilities	-	-	-	-	-
(iii) Trade payables	0.28	-	-	-	0.28
(iv) Other financial liabilities	0.10	-	-	-	0.10
Total	0.38	-	-	-	0.38

There are no transfers between level 1, level 2 and level 3 during the year/period.

13 Financial risk management objectives and policies

The Company's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The management is responsible for formulating an appropriate financial risk governance framework for the Company and for periodically reviewing the same. The senior management ensures that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks,

Risk	Exposure arising from	Measurement	Management
Market risk-interest rate	Borrowings	Sensitivity analysis	Mix of borrowings with fixed and floating
Market risk-foreign exchange	Recognised financial liabilities not	Sensitivity analysis	Foreign currency exposure is unhedged
Credit risk	Financial assets measured at amortised costs	Ageing analysis	Credit limits
Liquidity risk	Borrowings and other liabilities	Cash flow forecasting	Availability of committed credit lines and



Indorama Sustainable Polyester Yarns Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31-Mar-2023

CIN: U17299MH2022PTC395518

(All amounts in ₹ lakhs, unless stated otherwise)

(1) Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

(a) Interest rate risk exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period/year are as follows:

Particulars	As at
	31-March-2023
Fixed rate borrowings	
Long term borrowings (including current maturities)	-
Short term borrowings	-
Variable rate borrowings	
Long term borrowings (including current maturities)	-
Short term borrowings	-
Total borrowings	-

(b) Sensitivity

For floating rate borrowings, the analysis is prepared assuming that the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used, which represents management's assessment of the reasonably possible change in interest rate.

Particulars	As at
	31-March-2023
Variable Cost Borrowings at the year/period end	-

In case of fluctuation in interest rates by 50 basis points and all other variables were held constant, the profit before tax for the year from continuing operations would increase or decrease as follows:

Particulars	As at
	31-March-2023
Impact on profit before tax for the year/period	-

b) Market risk- Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company has not started any operations during the year.

Foreign currency sensitivity

Particulars	Change in currency	Effect on profit or loss before tax	
		Strengthening	Weakening
March 31, 2023			
USD	5%	-	-
JPY	5%	-	-

(2) 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's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

The table below summarises the maturity profile of company's financial liabilities based on contractual payments:-

Particulars	0 - 1 years	1 to 5 years	> 5 years	Total
March 31, 2023				
Borrowings	-	-	-	-
Lease liabilities	-	-	-	-
Trade payables	0.28	-	-	0.28
Other financial liabilities	0.10	-	-	0.10

(This space has been intentionally left blank)



Indorama Sustainable Polyester Yarns Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31-Mar-2023
CIN: U17299MH2022PTC395518
(All amounts in ₹ lakhs, unless stated otherwise)

14 Ratios

S. No.	Particulars	Numerator	Denominator	As at 31-March-2023
1	Current ratio % change from previous year/period	Current assets	Current liabilities	2.63 -
2	Debt-equity ratio % change from previous year/period	Borrowings and lease liabilities	Equity	- -
3	Debt service coverage ratio % change from previous year/period	Profit after tax plus finance costs, depreciation and amortisation expense	Repayment of long term borrowings and lease liabilities (excluding prepayments) and finance costs	- -
4	Return on equity (ROE) % change from previous year/period	Profit after tax	Average equity	-0.31 -
5	Inventory turnover ratio % change from previous year/period	Revenue from operations	Average inventories	- -
6	Trade receivable turnover ratio % change from previous year/period	Revenue from operations	Average trade receivables	- -
7	Trade Payable turnover ratio % change from previous year/period	Purchases of goods and services	Average trade payables	- -
8	Net capital turnover ratio % change from previous year/period	Revenue from operations	Average working capital (i.e. current assets less current liabilities)	- -
9	Net profit ratio % change from previous year/period	Profit after tax	Revenue from operations	- -
10	Return on capital employed (ROCE) % change from previous year/period	Earnings before interest and taxes	Average Capital employed (i.e. equity, borrowings, lease liabilities and deferred tax liabilities)	(0.38) -
11	Return on investment (other than Investment in subsidiaries) (%) % change from previous year/period	Income generated from invested funds	Average investment	- -

15 There are no subsequent events which are required to be reported.

16 Since the company has been incorporated during the current year only hence, its comparative information is not available for the purpose of disclosure in the financial statement.

17 Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in these financial statements have been rounded off or truncated as deemed appropriate by the management of the Company.

For PGSJ & CO.
Chartered Accountants

Firm Registration No.: 032387N



Chirag Garg
Partner
Membership No.: 540579
Place : Gurugram
Date: 12th May 2023

UDIN: 23540579B6WNXF4175

For Indorama Sustainable Polymers (India) Private Limited

M N Sudhindra Rao

M N Sudhindra Rao
(Director)
DIN Number: 01820347
Place : Gurugram
Date: 12th May 2023

Umesh Kumar Agrawal

Umesh Kumar Agrawal
(Director)
DIN Number: 08502514
Place : Gurugram
Date: 12th May 2023