

IRSL:STEXCH:2016-17:
7th September 2016

BSE Limited

Corporate Relationship Department
25th Floor, P. J. Towers, Dalal Street,
Mumbai - 400 001. Thru.: BSE Listing Centre
Stock Code BSE: 500207

ISIN: INE156A01020

Indo Rama Synthetics (India) Limited - CIN L17124MH1986PLC166615

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Amalgamation of Indo Rama Renewables Limited (Transferor Company No.1), Indo Rama Renewables Porbandar Limited (Transferor Company No.2) and Indo Rama Renewables Ramgarh Limited (Transferor Company No.3) with Indo Rama Synthetics (India) Limited (Transferee Company).

We refer to our letter dated 31st August 2016 and 1st September 2016, informing you about the decision of the Board of Directors of the Company approving the Scheme of Amalgamation of Indo Rama Renewables Limited, Indo Rama Renewables Porbandar Limited and Indo Rama Renewables Ramgarh Limited (Transferor Companies) with Indo Rama Synthetics (India) Limited (Transferee Company).

In continuation of the aforesaid, we are applying under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Enclosed is the checklist duly filled-in together with the enclosures thereto relating to the Regulation 37 of application.

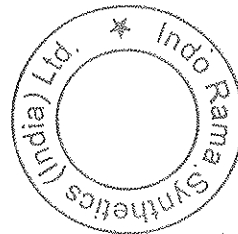
Further, wish to inform you that the Application Processing Fee of Rs.2,30,000/- (Rupees Two Lacs Thirty Thousand only) including service tax, credited through RTGS to the Account No. 00600340005156 maintained with your Bank, HDFC Bank Ltd., Mumbai, on 6th September 2016, as per the screenshot of the transaction enclosed.

We will be pleased to provide by clarification as you may require in this regard. We request you to kindly grant your approval to the Scheme of Amalgamation at your earliest convenience.

Thanking you,

Yours faithfully,
for Indo Rama Synthetics (India) Limited


Jayantk Sood
Head-Corporate & Company Secretary
(ICSI Membership No.: FCS 4482)



Encl.: As above.

CC: National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Bandra - Kurla Complex, Bandra (E)
Mumbai - 400 051 Thru.: **NEAPS**
Stock Code NSE: **INDORAMA**

INDO RAMA SYNTHETICS (INDIA) LTD.

Corporate Office : 20th Floor, DLF Square, DLF Phase-2, NH-8, Gurgaon - 122002, Haryana, India. Tel : 0124-4997000, Fax : 0124-4997070

Registered Office & Manufacturing Complex : A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, India. Tel : 07104-663000 / 01, Fax : 07104-663200

E-mail : corp@indorama-ind.com • Website : www.indoramaindia.com

CIN : L17124MH1986PLC166615

List of documents required to be submitted for approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, for the Scheme of Amalgamation with BSE Limited / National Stock Exchange of India Limited

Sr. No.	Documents to be submitted along with application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015	Annexures	Page Nos.
1.	Certified true copy of the resolution passed by the Board of Directors of the Company.	Annexure-A	01 - 09
2.	Certified copy of the draft Scheme of Amalgamation / Arrangement, etc. proposed to be filed before the High Court.	Annexure-B	10 - 35
3.	Valuation report from Independent Chartered Accountant as applicable as per Para I(A)(4) of Annexure I of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015.	Annexure-C	36 - 36
4.	Report from the Audit Committee recommending the draft scheme taking into consideration, inter alia, the valuation report at Sr. No. 3, above.	Annexure-D	37 - 39
5.	Fairness opinion by Merchant Banker.	Annexure-E	40 - 44
6.	Shareholding Pattern of all the Companies pre and post Amalgamation/ Arrangement as per the format provided under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015	Annexure-F	45 - 48
7.	Audited financials of the transferee/resulting and transferor/demerged companies for the last 3 financial years (financials not being more than 6 months old) as per Annexure I . Please note that for existing Listed Company, provide the last Annual Report and the audited / unaudited financials of the latest quarter (were it is due) accompanied mandatorily by the Limited Review Report of the auditor.	Annexure-G	49 - 57
8.	Quarterly compliance Report on Corporate Governance as per Regulation 27 (2)(a) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as per Annexure II	Annexure-H	58 - 62
9.	Complaint report as per Annexure III of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015 (To be submitted within 7 days of expiry of 21 days from the date of uploading of Draft Scheme and related documents on Exchange's website). Format given in Annexure III	The Company will submit the Complaint Report within 7 days of the expiry of 21 days from the date of submission of the Scheme of Amalgamation to the Stock Exchanges	
10.	Compliance report with the requirements specified in Part-A of Annexure I of SEBI circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015, as per Annexure IV	Annexure-I	63 - 65

11.	If as per the Company, approval from the shareholders through postal ballot and e-voting, as required under Para (I)(A)(9)(a) of Annexure I of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015, is not applicable then as required under Para (I)(A)(9)(c) of said SEBI circular, submit the following: a) An undertaking certified by the auditor clearly stating the reasons for non applicability of Sub Para 9(a) b) Certified copy of Board of Director's resolution approving the aforesaid Auditor Certificate.	Annexure-J	66 - 69
12.	Name of the Designated Stock Exchange (DSE) for the purpose of coordinating with SEBI. Certified true copy of the resolution passed by the Board of Directors, in case BSE is DSE.	Annexure-K	70 - 72
13.	Brief details of the transferee/resulting and transferor/demerged Companies as per format enclosed at Annexure V.	Annexure-L	73 - 75
14.	Net-worth Certificate (excluding Revaluation Reserve) together with related workings pre and post Scheme for the transferee and/or resulting Company.	Annexure-M	76 - 83
15.	Capital evolution details of the transferee/resulting and transferor/demerged Companies as per format enclosed at Annexure VI.	Annexure-N	84 - 87
16.	Confirmation by the Managing Director/ Company Secretary as per format enclosed as Annexure VII.	Annexure-O	88 - 88
17.	Statutory Auditor's Certificate confirming the compliance of the accounting treatment, etc., as specified in Para (I)(A)(5)(a) of Annexure I of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015, as per the format given in Annexure II of aforesaid SEBI circular. Format given in Annexure VIII	Annexure-P	89 - 89
18.	Annual Reports of all the listed transferee/resulting/demerged/etc. Companies involved and audited financial of all the unlisted transferor/demerged/resulting/etc. Companies for the last financial year.	Annexure-Q	
19.	Processing fee (non-refundable) payable will be as below, though RTGS - Details given in Annexure IX or though Cheque/DD <u>favoring 'BSE Limited'</u> Rs.1,00,000/- plus Service Tax as applicable, where one entities/companies are Merged or one new company formed due to De-merger Rs. 2,00,000/- plus Service Tax as applicable, where more than one entity/company is Merged or more than one new company formed due to De-merger.	Annexure-R	

20.	Name & Designation of the Contact Person Telephone Nos. (landline & mobile) Email ID.	Mr. Jayantk Sood Head-Corporate & Company Secretary Tel.: 0124-4997000 M: 98106 35337 jayant.sood@indorama-ind.com
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Kindly note that all pages of the documents/details provided should be serially numbered, stamped and certified by the authorized signatory of the Company.

Kindly also submit one additional set of the documents at Sr. Nos. 2 to 11 separately (hard copy as well as soft copy emailed to "bse.schemes@bseindia.com" mentioning Company name as subject, for uploading on the Exchange website).

The Exchange reserves the right to modify and ask for additional documents / clarifications depending on a case to case basis. Approval for the proposed scheme will be subject to compliance with the Statutory/ Regulatory requirements, norms of the Board of Directors of the Exchange and other Exchange requirements.

INDO RAMA

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE 6TH MEETING OF THE BOARD OF DIRECTORS OF INDO RAMA SYNTHETICS (INDIA) LIMITED, CIN L17124MH1986PLC166615, HELD ON WEDNESDAY, 31ST AUGUST 2016, COMMENCED AT 3:30 PM AND CONCLUDED AT 5:05 PM, AT 20TH FLOOR, DLF SQUARE, DLF PHASE-II, NH-8, GURGAON-122 002, HARYANA.

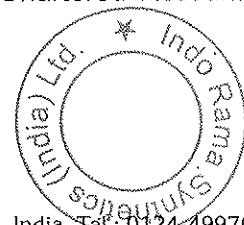
"RESOLVED THAT pursuant to the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Companies Act, 1956 and corresponding provisions of the Companies Act, 2013 upon their notification and enabling provisions in the Memorandum and Articles of Association of Indo Rama Synthetics (India) Limited ('the Company') and subject to the requisite approval of the Hon'ble High Court of Judicature at Bombay ('the Court'), Securities and Exchange Board of India ('the SEBI') Central Government and Stock Exchanges where the shares of the Company are listed and that of shareholders and creditors of the Company, consent of the Board of Directors ('the Board') be and are hereby accorded to the Scheme of Amalgamation ('the Scheme') of Indo Rama Renewables Limited referred as "Transferor Company No. 1", Indo Rama Renewables Porbandar Limited referred as "Transferor Company No. 2" and Indo Rama Renewables Ramgarh Limited referred as "Transferor Company No. 3", wholly owned and step- down subsidiaries of the Company registered under the Companies Act, 1956 with the Company and their respective shareholders and creditors as per the terms and conditions mentioned in the Scheme placed before the Board with effect from 1st April 2016 ("Appointed date") and initialled by the Chairman for the purposes of identification;

RESOLVED FURTHER THAT since the entire share capital of the Company of Transferor Company No.1, 2 & 3 is directly or indirectly owned by the Company, no shares shall be issued by the Company upon amalgamation of Transferor Company No.1, 2 & 3 with the Company and the shares held by the Company shall stand cancelled and extinguished pursuant to said Amalgamation;

RESOLVED FURTHER THAT:

- (a) The report from the Audit Committee of the Company, duly signed by the Chairman of Audit Committee, recommending the Scheme, as placed before the Board be and hereby accepted and approved;
- (b) BSE Limited be and is hereby appointed as the Designated Stock Exchange, for the purpose of Scheme and for co-ordinating with 'SEBI' in terms of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 issued under applicable Regulations of SEBI (Listing Obligations and Regulations Requirements) Regulations, 2015;
- (c) Certificate from Statutory Auditors (Chartered Accountants) of the Company to the effect that the Accounting Treatment contained in the Scheme is in compliance with all the Accounting Standards specified under Section 133 of the Companies Act, 2013.

RESOLVED FURTHER THAT the undertaking issued by the Company in terms of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 stating the reasons for non-applicability of the provisions of Para 9(a) of the aforesaid SEBI Circular to the Scheme of Amalgamation between the Transferor Company No.1, 2 & 3 and the Company and their respective shareholders and creditors as certified by Statutory Auditors (Chartered Accountants) of the Company, be and his hereby noted and approved;



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INDO RAMA SYNTHETICS (INDIA) LTD.

Corporate Office : 20th Floor, DLF Square, DLF Phase-2, NH-8, Gurgaon - 122002, Haryana, India. Tel: 0124-4997000, Fax : 0124-4997070

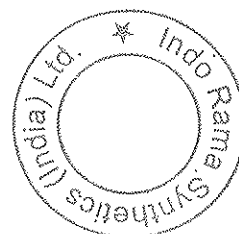
Registered Office & Manufacturing Complex : A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, India. Tel: 07104-663000 / 01, Fax : 07104-663200

E-mail : corp@indorama-ind.com • Website : www.indoramaindia.com

CIN : L17124MH1986PLC166615

RESOLVED FURTHER THAT Mr. Om Prakash Lohia (DIN 00206807), Chairman and Managing Director and/or Mr. Vishal Lohia (DIN 00206458), Whole-time Director and/or Mr. Sanjeev Aggarwal (ICAI Membership No. 089369), President & CFO and/or Mr. Jayantk Sood (ICSI Membership No. FCS 4482), Head-Corporate & Company Secretary and/or Mr. B. S. Rana, AGM (Secretarial) of the Company be and are hereby severally authorized to oversee and monitor the process connected with the Scheme and to make such additions, alterations, rectifications and changes therein as may be expedient or necessary for satisfying the requirements or conditions imposed by the Shareholders, the Creditors, the Central Government or the Court and to take all such steps as may be necessary for the purpose of giving effect to the aforesaid Scheme of Amalgamation which shall include:

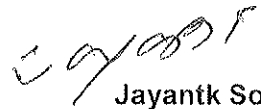
- (1) Filing of Scheme and other information/details with the concerned Stock Exchanges or any other body or regulatory authority or agency in order to obtain approval or sanction of Scheme of Amalgamation or for giving effect thereto;
- (2) Filing application(s) before the Hon'ble Court or any other Competent Authority for seeking directions as to convening/dispensing with the requirements of the meetings of the shareholders and/or the creditors of the Company as the Court or any other Competent Authority may direct and to file all necessary documents, applications, affidavits, Vakalatnama, petitions and other documents as may be necessary from time to time for the said purposes and to undertake the follow up action required thereafter;
- (3) To file any incidental application/petition as is necessary for the implementation of the Scheme;
- (4) To file petition for sanction/confirmation of the Scheme by the said Court or any other Competent Authority and to do all that may be necessary and incidental in this behalf;
- (5) To settle any question or difficulty that may arise with regards to the implementation of the Scheme and to give effect to the above resolution;
- (6) To do all acts, deeds and things necessary, convenient and incidental and ancillary in relation thereto and for that purpose to engage any advocate, Solicitor, counsel or other consultants;
- (7) And for the purposes set out hereinabove and in this behalf to sign and verify all declarations, affidavits, statements, notices, applications, other deeds and documents and to give such undertakings as may be necessary from time to time in connection with and incidental to the Scheme of Amalgamation;
- (8) Obtaining approval from such other parties as may be considered necessary, for the Scheme;
- (9) To delegate authority to another person(s) by a valid power of attorney or other appropriate authorizations;
- (10) To do all acts and things as may be considered necessary and expedient in relation to the implementation of the Scheme; and



- (11) To carry out and execute such additional and ancillary documents and formalities as may be deemed necessary.

RESOLVED FURTHER THAT in accordance with the provisions of the Articles of Association of the Company, Common Seal of the Company, if required, be affixed on any document(s) executed in connection with the above resolution."

Certified to be true
for **Indo Rama Synthetics (India) Limited**



Jayantk Sood
Head-Corporate & Company Secretary
(ICSI Membership No.: FCS 4482)
Address: WW-93, SF, Personal Floors,
Malibu Town, Sohna Road,
Gurgaon, Haryana

Place: Gurgaon
Date: 31st August 2016



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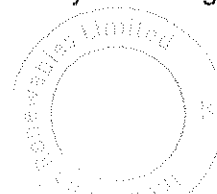
CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE 10TH MEETING OF THE BOARD OF DIRECTORS OF INDO RAMA RENEWABLES LIMITED, CIN U40106HR2012PLC045840, HELD ON WEDNESDAY, 31ST AUGUST 2016, COMMENCED AT 11:00 AM AND CONCLUDED AT 11:25 AM, AT 20TH FLOOR, DLF SQUARE, DLF PHASE-II, NH-8, GURGAON-122 002, HARYANA.

"RESOLVED THAT subject to the applicable provisions of the Companies Act, 1956, and corresponding provisions of companies Act, 2013 upon their notification and enabling provisions in the Memorandum and Articles of Association of the Company and subject to the consent of members and creditors of the Company and approval of the Hon'ble High Court of judicature at Bombay (hereinafter referred to as "the High Court") or the National Company Law Tribunal or any other relevant authority empowered to approve the Scheme of Amalgamation and such other requisite and other approvals, consents, permissions and/or sanctions of any appropriate authority, body or institution (hereinafter collectively referred to as "the concerned authority") and subject to such conditions or guidelines, if any, as may be prescribed, imposed, stipulated in this regard by the Hon'ble High Court or the concerned authority or any of them, from time to time, while granting such approvals, consents, permissions and/or sanctions, the Company be amalgamated with Indo Rama Synthetics (India) Limited a Company incorporated in India having its Registered Office at A-31, MIDC Industrial Area, Butibori, Nagpur-441122, Maharashtra;

RESOLVED FURTHER THAT the Draft Scheme of Amalgamation submitted to this meeting and initialed by the Chairman for purposes of identification, be and is hereby, approved, and Mr. Rajendra Kumar Gupta (DIN 07529751), Mr. Vikas Sehgal (DIN 07529393), Directors and Mr. Jayantik Sood, Mr. B. S. Rana, Authorised Signatories of the Company be and are hereby severally authorized to make such alteration and changes therein as may be expedient or necessary for satisfying the requirement or condition imposed by the Hon'ble High Court provided that prior approval of the Board shall be obtained for making any material changes in the said draft Scheme of Amalgamation as approved in this meeting;

RESOLVED FURTHER THAT Mr. Rajendra Kumar Gupta (DIN 07529751), Mr. Vikas Sehgal (DIN 07529393), Directors and Mr. Jayantik Sood, Mr. B. S. Rana, Authorised Signatories of the Company be and are hereby severally authorized:

- a) to make, prepare, sign and file applications, petitions, affidavits and such other documents as may be necessary with the Hon'ble High Court; to obtain waiver/directions for holding meetings of the members and the creditors of the Company and to sign and issue public advertisements and notices in connection with the said Scheme;
- b) to make any amendment(s), alteration(s) and modification(s) in the said Scheme as may be suggested by the members, creditors and/or by the Hon'ble High Court or the concerned authority;
- c) to engage, hire, appoint and remove one or more counsel/advocate/pleader to represent and act on behalf of the Company in the proceedings before the Hon'ble High Court and/or the concerned authority in any matter related to the said Scheme;
- d) to affix the Common seal of the Company, in accordance with Articles of Association of the Company, on such documents and papers as may be necessary in this regard;



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INDO RAMA RENEWABLES LIMITED

Corporate Office : 20th Floor, DLF Square, DLF Phase-2, NH-8, Gurgaon - 122002, Haryana, India. Tel : 0124-4997000, Fax : 0124-4997070

E-mail : info@irrl.in • Website : www.irrl.in

CIN : U40106HR2012PLC045840

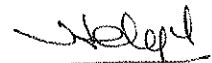
- e) to do such things and to take such steps as may be necessary for getting the said Scheme approved by the members, creditors and sanctioned by the Hon'ble High Court and/or the concerned authority;
- f) to do all such things and to take all such steps as may be necessary for the purpose of ensuring compliance with the directions that may be given by Hon'ble High Court and/or the concerned authority; and
- g) to furnish certified true copies of this resolution as and when necessary;

RESOLVED FURTHER THAT, in the opinion of the Board, the said Scheme of Amalgamation of the Company with Indo Rama Synthetics (India) Limited, being advantageous and beneficial to the shareholders, creditors of the Company, be and is hereby approved;

RESOLVED FURTHER THAT the Board of Directors of the Company or any person authorised for the purpose by the Board be and are hereby authorised to do all such acts, deeds, matters and things as are considered requisite or necessary to effectively implement the said Scheme and to make and/or accept such modifications and/or conditions, if any, which may be required and/or imposed by the Hon'ble High Court and/or the concerned authority while sanctioning the said Scheme;

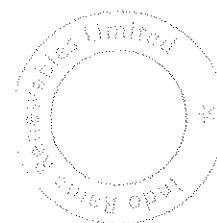
RESOLVED FURTHER THAT all acts, deeds, matters and things done by the authorized signatories/ representatives for the aforementioned purpose shall have the same effect as if done by the Board of Directors of the Company."

Certified to be true
for **Indo Rama Renewables Limited**



Vikas Sehgal
Director (DIN 07529393)
Address: Plot No. 09A, House No. 202,
Kunj Bihari CGHS Society
Divine Grace Apartments,
Sector-47, Gurgaon-122001

Place: Gurgaon
Date: 31st August 2016



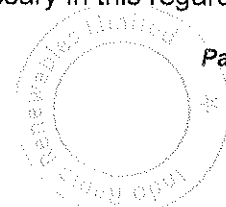
CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE 7TH MEETING OF THE BOARD OF DIRECTORS OF INDO RAMA RENEWABLES RAMGARH LIMITED, CIN U40300HR2012PLC046070, HELD ON WEDNESDAY, 31ST AUGUST 2016, COMMENCED AT 10:00 AM AND CONCLUDED AT 10:25 AM, AT 20TH FLOOR, DLF SQUARE, DLF PHASE-II, NH-8, GURGAON-122 002, HARYANA.

"RESOLVED THAT subject to the applicable provisions of the Companies Act, 1956, and corresponding provisions of companies Act, 2013 upon their notification and enabling provisions in the Memorandum and Articles of Association of the Company and subject to the consent of members and creditors of the Company and approval of the Hon'ble High Court of judicature at Bombay (hereinafter referred to as "the High Court") or the National Company Law Tribunal or any other relevant authority empowered to approve the Scheme of Amalgamation and such other requisite and other approvals, consents, permissions and/or sanctions of any appropriate authority, body or institution (hereinafter collectively referred to as "the concerned authority") and subject to such conditions or guidelines, if any, as may be prescribed, imposed, stipulated in this regard by the Hon'ble High Court or the concerned authority or any of them, from time to time, while granting such approvals, consents, permissions and/or sanctions, the Company be amalgamated with Indo Rama Synthetics (India) Limited a Company incorporated in India having its Registered Office at A-31, MIDC Industrial Area, Butibori, Nagpur-441122. Maharashtra;

RESOLVED FURTHER THAT the Draft Scheme of Amalgamation submitted to this meeting and initialed by the Chairman for purposes of identification, be and is hereby, approved, and Mr. Rajendra Kumar Gupta (DIN 07529751), Mr. Vikas Sehgal (DIN 07529393), Directors and Mr. Jayantk Sood, Mr. B. S. Rana, Authorised Signatories of the Company be and are hereby severally authorized to make such alteration and changes therein as may be expedient or necessary for satisfying the requirement or condition imposed by the Hon'ble High Court provided that prior approval of the Board shall be obtained for making any material changes in the said draft Scheme of Amalgamation as approved in this meeting;

RESOLVED FURTHER THAT Mr. Rajendra Kumar Gupta (DIN 07529751), Mr. Vikas Sehgal (DIN 07529393), Directors and Mr. Jayantk Sood, Mr. B. S. Rana, Authorised Signatories of the Company be and are hereby severally authorized:

- a) to make, prepare, sign and file applications, petitions, affidavits and such other documents as may be necessary with the Hon'ble High Court; to obtain waiver/directions for holding meetings of the members and the creditors of the Company and to sign and issue public advertisements and notices in connection with the said Scheme;
- b) to make any amendment(s), alteration(s) and modification(s) in the said Scheme as may be suggested by the members, creditors and/or by the Hon'ble High Court or the concerned authority;
- c) to engage, hire, appoint and remove one or more counsel/advocate/pleader to represent and act on behalf of the Company in the proceedings before the Hon'ble High Court and/or the concerned authority in any matter related to the said Scheme;
- d) to affix the Common seal of the Company, in accordance with Articles of Association of the Company, on such documents and papers as may be necessary in this regard;



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INDO RAMA RENEWABLES RAMGARH LIMITED

Regd. Office : 20th Floor, DLF Square, DLF Phase-2, NH-8, Gurgaon - 122002, Haryana, India.

Tel : 0124-4997000, Fax : 0124-4997070

CIN : U40300HR2012PLC046070

- e) to do such things and to take such steps as may be necessary for getting the said Scheme approved by the members, creditors and sanctioned by the Hon'ble High Court and/or the concerned authority;
- f) to do all such things and to take all such steps as may be necessary for the purpose of ensuring compliance with the directions that may be given by Hon'ble High Court and/or the concerned authority; and
- g) to furnish certified true copies of this resolution as and when necessary;

RESOLVED FURTHER THAT, in the opinion of the Board, the said Scheme of Amalgamation of the Company with Indo Rama Synthetics (India) Limited, being advantageous and beneficial to the shareholders, creditors of the Company, be and is hereby approved;

RESOLVED FURTHER THAT the Board of Directors of the Company or any person authorised for the purpose by the Board be and are hereby authorised to do all such acts, deeds, matters and things as are considered requisite or necessary to effectively implement the said Scheme and to make and/or accept such modifications and/or conditions, if any, which may be required and/or imposed by the Hon'ble High Court and/or the concerned authority while sanctioning the said Scheme;

RESOLVED FURTHER THAT all acts, deeds, matters and things done by the authorized signatories/ representatives for the aforementioned purpose shall have the same effect as if done by the Board of Directors of the Company."

Certified to be true
for Indo Rama Renewables Ramgarh Limited



Vikas Sehgal
Director (DIN 07529393)

Address: Plot No. 09A, House No. 202,
Kunj Bihari CGHS Society
Divine Grace Apartments,
Sector-47, Gurgaon-122001

Place: Gurgaon
Date: 31st August 2016



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE 7TH MEETING OF THE BOARD OF DIRECTORS OF INDO RAMA RENEWABLES PORBANDAR LTD., CIN U40102HR2012PLC046056, HELD ON WEDNESDAY, 31ST AUGUST 2016, COMMENCED AT 10:30 AM AND CONCLUDED AT 10:55 AM, AT 20TH FLOOR, DLF SQUARE, DLF PHASE-II, NH-8, GURGAON-122 002, HARYANA.

"RESOLVED THAT subject to the applicable provisions of the Companies Act, 1956, and corresponding provisions of companies Act, 2013 upon their notification and enabling provisions in the Memorandum and Articles of Association of the Company and subject to the consent of members and creditors of the Company and approval of the Hon'ble High Court of judicature at Bombay (hereinafter referred to as "the High Court") or the National Company Law Tribunal or any other relevant authority empowered to approve the Scheme of Amalgamation and such other requisite and other approvals, consents, permissions and/or sanctions of any appropriate authority, body or institution (hereinafter collectively referred to as "the concerned authority") and subject to such conditions or guidelines, if any, as may be prescribed, imposed, stipulated in this regard by the Hon'ble High Court or the concerned authority or any of them, from time to time, while granting such approvals, consents, permissions and/or sanctions, the Company be amalgamated with Indo Rama Synthetics (India) Limited a Company incorporated in India having its Registered Office at A-31, MIDC Industrial Area, Butibori, Nagpur-441122, Maharashtra;

RESOLVED FURTHER THAT the Draft Scheme of Amalgamation submitted to this meeting and initialed by the Chairman for purposes of identification, be and is hereby, approved, and Mr. Rajendra Kumar Gupta (DIN 07529751), Mr. Vikas Sehgal (DIN 07529393), Directors and Mr. Jayantk Sood, Mr. B. S. Rana, Authorised Signatories of the Company be and are hereby severally authorized to make such alteration and changes therein as may be expedient or necessary for satisfying the requirement or condition imposed by the Hon'ble High Court provided that prior approval of the Board shall be obtained for making any material changes in the said draft Scheme of Amalgamation as approved in this meeting;

RESOLVED FURTHER THAT Mr. Rajendra Kumar Gupta (DIN 07529751), Mr. Vikas Sehgal (DIN 07529393), Directors and Mr. Jayantk Sood, Mr. B. S. Rana, Authorised Signatories of the Company be and are hereby severally authorized:

- a) to make, prepare, sign and file applications, petitions, affidavits and such other documents as may be necessary with the Hon'ble High Court; to obtain waiver/directions for holding meetings of the members and the creditors of the Company and to sign and issue public advertisements and notices in connection with the said Scheme;
- b) to make any amendment(s), alteration(s) and modification(s) in the said Scheme as may be suggested by the members, creditors and/or by the Hon'ble High Court or the concerned authority;
- c) to engage, hire, appoint and remove one or more counsel/advocate/pleader to represent and act on behalf of the Company in the proceedings before the Hon'ble High Court and/or the concerned authority in any matter related to the said Scheme;
- d) to affix the Common seal of the Company, in accordance with Articles of Association of the Company, on such documents and papers as may be necessary in this regard;



Page 1 of 2

- e) to do such things and to take such steps as may be necessary for getting the said Scheme approved by the members, creditors and sanctioned by the Hon'ble High Court and/or the concerned authority;
- f) to do all such things and to take all such steps as may be necessary for the purpose of ensuring compliance with the directions that may be given by Hon'ble High Court and/or the concerned authority; and
- g) to furnish certified true copies of this resolution as and when necessary;

RESOLVED FURTHER THAT, in the opinion of the Board, the said Scheme of Amalgamation of the Company with Indo Rama Synthetics (India) Limited, being advantageous and beneficial to the shareholders, creditors of the Company, be and is hereby approved;

RESOLVED FURTHER THAT the Board of Directors of the Company or any person authorised for the purpose by the Board be and are hereby authorised to do all such acts, deeds, matters and things as are considered requisite or necessary to effectively implement the said Scheme and to make and/or accept such modifications and/or conditions, if any, which may be required and/or imposed by the Hon'ble High Court and/or the concerned authority while sanctioning the said Scheme;

RESOLVED FURTHER THAT all acts, deeds, matters and things done by the authorized signatories/ representatives for the aforementioned purpose shall have the same effect as if done by the Board of Directors of the Company."

Certified to be true
for **Indo Rama Renewables Porbandar Limited**



Vikas Sehgal
Director (DIN 07529393)

Address: Plot No. 09A, House No. 202,
Kunj Bihari CGHS Society
Divine Grace Apartments,
Sector-47, Gurgaon-122001

Place: Gurgaon
Date: 31st August 2016



SCHEME OF AMALGAMATION

OF

INDO RAMA RENEWABLES LIMITED
(The Transferor / Applicant Company No. 1)

AND

INDO RAMA RENEWABLESRAMGARH LIMITED
(The Transferor / Applicant Company No. 2)

AND

INDO RAMA RENEWABLES PORBANDAR LIMITED
(The Transferor / Applicant Company No. 3)

WITH

INDO RAMA SYNTHETICS (INDIA) LIMITED
(The Transferee / Applicant Company)

AND

THEIR RESPECTIVE CREDITORS AND SHAREHOLDERS
UNDER

Sections 391 & 394 of the Companies Act, 1956

PREAMBLE

(A) BACKGROUND AND DESCRIPTION OF COMPANIES

1. **INDO RAMA RENEWABLES LIMITED** (hereinafter referred to as “the Transferor / Applicant Company No. 1”) is a Company incorporated under the provisions of the Companies Act, 1956 on May 03, 2012 vide CIN U40106HR2012PLC045840 and is presently having its registered office at 31-A, MIDC Industrial Area, Butibori-441122. The Transferor / Applicant Company No. 1 is engaged

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in the business of exploration, generation, development, transmission, distribution, supply, accumulation, utilisation, consumption, employment and conservation of power and any other source, type and form of conventional, non-conventional, renewable and alternate energy specifically from fuel cells, coal, gas, lignite, oil, bio-mass, waste, thermal, solar, hydel, geo-hydel, wind and tidal waves and all other renewable resources.

2. INDO RAMA RENEWABLES RAMGARH LIMITED

(hereinafter referred to as “the Transferor / Applicant Company No. 2”) is a company incorporated under the provisions of the Companies Act, 1956 on May 25, 2012 vide CIN U40300HR2012PLC046070 and is presently having its registered office at 31-A, MIDC Industrial Area, Butibori-441122. The Transferor / Applicant Company No. 2 is engaged in the business of exploration, generation, development, transmission, distribution, supply, accumulation, utilisation, consumption, employment and conservation of power and any other source, type and form of conventional, non-conventional, renewable and alternate energy specifically from fuel cells, coal, gas, lignite, oil, bio-mass, waste, thermal, solar, hydel, geo-hydel, wind and tidal waves and all other renewable resources.

3. INDO RAMA RENEWABLES PORBANDAR LIMITED

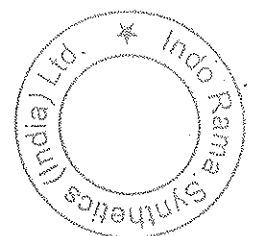
(hereinafter referred to as “the Transferor/ Applicant Company No. 3”) is a Company incorporated under the provisions of the Companies Act, 1956 on May 23, 2012 vide CINU40102HR2012PLC046056and is presently having its registered office at 31-A, MIDC Industrial Area, Butibori-441122. The Transferor / Applicant Company No. 3 is engaged in the business of exploration, generation, development, transmission, distribution, supply, accumulation, utilisation,



consumption, employment and conservation of power and any other source, type and form of conventional, non-conventional, renewable and alternate energy specifically from fuel cells, coal, gas, lignite, oil, bio-mass, waste, thermal, solar, hydel, geo-hydel, wind and tidal waves and all other renewable resources.

4. INDO RAMA SYNTHETICS (INDIA) LIMITED

(hereinafter referred to as "the Transferee/ Applicant Company No. 4") is a Company incorporated under the provisions of the Companies Act, 1956 on April 28, 1986 vide CIN L17124MH1986PLC166615 and presently having its registered office at 31-A, MIDC Industrial Area, Butibori-441122. The Transferee / Applicant Company is engaged in the business of ginning, pressing, spinning, weaving, doubling, texturising, processing or manufacturing and dealing in cotton, jute, flax, hemp, silk, artificial silk, wool, rayon, nylon, polyester, acrylic, acetate, viscose staple fibres and any other kinds of fibrous material, whether natural or synthetic or chemical or manmade and products thereof (including wastes realised there from), linen manufacturers, wool combers, worsted spinners, worsted stuff manufacturers, manufacturers of yarn, linen, cloth and other goods and fabrics, whether textile, felted, netted, looped, woven, non-woven or otherwise fabricated or made and manufacturers of garments and dresses, bleachers and dyers and makers of vitriol, bleaching and dyeing materials and other chemicals; and the business of buyers and sellers, exporters and importers of and dealers in cotton, kapas, jute, flax, hemp, silk, artificial silk, wool, staple, rayon, polyester, acrylic, acetate, nylon and any other kinds of fibrous, synthetic and chemical substances and products, yarn, cloth or other products manufactured for or from any of the above substances and also to carry on the business of curing, preparing, colouring, dyeing,



bleaching, printing or otherwise processing any yarn, cloth, fibre or other materials, goods or products related thereto.

(B) OBJECTS AND RATIONALE FOR THE PROPOSED SCHEME:

The Transferor/ Applicant Company No. 2 and the Transferor/ Applicant Company No. 3 are wholly-own subsidiaries of the Transferor/ Applicant Company No. 1 and the Transferor/ Applicant Company No. 1 is wholly-own subsidiary of the Transferee/ Applicant Company.

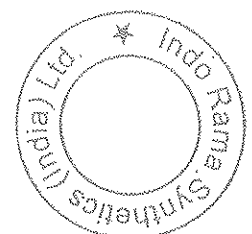
The objects / activities of the Transferor / Applicant Companies and Transferee / Applicant Company are similar / identical in nature therefore in order to synergize the operations and to achieve the following benefits, this Scheme of Amalgamation is presented:

- a. Greater efficiency in resource management, cost savings resulting from rationalization, standardization and simplification of business processes.
- b. Improved organizational capability arising from pooling of financial, managerial and technical resources.
- c. Re-aligning the business operations as part of overall business reorganization plan.
- d. Avoiding un-necessary duplication of costs of administration, distribution, selling and marketing costs.
- e. Maximize the overall shareholders value by strengthening its core competencies.

(C) PARTS OF THE SCHEME:

This Scheme is divided into the following parts:

1. **PART I** – This part deals with the Definitions and Share Capital;
2. **PART II** – This part provides for merger of INDO RAMA RENEWABLES LIMITED (The Transferor / Applicant Company



No.1), INDO RAMA RENEWABLES RAMGARHLIMITED (The Transferor / Applicant Company No. 2) AND INDO RAMA RENEWABLESPORBANDAR LIMITED (The Transferor / Applicant Company No. 3) with INDO RAMA SYNTHETICS (INDIA)LIMITED (The Transferee / Applicant Company);

3. **PART III** – This part deals with General Terms and Conditions applicable to this Scheme.

(D) The amalgamation of the Transferor/ Applicant Company No. 1,the Transferor / Applicant Company No. 2 and the Transferor / Applicant Company No. 3with the Transferee / Applicant Company, pursuant to and in accordance with the Scheme, shall be operational with effect from the Appointed Date and shall be in accordance with Section 2 (1B) of the Income Tax Act, 1961.

PART I DEFINITIONS

1.1 DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:

- a) **“The Act”** means the Companies Act, 1956, or any statutory amendment and/or re-enactment thereof and includes the Companies Act, 2013 to the extent applicable.
- b) **“The Appointed Date”** means April 1, 2016or such other date as may be directed by the Hon’ble Nagpur Bench of High Court of Bombay/ Hon’ble High Court of Bombay or any other competent authority.
- c) **“Board of Directors”** in relation to the Transferor Companies and Transferee Company, as the case may be, shall unless it is repugnant to the context or otherwise, include the committee of directors or any

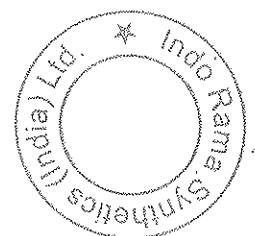
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person authorized by the Board of Directors or such committee of directors.

- d) **“The Effective Date”** in relation to the scheme, means the last of the dates on which certified copy of the order of the Hon’ble Nagpur Bench of High Court of Bombay/ Hon’ble High Court of Bombay under section 394 of the Act is filed with the Registrar of Companies, Mumbai.
- e) **“This Scheme” or “the Scheme”** means the present Scheme of Amalgamation framed under the provisions of Section 391 to Section 394 of the Act and other applicable provisions, if any, as approved by the respective Board of Directors of the Transferor Companies and the Transferee Company where under the Transferor Companies are proposed to be amalgamated with the Transferee Company in the present form or with any modification(s) approved or imposed or directed by Members/Creditors of the respective Companies and/or by the the Hon’ble Nagpur Bench of High Court of Bombay/ Hon’ble High Court of Bombay and/ or by any competent authority.
- f) **“The Transferor / Applicant Company No. 1”** means **INDO RAMA RENEWABLES LIMITED**, is as defined in Preamble Clause (A) 1 above.
- g) **“The Transferor / Applicant Company No. 2”** means **INDO RAMA RENEWABLES RAMGARH LIMITED**, is as defined in Preamble Clause (A) 2 above.
- h) **“The Transferor / Applicant Company No. 3”** means **INDO RAMA RENEWABLES PORBANDAR LIMITED**, is as defined in Preamble Clause (A) 3 above.

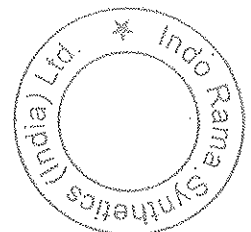
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- i) **“Transferor Companies”** means Transferor / Applicant Company No. 1 Transferor / Applicant Company No. 2 and Transferor / Applicant Company No. 3, when collectively referred to.
- j) **“The Transferee / Applicant Company”** or **“The Transferee Company”** means **INDO RAMA SYNTHETICS (INDIA) LIMITED**, is as defined in Preamble Clause (A) 4 above.
- k) **“High Court”** or **“the Court”** means the Hon’ble Nagpur Bench of High Court of Bombay/ Hon’ble High Court of Bombay and shall include the National Company Law Tribunal or such other forum or authority, as may be vested with any powers of High Court of Bombay.
- l) **“Law”** or **“Applicable Law”** includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, tribunal, board, court of India or any other country or jurisdiction as applicable.
- m) **“ROC”** or **“Registrar of Companies”** means Registrar of Companies, Mumbai.
- n) **“Undertaking”** in relation to the Transferor Companies, shall mean the entire business of the Transferor Company No. 1, Transferor Company No. 2 and Transferor Company No. 3 on a going concern basis.
- o) **“IT Act”** means the Income Tax Act, 1961, as amended.

All terms and words which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning prescribed to them under the Act and other Applicable Laws (as defined above), rules, regulations,

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bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

1.2 SHARE CAPITAL

a. INDO RAMA RENEWABLESLIMITED:- TRANSFEROR / APPLICANT COMPANY NO. 1

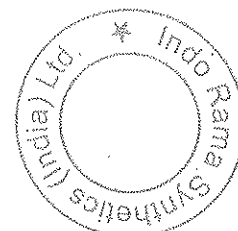
As on March 31, 2016	
Particulars	Amount in Rs.
<u>Authorised Capital</u>	
50,000,000 equity shares of Rs.10/- each	500,000,000
<u>Issued, Subscribed and paid-up Capital</u>	
39,843,683 shares of Rs.10/- each	398,436,830

There has been no change in Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor / Applicant Company No.1 subsequent to March 31, 2016.

b. INDO RAMA RENEWABLES RAMGARH LIMITED:- TRANSFEROR / APPLICANT COMPANY NO. 2

As on March 31, 2016	
Particulars	Amount in Rs.
<u>Authorised Capital</u>	
50,000 equity shares of Rs. 10/- each	500,000
<u>Issued, Subscribed and paid-up Capital</u>	
50,000 equity shares of Rs. 10/- each	500,000

There has been no change in Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor / Applicant Company No.1 subsequent to March 31, 2016.



c. **INDO RAMA RENEWABLES PORBANDARLIMITED:-
TRANSFEROR / APPLICANT COMPANY NO.3**

As on March 31, 2016	
Particulars	Amount in Rs.
<u>Authorised Capital</u>	
50,000 equity shares of Rs. 10/- each	500,000
<u>Issued, Subscribed and paid-up Capital</u>	
50,000 equity shares of Rs. 10/- each.	500,000

There has been no change in Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor / Applicant Company No.1 subsequent to March 31, 2016.

d. **INDO RAMA SYNTHETICS (INDIA)LIMITED:-
TRANSFeree / APPLICANT COMPANY**

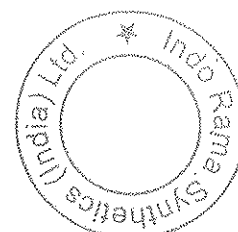
As on March 31, 2016	
Particulars	Amount in Rs.
<u>Authorised Capital</u>	
185,000,000 equity shares of Rs. 10/- each	1,850,000,000
<u>Issued, subscribed and paid-up</u>	
151,822,242 equity shares of Rs. 10/- each.	1,518,222,420

There has been no change in Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferee / Applicant Company subsequent to March 31, 2016.

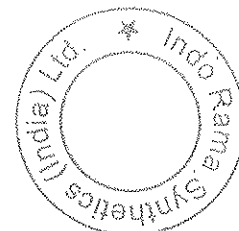
PART II

2. **TRANSFER AND VESTING OF UNDERTAKING**

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- a. Upon this Scheme becoming effective and with effect from the Appointed Date i.e. April 1, 2016, all properties, assets, liabilities and Undertaking(s) of the Transferor Companies shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company under the provisions of Section 391 to 394 and all other applicable provisions, if any, of the Act and also in accordance with section 2(1B) of the Income-Tax Act, 1961, without any further deed or act.
- b. With effect from the commencement of business on the Appointed Date and subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, all the undertaking and entire business and all properties whether moveable or immovable or tangible or intangible where ever situated and also all other assets, capital, work-in-progress, current assets, movable assets, all investments in India or out of India, if any, powers, authorities, allotments, approvals and consents, licenses, registrations, contracts, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favour of or enjoyed by the Transferor Companies, including but without being limited to all licenses, liberties, easements, advantages, benefits, privileges, leases, tenancy rights, ownership, intellectual property rights including trademarks, brands, copy rights, patents, quota rights, subsidies, capital subsidies, concessions, exemptions, sales tax exemptions, approvals, clearances, environmental clearances, authorizations, certification, quality certification, utilities, electricity connections, electronics and computer link ups, services of all types, reserves, provisions, funds, benefit of all agreements and all other interests arising to the Transferor Companies (hereinafter collectively referred to as "the said assets") shall, without any further act or deed or without payment of



any duty or other charges, be transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act, for all the estate, right, title and interest of the Transferor Companies therein so as to become the property of the Transferee Company.

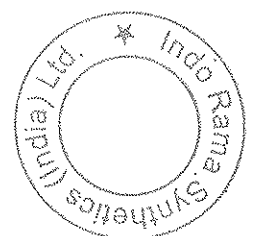
- c. Notwithstanding what is provided herein above, it is expressly provided that in respect to such of the said assets as are movable in nature or are otherwise capable of being transferred by physical delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Companies to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any further order of the Court or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the property of the Transferee Company accordingly.
- d. On and from the Appointed Date, all liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description of the Transferor Companies whether provided for or not in the books of accounts of the Transferor Companies shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date and shall be the liabilities, provisions, duties and obligations of the Transferee Company.
- e. The assets/undertaking of the Transferor Companies, acquired by the Transferor Companies after the Appointed Date but prior to the Effective Date, shall also without any further act, instrument or deed stand transferred to or be deemed to have been transferred to the Transferee Company upon the Scheme coming into effect.

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- f. For avoidance of doubt, upon the Scheme coming into effect, all the rights, title, interest and claims of the Transferor Companies in any leasehold properties, including all the leases, of the Transferor Companies shall, pursuant to Section 394(2) of the Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and it shall be presumed that the same were executed by the Transferee Company.
- g. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme coming into effect, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Companies shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications to any Government Authority as may be necessary in this behalf.
- h. To the extent there are inter-corporate loans, debentures/ debts and claims, (including, amounts receivable, if any, by the Transferor Companies from the Transferee Company or vice versa), the obligations in respect thereof shall come to an end on the Scheme coming into effect and a corresponding suitable effect shall be given in the books of accounts and records of the Transferee Company and if required, the reduction/cancellation of such loans, debts and claims (including, receivables) shall be reflected in the books of accounts and records of the Transferee Company. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of such inter-corporate

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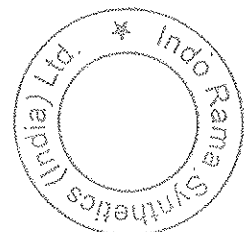


loans or debts (including receivables) balances between the Transferee Company on the one hand and the Transferor Companies on the other hand.

- i. With effect from the Appointed Date, and subject to the provisions of this Scheme, all debts, liabilities, guarantees, indemnities, contingent liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the financial statements of the Transferor Companies shall also stand transferred or deemed to have been transferred without any further act, instrument or deed to the Transferee Company, pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, so as to become as and from the Appointed Date, the debts, liabilities, guarantees, indemnities, contingent liabilities, duties and obligations of the Transferee Company without any consent of any third party or other person who is a party to the contract or arrangements by virtue of which such liabilities have arisen, in order to give effect to the provisions of this Clause.
- j. The transfer and vesting of the Undertaking shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting over or in respect of the property and assets or any part thereof of the Transferor Companies.

Provided that all the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date and created by the Transferor Companies after the Appointed Date, over the assets or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such securities, mortgages, charges, encumbrances or liens secure or relate to Liabilities of the Transferor Companies, the same shall, after the amalgamation effective date, continue to relate and attach to such assets or any part thereof to

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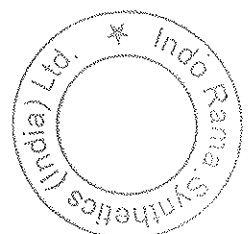


which they are related or attached prior to the amalgamation effective date and as are transferred to the Transferee Company, and such securities, mortgages, charges, encumbrances or liens shall not relate or attach to any of the other assets of the Transferee Company.

Provided further that all the securities, mortgages, charges, encumbrances or liens, if any, over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the amalgamation effective date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Companies transferred to and vested in the Transferee Company by virtue of this Scheme.

- k. All the loans, advances and other facilities sanctioned to the Transferor Companies by their bankers and financial institutions prior to the Appointed Date, which are partly drawn or utilized shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn and utilized either partly or fully by the Transferor Companies from the Appointed Date till the Effective Date and all the loans, advances and other facilities so drawn by the Transferor Companies (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to the Transferee Company and all the obligations of the Transferor Companies under any loan agreement shall be construed and shall become the obligation of the Transferee Company without any further act or deed on the part of the Transferee Company.
- l. Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise their respective financial statements and returns along with prescribed forms, filings and annexure under the relevant labour laws, Income tax, sales tax including value added tax,

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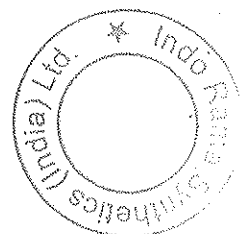
service tax and other tax laws, and to claim refunds and/or credits for dues and/or taxes paid.

- m. The Transferee Company shall be entitled to file/revise its income tax returns and other statutory returns of its own or the Transferor Company, if required, and shall have the right to claim refunds, advance tax credits, etc, if any, as may be required consequent to implementation of this Scheme.
- n. All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Companies pending and/or arising at the Appointed Date and relating to the Transferor Companies shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies, as the case maybe.

The aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme.

- o. Any tax liabilities under the Income Tax Act, 1961 or other applicable laws or regulations dealing with taxes (whether in the form of duties, cesses, fees, levies or by whatever name called) allocable or related to the business of the Transferor Companies to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for such taxes (including advance tax and tax deducted at source) as on the date

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immediately preceding the Appointed Date shall also be transferred to the account of the Transferee Company.

- p. Any refund under the Income Tax Act, 1961 or other applicable laws or regulations dealing with taxes allocable or related to the business of the Transferor Companies and due to the Transferor Companies consequent to the assessment made on the Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- q. All taxes (including income tax, minimum alternate tax, service tax, sales tax) paid or payable by the Transferor Companies on or before the Appointed Date shall be on account of the Transferor Companies, and in so far as it relates to the payment of taxes after the Appointed Date, such taxes shall be deemed to be the corresponding tax paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- r. All taxes, benefits of any nature, duties, cesses or any other like payments or deductions available to Transferor Companies under Income Tax, Sales tax, Service tax etc. or any tax deduction / collection at source, tax credits, benefits of CENVAT credits, benefits of input credits relating to the period after the Appointed Date up to the Effective date shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the order on this Scheme by the High Court or court upon relevant proof and documents being provided to the said authorities.

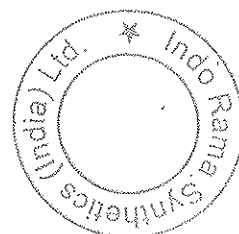
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3. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- a. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature, to which the Transferor Companies is the party, subsisting or having effect immediately before or after the Effective date, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually, as if instead of the Transferor Companies, the Transferee Company had been a party thereto.
- b. The transfer of the said assets and liabilities of the Transferor Companies to the Transferee Company and the continuance of all the contracts or legal proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said assets or the liabilities already concluded by the Transferor Companies on or after the Appointed Date.
- c. The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Companies or in favour of any other party to any contract or arrangement to which the Transferor Companies is the party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to implement and carry out all such formalities or compliance referred to above on the part/benefit of the Transferor Companies to be carried out or performed.
- d. Any inter se contracts between the Transferor Companies and the Transferee Company shall stand adjusted and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme

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becoming effective. Transaction(s), if any, between the Transferor Companies and Transferee Company after the appointed date and until the effective date will be squared off in the books of accounts of the Transferee Company upon the Scheme becoming effective.

4. LEGAL PROCEEDINGS

All legal proceedings of whatever nature by or against the Transferor Companies pending on the Effective Date, shall not be abated, be discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertaking of the Transferor Companies or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent, as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if the Scheme had not been made.

5. OPERATIVE/EFFECTIVE DATE OF THE SCHEME

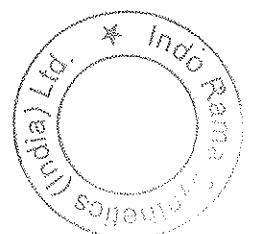
This Scheme, though operative from the Appointed Date, shall be effective from the last of the dates on which certified copy of order under Section 391 and Section 394 of the Act of the Court are filed with the office of the Registrar of Companies, Mumbai.

6. DISSOLUTION OF TRANSFEROR COMPANIES

On this Scheme, becoming effective as provided in Clause 5 above, the Transferor Companies shall stand dissolved without winding up.

7. STAFF, WORKMEN AND EMPLOYEES OF TRANSFEROR COMPANIES

- a. All the employees of the Transferor Companies in service, if any, on the date immediately preceding the date on which the Scheme takes effect, i.e., the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in



service and upon terms and conditions not less favorable than those subsisting in the concerned Transferor Companies on the said date.

- b. Provident Fund, Gratuity Fund, Superannuation Fund and any other special fund or trusts created or existing for the benefit of the employees of the Transferor Companies, if any, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Companies for all purposes and intents, whatsoever, relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such funds. It is the intent that all the rights, duties, powers and obligations of the Transferor Companies in relation to such funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Companies will be treated as having been continued for the purpose of the aforesaid funds or provisions.

8. CONDUCT OF BUSINESS BY TRANSFEROR COMPANIES & TRANSFEE COMPANY

8.1 From the Appointed Date until the Effective Date, the Transferor Companies-

- a. Shall stand possessed of all its assets and properties in trust for the Transferee Company.
- b. Shall be deemed to have carried on business and activities for and on behalf of and for the benefit and on account of the Transferee Company. Any income or profit accruing to the Transferor Companies and all costs, charges and expenses or loss arising or incurring by the Transferor Companies on and from the Appointed Date shall, for all purposes and intents, be treated as the income, profits, costs, charges, expenses or loss, as the case may be, of the Transferee Company.

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8.2 Till such times, the names of the Bank accounts of the Transferor Companies would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the banks accounts of the Transferor Companies in the name of the Transferor Companies in so far as may be necessary.

8.3 Notwithstanding anything contained in sub-clause '8.1' and '8.2' above, the Transferor Companies as well as the Transferee Company shall be free to conduct their respective businesses and to take all steps in this regard.

9. CONSIDERATION

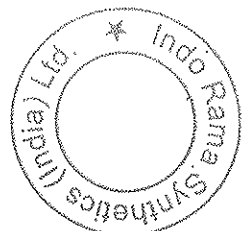
9.1 There will be no issue and allotment of shares by the Transferee Company in consideration of amalgamation of the Transferor Companies with the Transferee Company due to the following reasons-

- a. the entire share capital of the Transferor / Applicant Company No. 1 is held by the Transferee/ Applicant Company;
- b. the entire share capital of the Transferor / Applicant Company No. 2 is held by the Transferor / Applicant Company No. 1; and
- c. the entire share capital of the Transferor / Applicant Company No. 3 is held by the Transferor / Applicant Company No. 1;

9.2 The Transferee Company undertakes not to transfer any of the shares held by it of the Transferor / Applicant Company No. 1, the Transferor / Applicant Company No. 2 and the Transferor / Applicant Company No. 3 till the amalgamation is completed.

9.3 The Transferor / Applicant Company No. 1 the Transferor / Applicant Company No. 2 and the Transferor / Applicant Company No. 3

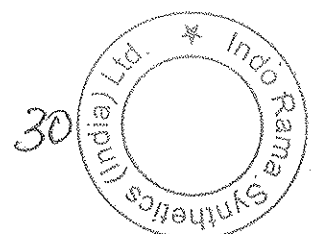
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undertake not to increase its share capital by issuing shares to any entity other than Transferee Company till amalgamation is completed.

10. UPON THIS SCHEME BECOMING EFFECTIVE

- a. Entire issued share capital of the Transferor Companies shall automatically stand cancelled.
- b. The share certificates representing the shares held by the Transferee/ Applicant Company in the Transferor / Applicant Company No. 1 and share certificates representing the shares held by the Transferor / Applicant Company No. 1 in the Transferor / Applicant Company No. 2 and the Transferor / Applicant Company No. 3 shall be deemed to be cancelled without any further application, act, instrument or deed for cancellation thereof by Transferee Company.
- c. The paid –up share capital of the Transferor / Applicant Company No. 2 and the Transferor / Applicant Company No. 3 held by the Transferor / Applicant Company No. 1 and the paid –up share capital the Transferor / Applicant Company No. 1 held by the Transferee Company and cross holding shareholding among the Transferor Companies would stand cancelled.
- d. The Authorized Share Capital of the Transferor Companies will get merged to form new Authorized Share Capital of the Transferee Company. Accordingly, the Authorised Share Capital of the Transferee Company shall stand increased to that extent without payment of any fees or charges to the Registrar of Companies and/or to any other government authority and the Memorandum of Association of the Transferee Company shall without any further act, instrument or deed be and stand altered, modified and amended pursuant to Sections 16, 31, 94 and 394 and other applicable provisions of the Act. Clause V of the Memorandum of Association of the Transferee Company shall read as under:



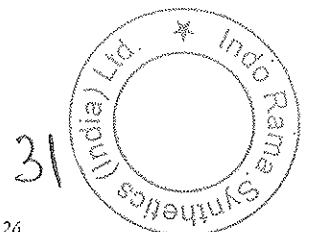
“The Authorised Share Capital of the Company is Rs. 2,351,000,000/- (Rupees Two Hundred Thirty Five Crore and Ten Lakh only) consisting of 235,100,000 (Twenty Three Crore and Fifty One Lakh) equity shares of Rs. 10 each.”

- e. The Transferee Company shall increase/modify its Authorised Share Capital for implementing the terms of the Scheme, to the extent necessary.
- f. On this Scheme becoming effective, the shareholders of the Transferee Company and the Transferor Companies shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme.

11. ACCOUNTING FOR AMALGAMATION

Upon the Scheme becoming effective and with effect from the appointed date, the Transferee Company shall account for amalgamation of the Transferor Companies in its books of accounts as per the applicable accounting principles prescribed under Indian Accounting Standard (Ind AS) 103 issued by the Institute of Chartered Accountants of India and notified by Ministry of Corporate Affairs read together with the Companies (Indian Accounting Standards) Rules, 2015. It would *inter-alia* includes the following-

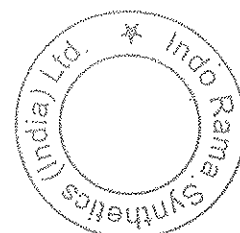
- a. All the assets and liabilities recorded in the books of the Transferor Companies shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at the respective book values as appearing in the books of the Transferor Companies, as on the Appointed Date.
- b. Inter-company balances, if any, will stand cancelled.



- c. The difference, being excess/deficit arising pursuant to the Scheme shall be accounting based on the Indian accounting principal prescribed under the Ind AS-103.
- d. All the reserves of the Transferor Companies under different heads shall become the corresponding reserves of the Transferee Company. The debit balance of the Profit & Loss Account of the Transferor/Transferee Companies will be adjusted/ offset against the credit balance of the Profit & Loss Account/General Reserve of the Transferor/Transferee Company.
- e. Accounting policies of the Transferor Companies will be harmonized with that of the Transferee Company following the amalgamation.
- f. If there is any difference in accounting policies of the Transferor Companies and that of the Transferee Company, the impact of the same till the appointed date will be quantified and same should be appropriately adjusted and reported in accordance with the applicable accounting rules and principles, so as to ensure that the financial statement of the Transferee Company reflects the financial position on the basis of consistent accounting policies.

12. VALIDITY OF EXISTING RESOLUTIONS, ETC.

- a. Upon the coming into effect of the Scheme, the resolutions of the Transferor Companies as are considered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company.
- b. If any such resolutions have any monetary limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company.



PART-III

13. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

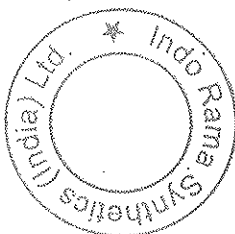
- a. The scheme being approved by the requisite majority in number and value of such classes of persons including the respective members and/or creditors of Transferee Company and Transferor Companies as may directed by the High Court.
- b. The sanction of the High Court under Section 391 to 394 of the said Act in favour of Transferee Company and Transferor Companies under the said provisions and to the necessary Order under Section 394 of the said Act being obtained.
- c. Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Mumbai by Transferee Company and Transferor Companies as may be applicable.

14. APPLICATION TO HIGH COURT

The Transferor Companies and Transferee Company hereto shall, make application under Section 391 to Section 394 of the Act to the Hon'ble High Court for sanctioning this Scheme and for dissolution of the Transferor Companies without winding up and other connected matters.

15. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- a. The Transferor Companies and the Transferee Company through their respective Board of Directors may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Hon'ble High Court and/or any authorities under the law may



deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.

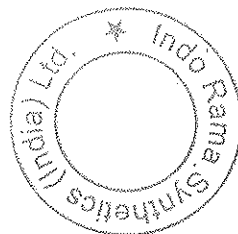
- b. In order to give effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Transferee Company may give and are authorised to give all such directions as may be necessary including directions for settling any question, doubt or difficulty whatsoever that may arise.
- c. In the event that any conditions are imposed by any competent authority or the Court which the Transferor Companies or the Transferee Company find un-acceptable for any reason whatsoever, then the Transferor Companies and/or the Transferee Company shall be entitled to withdraw the Scheme.

16. EFFECT OF NON – RECEIPT OF APPROVALS

In the event of this Scheme failing to take effect, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Transferor Companies and the Transferee Company or their shareholders or employees or any other person. The Transferor Companies and the Transferee Company shall bear and pay their respective costs, charges and expenses in connection with this Scheme.

17. COST CHARGES AND EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Transferor Companies and the Transferee Company incurred in relation to or in connection with this Scheme or incidental to the completion of the Amalgamation of the Transferor Companies with the Transferee Company in pursuance of



this Scheme, shall be borne and may be paid by the Transferee Company from its free reserves. This includes, but not limited to, legal and professional fees paid to Company Secretaries, Chartered Accountants, Advocates and other professionals, fees paid on issue of shares, registration fees, stamp paper charges etc. However, in the event of the Scheme becoming invalid for any reason whatsoever, all costs, charges and expenses relating to the amalgamation exercise or incidental thereto shall be borne proportionately by the Transferor Companies and the Transferee Company.

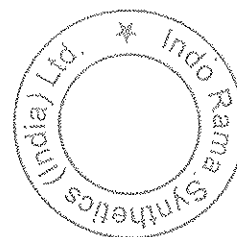
18. DIRECTORS OF THE TRANSFEROR COMPANIES

That the Directors of Transferor Companies shall cease to hold office as Directors thereof with effect from the Effective date.

19. SEVERABILITY

If any part of the Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Companies and the Transferee Company, affect the validity or implementation of the other parts/provisions of the scheme.

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Sanjay Batra & Co. Chartered Accountants

802, Bhim Nagar Chowk, New Railway Road, Gurgaon-122001, Cell: 9811230040

Independent Chartered Accountant Certificate

1. We, Chartered Accounts of Indo Rama Synthetics India Limited ("IRSL" or the "Company") have examined the proposed Draft Scheme of Amalgamation under Section 391 to 394 of the Companies Act, 1956 between the Company, having its registered office at A -31, MIDC Industrial Area, Butibori, Nagpur, Maharashtra 441122 and Indo Rama Renewables Ltd having its registered office at A -31, MIDC Industrial Area, Butibori, Nagpur, Maharashtra 441122 (IRRL), a wholly owned subsidiary of the Company and Indo Rama Renewables Ramgarh Ltd having its registered office at A -31, MIDC Industrial Area, Butibori, Nagpur, Maharashtra 441122 (IRRRL), a wholly owned step down subsidiary of the Company and Indo Rama Renewables Porbandar Ltd having its registered office at A -31, MIDC Industrial Area, Butibori, Nagpur, Maharashtra 441122 (IRRPL), a wholly owned step down subsidiary of the Company and their respective shareholders and creditors ("the Scheme") which has been approved by the Audit Committee and Board of Directors of Indo Rama Synthetics India Limited at its meeting held on 31st August 2016.
2. Based on our examination of Draft Scheme and according to information and explanation given to us, we note that the Draft Scheme entails the amalgamation of IRRPL, IRRRL, IRRL with parent IRSL.
3. We further note that as a result of the proposed amalgamation, the shares of IRRPL and IRRRL held by IRRL and shares of IRRL held by IRSL will stand cancelled, with no issuance of shares or payment of other consideration by IRSL. Since, the shareholders and shareholding pattern of IRSL remain same, it is treated as 'no change' in shareholding pattern and accordingly no valuation process is applicable to the transactions contemplated by the aforesaid scheme.
4. A certificate copy of the Draft Scheme duly authenticated on behalf of the Company and certified copy of the resolution of the Board of Directors of the company approving the Draft Scheme are attached as Annexure I and II, respectively, to this Certificate and are stamped by us only for the purpose of identification.
5. This Certificate is issued at the request of the Company in accordance with circular no CIR/CFD/CMD/16/2015 dated November 30,2015 read with regulation 11 and 37 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, for its onward submission to the Bombay Stock Exchange and National Stock Exchange of India Limited and should not be used for any other purpose or to be distributed to any other parties without our written consent.

**For Sanjay Batra & Co.
Chartered Accountants**

**(Sanjay Batra)
Prop.
M. No.092037**



Place : Gurgaon
Date : 31.08.2016

REPORT OF AUDIT COMMITTEE OF INDO RAMA SYNTHETICS (INDIA) LIMITED RECOMMENDING THE DRAFT SCHEME OF AMALAGAMATION BETWEEN INDO RAMA SYNTHETICS (INDIA) LIMITED (TRANSFEREE COMPANY), INDO RAMA RENEWABLES LIMITED (TRANSFEROR COMPANY NO. 1), INDO RAMA RENEWABLES RAMGARH LIMITED (TRANSFEROR COMPANY NO. 2), INDO RAMA RENEWABLES PORBANDAR LIMITED (TRANSFEROR COMPANY NO. 3) IN THEIR MEETING HELD ON WEDNESDAY, 31ST AUGUST 2016.

Members Present:

- | | | |
|------|---|--|
| i) | Mr. Ashok Kumar Ladha
(DIN 00089360) | - Independent Director
(Chairperson of Audit Committee) |
| ii) | Mr. Vishal Lohia
(DIN 00206458) | - Whole-time Director (Member) |
| iii) | Mr. Suman Jyoti Khaitan
(DIN 00023370) | - Independent Director (Member) |
| iv) | Ms. Ranjana Agarwal
(DIN 03340032) | - Independent Director (Member) |

In Attendance:

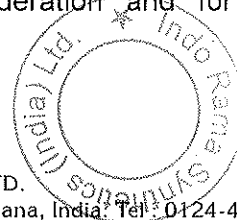
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|------|---|--------------------------------|
| i) | Mr. Om Prakash Lohia
(DIN 00206807) | - Chairman & Managing Director |
| ii) | Mr. Anant Kishore
(DIN 05262142) | - CEO |
| iii) | Mr. Sanjeev Aggarwal
(M. No. 089369) | - President & CFO |
| iv) | Mr. Mukul Dixit
(PAN: ACQPD2134C) | - President & Site Head |
| v) | Mr. Jayantk Sood
(M. No.: FCS 4482) | - Head-Corporate & CS |

Invitee:

- | | | |
|-----|-------------------------------------|----------------------|
| i) | Mr. Yogesh Gupta
(M. No. 093214) | - Internal Auditor |
| ii) | Mr. Tarun Gupta
(M. No. 095875) | - BSR and Associates |

1 Preamble and Background:

A draft Scheme of Amalgamation between Indo Rama Synthetics (India) Limited (**Transferee Company**), Indo Rama Renewables Limited (**Transferor Company No. 1**), Indo Rama Renewables Ramgarh Limited (**Transferor Company No. 2**), Indo Rama Renewables Porbandar Limited (**Transferor Company No. 3**) and their respective shareholders and creditors under Sections 391 to 394 of the Act (**'the Draft Scheme'**) was placed before the Audit Committee for consideration and for providing its recommendation on the Draft Scheme.



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INDO RAMA SYNTHETICS (INDIA) LTD.

Corporate Office : 20th Floor, DLF Square, DLF Phase-2, NH-8, Gurgaon - 122002, Haryana, India. Tel : 0124-4997000, Fax : 0124-4997070

Registered Office & Manufacturing Complex : A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, India. Tel : 07104-663000 / 01, Fax : 07104-663200

E-mail : corp@indorama-ind.com • Website : www.indoramaindia.com

CIN : L17124MH1986PLC166615

This report is made in order to comply with the requirements of Paragraph I.A.3(c) of Annexure 1 of Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 ('**SEBI Circular**') issued by Securities and Exchange Board of India ('**SEBI**') after taking into consideration, *inter alia*, the following-

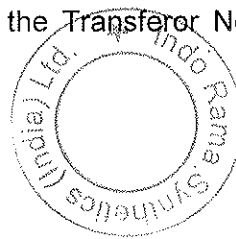
- i. Draft Scheme of Amalgamation;
- ii. Fairness Opinion Report dated 31st August 2016 issued by M/s Corporate Capital Ventures Pvt. Limited, SEBI Registration No. INM 000012276, a SEBI registered Category-I Merchant Banker;
- iii. Audited financial statement of Transferor Companies and Transferee Company as on 31st March 2016;

After detailed consideration of the aforesaid documents and discussion on the same, the Audit Committee, noted, amongst others, the aforesaid and gave its recommendation as given below in Paragraph 3 of this report.

2 Salient features of the Draft Scheme:

The following points, amongst others, were noted by the Audit Committee:

- a) Proposed Appointed date of April 01, 2016;
- b) Draft Scheme provides for the merger of Transferor Company No. 1, Transferor Company No. 2, Transferor Company No. 3 with Transferee Company with following benefits-
 - i. Greater efficiency in resource management, cost savings resulting from rationalization, standardization and simplification of business processes.
 - ii. Improved organizational capability arising from pooling of financial, managerial and technical resources.
 - iii. Re-aligning the business operations as part of overall business reorganization plan.
 - iv. Avoiding un-necessary duplication of costs of administration, distribution, selling and marketing costs.
 - v. Maximize the overall shareholders value by strengthening its core competencies.
- c) The Audit Committee took note of the fact that the Valuation Report is not applicable since the draft scheme provides for the following-
 - i. the entire share capital of the Transferor 1 is held by the Transferee Company;
 - ii. the entire share capital of the Transferor Company No. 2 is held by the Transferor Company No. 1; and
 - iii. the entire share capital of the Transferor No. 3 is held by the Transferor Company No. 1;



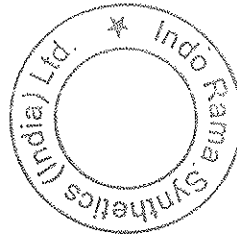
3 Recommendation of the Audit Committee

The Audit Committee, after perusal, deliberation and review of the draft Scheme, along with Fairness Opinion and other documents listed above including benefits as mentioned above finds that the transactions as listed in the draft Scheme, along with the appointed date given thereof to be in the interest of all the companies involved, their shareholders and other stakeholders. Accordingly, the Audit Committee approves proposed the draft Scheme and recommends the same to the Board of Directors of the Company, Securities and Exchange Board of India, the BSE Limited and the National Stock Exchange of India Limited for their favorable consideration.

**For and on behalf of Audit Committee of
Indo Rama Synthetics (India) Limited**

Place: Gurgaon
Date: 31st August 2016


(Chairman of Audit Committee)





Corporate Capital Ventures
(SEBI Registered Category I Merchant Bankers)

ANNEXURE NO: E.....

PRIVATE AND CONFIDENTIAL -
NOT FOR PUBLIC CIRCULATION #

To,

Board of Directors

INDO RAMA SYNTHETICS (INDIA) LIMITED

31-A, MIDC Industrial Area,

Butibori-441122

Dear Sirs,

Subject: Fairness Opinion on Valuation of Shares for the purpose of proposed Amalgamation of Indo Rama Renewables Limited, Indo Rama Renewables Ramgarh Limited and Indo Rama Renewables Porbandar Limited ("Amalgamating Company or Transferor Companies") with Indo Rama Synthetics (India) Limited ("Amalgamated Company or Transferee Company").

We, M/s Corporate Capital Ventures Private Limited (hereinafter referred to as 'CCV'), SEBI registered Merchant Bankers, having license no. INM000012276 have been approached by you to provide a fairness opinion on the valuation done by M/s Sanjay Batra & Co, Chartered Accountants, having their office at 802, Bhim Nagar Chowk, New Railway Road, Gurgaon-122001, who were the appointed valuers for the proposed Amalgamation of Indo Rama Renewables Limited, Indo Rama Renewables Ramgarh Limited and Indo Rama Renewables Porbandar Limited ("Amalgamating Company or Transferor Companies") with Indo Rama Synthetics (India) Limited ("Amalgamated Company or Transferee Company").

Since the Report on Valuation of Shares pursuant to the Scheme Of Amalgamation under Sections 391 – 394 of the Companies Act, 1956 between Indo Rama Renewables Limited, Indo Rama Renewables Ramgarh Limited and Indo Rama Renewables Porbandar Limited ("Amalgamating Company or Transferor Companies") with Indo Rama Synthetics (India) Limited ("Amalgamated Company or Transferee Company") and its Shareholders and Creditors (hereinafter referred as the "Scheme") is common

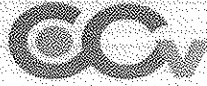
Page | 1 of 5

Corporate Capital Ventures Pvt. Ltd.

CIN: U74140DL2009PTC194687

150, IGF, Vinoba Park, Lajpat Nagar II, New Delhi-110 024

Tel: +91 11 4170 4066, Website: ccvindia.com, Email: ccvindiaa@gmail.com



for all the Companies, we deem it imperative to issue a consolidated fairness opinion in relation to the said report.

Scope and Purpose of Fairness Opinion

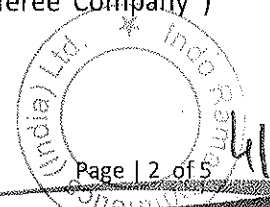
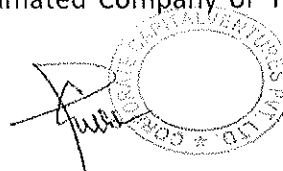
The Management of the Company in terms of the Engagement Letter, has requested Corporate Capital Ventures Private Limited, to submit an independent opinion to the Board of Directors and Audit Committee of the Company on the fairness of the valuation of share exchange ratio (the "Fairness Opinion") recommended by the Valuer. The scope of this Fairness Opinion includes commenting on the fairness of the valuation of share exchange ratio recommended by the Valuer and not on the fairness or economic rationale of the proposed scheme.

The purpose of this Fairness Opinion is to be submitted to the Stock Exchange by, the Company, in compliance with Regulation 11, Regulation 37 and Regulation 94 of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015. This opinion is restricted to meet the above mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

Sources of the Information

We have received the following information from the management of Amalgamating Company and Amalgamated Company:

1. Proposed Scheme of amalgamation under Sections 391 – 394 of the Companies Act, 1956 between Indo Rama Renewables Limited, Indo Rama Renewables Ramgarh Limited and Indo Rama Renewables Porbandar Limited ("Amalgamating Company or Transferor Companies") with Indo Rama Synthetics (India) Limited ("Amalgamated Company or Transferee Company") and its Shareholders and Creditors.





Corporate Capital Ventures

(SEBI Registered Category I Merchant Bankers)

PRIVATE AND CONFIDENTIAL -
NOT FOR PUBLIC CIRCULATION #

2. Report on Valuation of Shares by M/s Sanjay Batra & Co, Chartered Accountants, dated August 31, 2016.

Fairness Opinion

We in the capacity of SEBI registered Merchant Bankers do hereby certify that:

the opinion of M/s Sanjay Batra & Co, Chartered Accountants, that there would be **NO SHARE EXCHANGE RATIO**, as Indo Rama Renewable Limited, Indo Rama Renewable Ramgarh Limited and Indo Rama Renewable Porbandar Limited are wholly owned/step down subsidiaries of Indo Rama Synthetics (India) Limited and no equity shares will be issued and allotted by Transferee Company in lieu of the shares so cancelled;

ON THE BASIS OF THE AFORESAID JUSTIFICATION IS FAIR AND REASONABLE.

Disclaimer:

- I. Our scope of work did not include the following:-
 - An audit of the financial statements of any of the Companies discussed in this opinion.
 - Carrying out a market survey / financial feasibility for the Business of any of the Companies discussed in this opinion.
 - Financial and Legal due diligence of any of the Companies discussed in this opinion.
 - It may be noted that in carrying out our work we have relied on the integrity of the information provided to us for the purpose, and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.
 - We assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the management of the Company /valuer.

Page | 3 of 5



Corporate Capital Ventures

(SEBI Registered Category I Merchant Bankers)

PRIVATE AND CONFIDENTIAL -
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- We have not carried out any independent verification of the accuracy and completeness of all information as stated above. We have not reviewed any other documents other than those stated above.
- The opinion must not be made available or copied in whole or in part to any other person without our express written permission save and except for the limited purpose of this opinion.
- We understand that the management of the Company/ valuer during our discussions with them would have drawn our attention to all such information and matters, which may have impact on our opinion. In this opinion we have included all such information and matters as was received by us from management of the Company/valuer.
- The management of the Company or their related parties is prohibited from using this opinion other than for its sole limited purpose and not to make a copy of this opinion available to any party other than those required by statute for carrying out the limited purpose of this opinion. This opinion is not meant for meeting any other regulatory or disclosure requirements, save and except as specified as above, under any Indian or Foreign Law, Statute, Act, Guidelines or similar instructions. We would not be responsible for any litigation or other actual or threatened claims.
- In rendering the opinion, CCV has not provided legal, regulatory, tax, accounting, actuarial or investment advise and accordingly we do not assume any responsibility in respect thereof. Further we have assumed that the Scheme will be implemented on the terms and conditions as set out in the draft scheme without any material change to or waiver of its terms and conditions.
- We hereby declare that we do not have any direct or indirect interest in the Company/assets valued.
- The report is issued on the understanding that it is solely for the use of the person to whom it is addressed and for the purpose described above. We will not accept any liability or responsibility to any other person other than those to



Corporate Capital Ventures
(SEBI Registered Category I Merchant Bankers)

PRIVATE AND CONFIDENTIAL -
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whom it is addressed.

- In no event, will CCV, its Directors and employees be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this opinion.

Thanking You

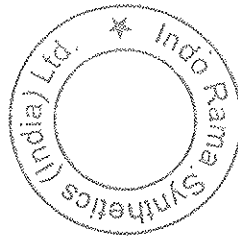
For **Corporate Capital Ventures Private Limited**

(KULBHUSHAN PARASHAR)

Director

Place: New Delhi

Date - August 31, 2016



Indo Rama Synthetics (India) Limited
Pre and Post Shareholding Pattern as on 31-Aug-16

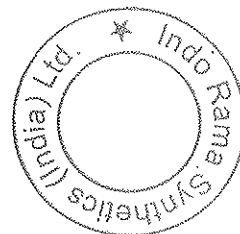
A) Promoters :		Pre		Post	
1 (a).	Indian Promoters :	No of Shares	%age	No of Shares	%age
	Mr. O.P. Lohia	37984000	25.02	37984000	25.02
	Mrs. Urmila Lohia	18184518	11.98	18184518	11.98
(b).	NRI Promoter :				
	M/s. Brookgrange Investments Ltd.	43288057	28.51	43288057	28.51
(c).	Relatives and Associates :				
	Mrs. Ritika Kumar	414796	0.27	414796	0.27
	Mr. Alope Lohia	99200	0.07	99200	0.07
	Mr. Vishal Lohia	1137896	0.75	1137896	0.75
	Ms. Aradhana Lohia	313256	0.21	313256	0.21
	Mrs. Rimple Lohia	239940	0.16	239940	0.16
	Mr. Yashovardhan Lohia	249888	0.16	249888	0.16
	Total Promoters Holding (A)	101911551	67.13	101911551	67.13
B)	Others :				
2 (a).	FIs & Banks				
	IFCI	2061866	1.36	2061866	1.36
	LIC	3005152	1.98	3005152	1.98
	United India Insurance Co. Ltd.	613536	0.40	613536	0.40
	The Oriental Insurance Company Limited	388162	0.26	388162	0.26
	Bank's	102471	0.07	102471	0.07
	Sub Total	6171187	4.06	6171187	4.06
(b).	Mutual Funds & FIs.				
	Mutual Fund (Others)	10556	0.01	10556	0.01
	FIs (Various Accounts)	14182942	9.34	14182942	9.34
	Sub Total	14193498	9.35	14193498	9.35
3	The Bank of New York – Depository for GDRs.	10290560	6.78	10290560	6.78
4	Public (including Domestic companies)	19255446	12.68	19255446	12.68
	Total Others (B)	49910691	32.87	49910691	32.87
	GRAND TOTAL (A+B)	151822242	100.00	151822242	100.00

for Indo Rama Synthetics (India) Limited



Jayantk Sood
Head-Corporate & Company Secretary
(ICSI Membership No.: FCS 4482)

Place: Gurgaon

Date: 31st August 2016

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INDO RAMA SYNTHETICS (INDIA) LTD.

Corporate Office : 20th Floor, DLF Square, DLF Phase-2, NH-8, Gurgaon - 122002, Haryana, India. Tel : 0124-4997000, Fax : 0124-4997070

Registered Office & Manufacturing Complex : A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, India. Tel : 07104-663000 / 01, Fax : 07104-663200

E-mail : corp@indorama-ind.com • Website : www.indoramaindia.com

CIN : L17124MH1986PLC166615

**SHAREHOLDING PATTERN OF INDO RAMA RENEWABLES LIMITED
AS ON 31ST AUGUST 2016 (PRE- AMALGAMATION)**


Sr. No.	Folio No.	Name and Address of Shareholders	No. of shares held	Nominal value	% of total paid-up capital
1	0001	Indo Rama Synthetics (India) Ltd. (IRSL) 20 th Floor, DLF Square, DLF Phase-II, NH-8, Gurgaon-122002	3,98,43,677	39,84,36,770	99.99
2	0002	Mr. Om Prakash Lohia (Nominee of IRSL) R-69, Greater Kailash, Part-I New Delhi-110 048	1	10	0.01
3	0003	Mr. Vishal Lohia (Nominee of IRSL) R-69, Greater Kailash, Part-I New Delhi-110 048	1	10	
4	0005	Mr. Anant Kishore (Nominee of IRSL) 7-A, Greenview Apartment, Sector-15A, Noida-201301	1	10	
5	0007	Mr. Jayant Sood (Nominee of IRSL) VW-93, SF, Malibu Town, Sohna Road, Gurgaon	1	10	
6	0008	Mr. B. S. Rana (Nominee of IRSL) RZ-1-14, Mahavir Enclave, New Delhi-110 045	1	10	
7	0009	Mr. Anupam Singhania (Nominee of IRSL) Flat No. 141, Shri Niketan Apartment, Sector-7, Plot No.1, Dwarka, New Delhi-110075	1	10	
TOTAL			3,98,43,683	39,84,36,830	100

Note: Post Amalgamation shareholding pattern of Indo Rama Renewables Limited is not applicable as it will get dissolved without winding up pursuant to the Scheme of Amalgamation.

for Indo Rama Renewables Limited

Place: Gurgaon
Date: 31st August 2016




Vikas Sehgal
 Director (DIN 07529393)

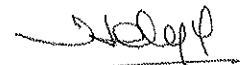
46

**SHAREHOLDING PATTERN OF INDO RAMA RENEWABLES RAMGARH LIMITED
AS ON 31ST AUGUST 2016 (PRE- AMALGAMATION)**

Sr. No.	Folio No.	Name and Address of Shareholders	No. of shares held	Nominal value	% of total paid-up capital
1	0001	Indo Rama Renewables Ltd. (IRRL) 20 th Floor, DLF Square, DLF Phase-II, NH-8, Gurgaon-122002	49,994	4,99,940	99.99
2	0003	Mr. Vishal Lohia (Nominee of IRRL) R-69, Greater Kailash, Part-I New Delhi-110 048	1	10	0.01
3	0005	Mr. Anant Kishore (Nominee of IRRL) 7-A, Greenview Apartment, Sector-15A, Noida-201301	1	10	
4	0007	Mr. Jayant Sood (Nominee of IRRL) VW-93, SF, Malibu Town, Sohna Road, Gurgaon	1	10	
5	0008	Mr. B. S. Rana (Nominee of IRRL) RZ-1-14, Mahavir Enclave, New Delhi-110 045	1	10	
6	0009	Mr. Anupam Singhania (Nominee of IRRL) Flat No. 141, Shri Niketan Apartment, Sector-7, Plot No.1, Dwarka, New Delhi-110075	1	10	
7	0010	Mr. Sanjay Syal (IRRL) Flat No. 4/308, 2nd Floor, Bhagwati Sadan, Opp. Sector-12A, Old Delhi Road, Gurgaon-122001	1	10	
TOTAL			49,994	4,99,940	

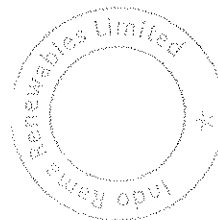
Note: Post Amalgamation shareholding pattern of Indo Rama Renewables Ramgarh Limited is not applicable as it will get dissolved without winding up pursuant to the Scheme of Amalgamation.

for Indo Rama Renewables Ramgarh Limited



Vikas Sehgal
Director (DIN 07529393)

Place: Gurgaon
Date: 31st August 2016



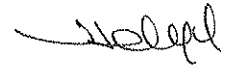
47

SHAREHOLDING PATTERN OF INDO RAMA RENEWABLES PORBANDAR LTD. AS ON 31ST AUGUST 2016 (PRE- AMALGAMATION)

Sr. No.	Folio No.	Name and Address of Shareholders	No. of shares held	Nominal value	% of total paid-up capital
1	0001	Indo Rama Renewables Ltd. (IRRL) 20 th Floor, DLF Square, DLF Phase-II, NH-8, Gurgaon-122002	49,994	4,99,940	99.99
2	0003	Mr. Vishal Lohia (Nominee of IRRL) R-69, Greater Kailash, Part-I New Delhi-110 048	1	10	0.01
3	0005	Mr. Anant Kishore (Nominee of IRRL) 7-A, Greenview Apartment, Sector-15A, Noida-201301	1	10	
4	0007	Mr. Jayant Sood (Nominee of IRRL) WW-93, SF, Malibu Town, Sohna Road, Gurgaon	1	10	
5	0008	Mr. B. S. Rana (Nominee of IRRL) RZ-1-14, Mahavir Enclave, New Delhi-110 045	1	10	
6	0009	Mr. Anupam Singhania (Nominee of IRRL) Flat No. 141, Shri Niketan Apartment, Sector-7, Plot No.1, Dwarka, New Delhi-110075	1	10	
7	0010	Mr. Sanjay Syal (IRRL) Flat No. 4/308, 2nd Floor, Bhagwati Sadan, Opp. Sector-12A, Old Delhi Road, Gurgaon-122001	1	10	
TOTAL			49,994	4,99,940	

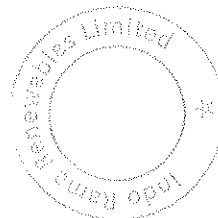
Note: Post Amalgamation shareholding pattern of Indo Rama Renewables Porbandar Limited is not applicable as it will get dissolved without winding up pursuant to the Scheme of Amalgamation.

for Indo Rama Renewables Porbandar Limited



Vikas Sehgal
Director (DIN 07529393)

Place: Gurgaon
Date: 31st August 2016



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The financial details and capital evolution of the transferee/resulting and transferor/demerged companies for the previous 3 years as per the audited statement of Accounts:

Name of the Company: Indo Rama Synthetics (India) Limited

(Rs. in Crores)

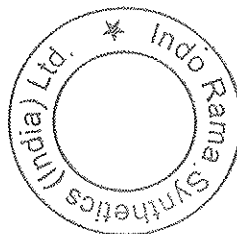
	2015-16	2014-15	2013-14
Equity paid up Capital	151.82	151.82	151.82
Reserves and surplus	439.82	402.09	441.89
Net surplus / (deficit) in the statement of Profit and Loss	180.18	142.45	182.25
Net Worth	591.64	553.91	593.71
Miscellaneous Expenditure *	-	-	-
Secured Loans	321.43	372.54	511.02
Unsecured Loans	-	-	-
Fixed Assets (net)	951.92	941.83	1059.89
Income from Operations (net)	2535.65	2761.38	2629.12
Total Income	2566.53	2771.19	2873.13
Total Expenditure	2626.19	2805.21	2898.4
Profit / (loss) before tax	-59.66	-34.02	-25.27
Profit / (loss) after Tax	56.00	-21.53	-8.18
Cash profit / (loss)	-39.20	82.56	105.88
EPS/(Loss per share)	3.69	(1.42)	(0.54)
Book value	38.97	36.48	39.11

* Assumed to be balance sheet item.

Note: The financials should not be more than 6 months old. In such cases additional column may be added to provide the latest financials.

Please note that for existing Listed Company, provide the last Annual Report and the audited / unaudited financials of the latest quarter (were it is due) accompanied mandatorily by the Limited Review Report of the auditor.

for Indo Rama Synthetics (India) Limited



Jayantk Sood
Jayantk Sood

Head-Corporate & Company Secretary
 (ICSI Membership No.: FCS 4482)

Place: Gurgaon

Date: 31st August 2016

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INDO RAMA SYNTHETICS (INDIA) LTD.

Corporate Office : 20th Floor, DLF Square, DLF Phase-2, NH-8, Gurgaon - 122002, Haryana, India. Tel : 0124-4997000, Fax : 0124-4997070

Registered Office & Manufacturing Complex : A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, India. Tel : 07104-663000 / 01, Fax : 07104-663200

E-mail : corp@indorama-ind.com • Website : www.indoramaindia.com

CIN : L17124MH1986PLC166615

The financial details and capital evolution of the transferee/resulting and transferor/demerged companies for the previous 3 years as per the audited statement of Accounts:

Name of the Company: Indo Rama Renewables Limited


(Rs. in Crores)

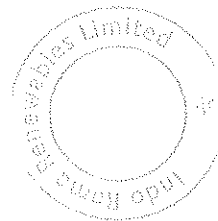
	2015-16	2014-15	2013-14
Equity paid up Capital	3984.37	3984.37	3698.48
Reserves and surplus	-146.43	-126.75	-107.54
Net surplus / (deficit) in the statement of Profit and Loss	-146.43	-126.75	-107.54
Net Worth	3837.94	3857.62	3590.94
Miscellaneous Expenditure *	-	-	-
Secured Loans	-	-	-
Unsecured Loans	4356.98	4534.38	4545.49
Fixed Assets (net)	275.10	279.55	318.26
Income from Operations (net)	0.50	7.70	0
Total income	0.50	7.70	0
Total expenditure	20.17	26.92	63.30
Profit / (loss) before tax	-19.67	-19.22	-63.30
Profit / (loss) after Tax	-19.67	-19.22	-63.30
Cash profit / (loss)	-15.22	-18.75	-62.36
EPS/(Loss per share)	(0.05)	(0.05)	(0.17)
Book value	9.63	9.68	9.71

* Assumed to be balance sheet item.

for Indo Rama Renewables Limited

Place: Gurgaon
Date: 31-Aug-2016


Vikas Sehgal
Director (DIN 07529393)



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The financial details and capital evolution of the transferee/resulting and transferor/demerged companies for the previous 3 years as per the audited statement of Accounts:

Name of the Company: Indo Rama Renewables Ramgarh Limited

(Rs. in Crores)

	2015-16	2014-15	2013-14
Equity paid up Capital	5.00	5.00	5.00
Reserves and surplus	-8.96	-8.05	-6.54
Net surplus / (deficit) in the statement of Profit and Loss	-8.96	-8.05	-6.54
Net Worth	-3.96	-3.05	-1.54
Miscellaneous Expenditure *	-	-	-
Secured Loans	-	-	-
Unsecured Loans	166.49	232.60	232.60
Fixed Assets (net)	80.87	80.87	79.39
Income from Operations (net)	-	-	-
Total income	-	-	-
Total expenditure	0.91	1.50	3.87
Profit / (loss) before tax	-0.91	-1.50	-3.87
Profit / (loss) after Tax	-0.91	-1.50	-3.87
Cash profit / (loss)	-0.91	-1.50	-3.87
EPS/(Loss per share)	(1.83)	(3.00)	(7.75)
Book value	(7.92)	(6.10)	(3.08)

* Assumed to be balance sheet item.

for Indo Rama Renewables Ramgarh Limited



Place: Gurgaon
Date: 31-Aug-2016

Vikas Sehgal
Director (DIN 07529393)



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The financial details and capital evolution of the transferee/resulting and transferor/demerged companies for the previous 3 years as per the audited statement of Accounts:


Name of the Company: Indo Rama Renewables Porbandar Limited

(Rs. in Crores)

	2015-16	2014-15	2013-14
Equity paid up Capital	5.00	5.00	5.00
Reserves and surplus	-6.34	-5.43	-4.18
Net surplus / (deficit) in the statement of Profit and Loss	-6.34	-5.43	-4.18
Net Worth	-1.34	-0.43	0.82
Miscellaneous Expenditure *	-	-	-
Secured Loans	-	-	-
Unsecured Loans	100.20	245.39	245.39
Fixed Assets (net)	22.80	22.80	20.66
Income from Operations (net)	-	-	-
Total income	-	-	-
Total expenditure	0.91	1.25	1.64
Profit / (loss) before tax	-0.91	-1.25	-1.64
Profit / (loss) after Tax	-0.91	-1.25	-1.64
Cash profit / (loss)	-0.91	-1.25	-1.64
EPS/(Loss per share)	(1.82)	(2.51)	(3.28)
Book value	(2.68)	(0.86)	1.64

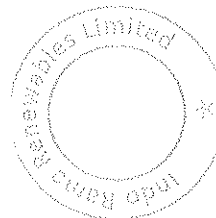
* Assumed to be balance sheet item.

for Indo Rama Renewables Porbandar Limited



Vikas Sehgal
Director (DIN 07529393)

Place: Gurgaon
Date: 31-Aug-2016



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INDO RAMA SYNTHETICS (INDIA) LIMITED

Registered Office : A-31, MIDC Industrial Area, Bahubori -411122, District Nagpur, Maharashtra.

Corporate Office : 20th Floor, DLF Square, DLF City Phase II, Gurgaon -122002, Haryana

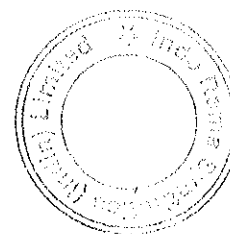
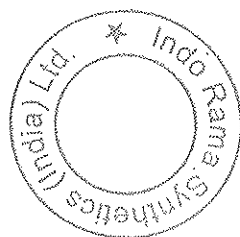
Tel: 07104-663000 / 01 Fax: 07104-663200, Email: investor-relations@indorama-ind.com, Website: www.indoramaindia.com, CIN: L17124MH1986PLC166615

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2016

(Rs. in crores, unless otherwise indicated)

S.No.	Particulars	Quarter-Ended	
		30.06.2016	30.06.2015
		Unaudited	Unaudited (Refer note 1)
1	Income from operations		
	(a) Net sales/income from operations (net of excise duty)	632.45	627.92
	(b) Other operating income (refer note 4)	14.69	14.56
	Total income from operations (net)	647.14	642.48
2	Expenses		
	(a) Cost of materials consumed	509.52	554.94
	(b) Changes in inventories of finished goods and work-in-progress	4.77	(72.33)
	(c) Employee benefits expense	26.14	27.55
	(d) Other expenses	102.76	99.78
	Total expenses before depreciation and amortisation, finance costs and foreign exchange fluctuation	643.19	609.94
3	Profit from operations before depreciation and amortisation, other income, finance costs and foreign exchange fluctuation	(1-2)	3.95
4	Depreciation and amortisation expense	19.47	20.25
5	Total expenses after depreciation and amortisation but before finance costs and foreign exchange fluctuation	(2+4)	662.66
6	Profit / (Loss) from operations before other income, finance costs and foreign exchange fluctuation	(1-5)	(15.52)
7	Other income	17.73	3.30
8	Profit from ordinary activities before finance costs and foreign exchange fluctuation	(6+7)	2.21
9	Finance costs	20.69	10.62
10	Foreign exchange fluctuation gain / (loss)	(6.80)	3.27
11	Profit / (Loss) from ordinary activities before tax	(8-9+10)	(25.28)
12	Income tax expense / (credit) (refer note 2)	(8.72)	2.38
13	Net Profit / (Loss) for the period	(11-12)	(16.56)
14	Other comprehensive income after tax (OCI)	-	-
15	Total comprehensive income after tax	(13+14)	(16.56)
16	Paid-up equity share capital (face value of Rs.10 per share)	151.82	151.82
17	Basic and diluted EPS for the period (Rs. per share of Rs. 10 each)	(1.09)	0.39

See accompanying notes to the unaudited financial results.



(Page 1 of 3)

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1. Financial results for the quarter ended 30 June 2016 are in compliance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning 1 April 2016, the Company has, for the first time adopted Ind AS with a transition date of 1 April 2015. Consequently, erstwhile Indian Generally Accepted Accounting Principles (IGAAP) results for the quarter ended 30 June 2015 have been restated to make them comparable. The reconciliation of net profit reported under erstwhile IGAAP and as restated under Ind AS is given below:

Particulars	(Rs in crore)	
		Quarter ended 30.06.2015
Net profit as per previous GAAP		4.91
Fair valuation of investments, classified as fair value through profit and loss (refer note (i) below)		1.77
Incremental borrowings cost (refer note (ii) below)		(0.04)
Others (refer note (iii) below)		0.02
Tax impact of above adjustments		(0.80)
Net profit as per Ind AS		5.86

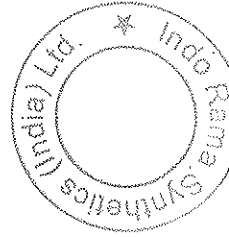
- (i) Investments (other than investments in subsidiaries) have been classified as "fair value through profit or loss" under Ind AS as against cost basis under erstwhile IGAAP and consequential adjustments has been considered in the period in which fair value has changed.
- (ii) Represents additional borrowing cost pursuant to adjustment of processing fee paid at the time of disbursement of term loans against the carrying value of loans as on the date of transition to conform the effective interest rate method required under Ind AS.
- (iii) Others include adjustments for depreciation on reversal of revaluation reserve created on leasehold lands and fair value adjustments for security deposits given.

The Ind AS-compliant corresponding figures in the previous year have not been subjected to review / audit. However, the Company's management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.

2. The Company's business comprises of Polyester products, which is highly competitive and in the last few years there has been an over-supply in the industry. This has resulted in lower profit margins. However, the Company has taken several initiatives to improve its operational performance in terms of specialty products, higher capacity utilization, cost control initiatives and addition of new customers. Based on the above the Company believes that the profitability will improve over the next few years. The Company is confident that the deferred tax assets carried at the end of the period is fully recoverable.

3. Tax expense includes deferred tax charge / (credit).

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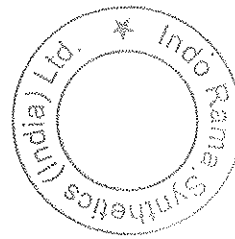
4. During the quarter ended 30 June 2016, the Company has recognised interest of Rs.0.73 crore under 'other operating income' on the insurance claim recoverable for the loss of certain assets and loss suffered due to business interruption under loss of profit policy relating to fire incidence at its plant in 2007-08. As legally advised, the Company is of the view that the amount recognised is fully recoverable. This is in line with accounting treatment adopted in the previous periods.
5. The Company's business activity falls within a single primary business segment viz. 'Polyester'.
6. The Audit Committee reviewed the above results. The Board of Directors, at their meeting held on 31 August 2016, has approved the above results.
7. The statement does not include Ind AS - compliant results for the immediately preceding quarter and previous year ended 31 March 2016 as the same are not mandatory as per SEBI's circular dated 5 July 2016.
8. The Statutory Auditors of the Company have reviewed the financial results for the quarter ended 30 June 2016, and report has been issued subject to item 2 and 4 above. The report of the Statutory Auditors is being filed with the BSE Limited and the National Stock Exchange of India Limited. For more details on unaudited results, visit Investor Relations section of our website at www.indoramaindia.com and Financial Results under Corporates section of www.nseindia.com and www.bseindia.com.
9. Previous period figures have been regrouped / recast, wherever necessary, to make them comparable.

For and on behalf of the Board of Directors
Indo Rama Synthetics (India) Limited



Om Prakash Lohia
 Chairman & Managing Director
 DIN: 00206807

Place: Gurgaon
 Date: 31 August 2016



B S R and Associates

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002 (India)

Telephone: + 91 124 2358 610
Fax: + 91 124 2358 613

Review Report to Board of Directors of Indo Rama Synthetics (India) Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Indo Rama Synthetics (India) Limited ('the Company') for the quarter ended 30 June 2016 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the corresponding quarter ended 30 June 2015 including the reconciliation of profit under Ind AS of the corresponding quarter with profit reported under erstwhile GAAP, as reported in these financial results have been approved by the Company's Board of Directors but have not been subjected to review. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors on 31 August 2016. Our responsibility is to issue a report on this Statement, based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. (a) Attention is drawn to note 2 of the Statement relating to Deferred Tax Assets amounting to Rs.8.72 crores as at 30 June 2016 recognised by the Company on the basis of future outlook of business confirming that sufficient future taxable income will be available against which these assets will be realised. In view of losses suffered in the current as well as preceding periods, and in view of other unused tax losses available to the Company, we are not in agreement with the deferred tax assets recognized. Had such asset not been recognized, the net loss after tax for the quarter would have been higher by Rs.8.72 crores.

(b) Attention is drawn to note 4 of the Statement, which enumerates recognition of interest of Rs.0.73 crore for the quarter ended 30 June 2016 on the insurance claim recoverable by the Company from the insurance company for the loss of certain assets and loss suffered due to business interruption at its plant in 2007-08. The said recognition of asset, is not in accordance with accounting principle stated in Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. Had such income not been recognised, the net loss before tax for the quarter and net loss after tax for the quarter would have been higher by Rs.0.73 crore respectively.
4. Based on our review conducted as explained in para 1 and 2 above, except for the matters referred to in paragraph 3 above and related disclosure of impact on the financial results, which has been explained in that para, nothing has come to our attention that causes us to believe that the accompanying statement

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B S R and Associates

prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

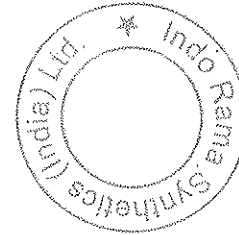
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For B S R and Associates
Chartered Accountants
ICAI Firm registration no. : 128901W



Jiten Chopra
Partner
Membership No.: 092894

Place: Gurgaon
Date: 31 August 2016



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ANNEXURE - I

1. Name of Listed Entity : INDO RAMA SYNTHETICS (INDIA) LIMITED (CIN: L17124MH1986PLC166615)
 2. Quarter ending : 31 MARCH 2016

I. Composition of Board of Directors

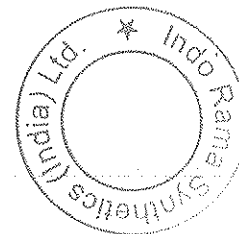
Title (Mr/ Ms)	Name of the Director	PAN ⁵ & DIN	Category (Chairperson/ Executive/ Non-Executive/ Independent/ Nominee) ⁶	Date of Appointment in the Current Term / Cessation	Tenure*	No. of Directorship in listed entities including this listed entity (Refer Regulation 25(1) of Listing Regulations)	No. of Memberships in Audit/ Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)	No. of post Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations)
Mr.	Mohan Lal Lohia	PAN: AHWPL9486C DIN: 00918397	Non-Executive	-	-	1	0	0
Mr.	Om Prakash Lohia	PAN: AACPL0089N DIN: 00206807	Chairperson-Executive	-	-	2	1	0
Mr.	Vishal Lohia	PAN: AABPL5213F DIN: 00206458	Executive	-	-	1	4	0
Mr.	Anant Kishore	PAN: AACPA5468J DIN: 05262142	Executive	-	-	1	0	0
Mr.	Ashok Kumar Ladha	PAN: ABAPL7754K DIN: 00089360	Independent	A: 20/05/2014 C: 20/05/2019	5 Years	1	2	2
Mr.	Suman Jyoti Khaitan	PAN: AERPK7259Q DIN: 00023370	Independent	A: 20/05/2014 C: 20/05/2019	5 Years	4	3	2
Ms.	Ranjana Agarwal	PAN: AAFPA1896D DIN: 03340032	Independent	A: 18/05/2015 C: 18/05/2020	5 Years	3	1	2

⁵PAN Number of any Director would not be displayed on the website of Stock Exchange.

⁶Category of Directors means Executive/Non-Executive/Independent/Nominee. If a Director fits into more than one category write all categories separating them with hyphen.

* to be filled only for independent Director. Tenure would mean total period from which independent Director is serving on Board of Directors of the listed entity in continuity without any cooling off period.

Dr. Arvind Pandalal, Independent Director, resigned on 20 February 2016.

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INDO RAMA SYNTHETICS (INDIA) LTD.

Corporate Office : 20th Floor, DLF Square, DLF Phase-2, NH-8, Gurgaon - 122002, Haryana, India. Tel : 0124-4997000, Fax : 0124-4997070

Registered Office & Manufacturing Complex : A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, India. Tel : 07104-663000 / 01, Fax : 07104-663200

E-mail : corp@indorama-ind.com • Website : www.indoramaindia.com

CIN : L17124MH1986PLC166615

II. Composition of Committees

Name of Committee	Name of Committee Members	Category (Chairperson/ Executive/ Non-Executive/ Independent/ Nominee) ²
1. Audit Committee	i) Mr. Ashok Kumar Ladha iii) Mr. Suman Jyoti Khaitan iv) Mr. Vishal Lohia	Chairperson-Independent Independent Executive
2. Nomination & Remuneration Committee (Dr. Arvind Pandalai, Independent Director, resigned on 20-Feb-2016 and the Committee to be reconstituted in the next board meeting scheduled on April/May 2016)	i) Mr. Ashok Kumar Ladha iii) Mr. Suman Jyoti Khaitan	Chairperson-Independent Independent
3. Risk Management Committee (if applicable)	i) Mr. Om Prakash Lohia ii) Mr. Vishal Lohia	Chairperson-Executive Executive
4. Stakeholders Relationship Committee	i) Mr. Ashok Kumar Ladha ii) Mr. Om Prakash Lohia iii) Mr. Vishal Lohia	Chairperson-Independent Executive Executive

²Category of Directors means Executive/Non-Executive/Independent/Nominee. If a Director fits into more than one category write all categories separating them with hyphen.

III. Meeting of Board of Directors

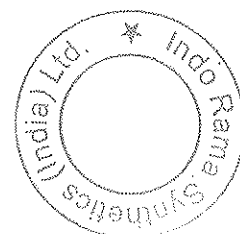
Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Maximum gap between any two consecutive (in number of days)
14 November 2015	10 February 2016	87

IV. Meeting of Committees


Date(s) of Meeting of the Committee in the relevant quarter	Whether requirement of Quorum met (details)	Date(s) of Meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days*
a. Audit Committee:			
10 February 2016	Yes	14 November 2015	87
b. Nomination & Remuneration Committee :			
10 February 2016	Yes	14 November 2015	NA
c. Stakeholders Relationship Committee:			
31 March 2016	Yes	31 December 2015	NA
d. Risk Management Committee:			
NA	NA	NA	NA

* This information has to be mandatorily be given for Audit Committee, for rest of the Committees giving this information is optional.

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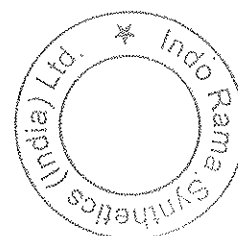


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V. Related Party Transactions	
Subject	Compliance Status (Yes/No/NA) <small>refer note below</small>
Whether prior approval of Audit Committee obtained	Yes
* Due to resignation of Dr. Arvind Pandalai, Independent Director, on 20 February 2016, need approval of Board of Directors	Yes
Whether details of RPT entered into pursuant to omnibus approval have been reviewed by Audit Committee	Yes
Note: 1. In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/No/N.A. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, "Yes" may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words, "N.A." may be indicated. 2. If status is "No" details of non-compliance may be given here.	
VI. Affirmations	
1. The Composition of Board of Directors is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015: Yes (Dr. Arvind Pandalai, Independent Director, resigned on 20-Feb-2016, thus vacancy to be full-filled by 20th May 2016) 2. The Composition of the following committees is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015: a. Audit Committee : Yes b. Nomination & Remuneration Committee : No (Due to resignation of Dr. Arvind Pandalai, independent Director, on 20-Feb-2016, need reconstitute the Committee in the next Board Meeting scheduled on April/May 2016) c. Stakeholders Relationship Committee : Yes d. Risk Management Committee (applicable to the top 100 listed entities): NA 3. The Committee Members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing obligations and disclosure requirements, Regulations, 2015: Yes 4. The meetings of the Board of Directors and the above committees have been conducted in the manner as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015: Yes 5. This report and/or the report submitted in the previous quarter has been placed before Board of Directors. Any comments/observations/ advice of Board of Directors may be mentioned here: Yes (No comments)	
Sd/-  Name: Jayantk Sood Designation: Head-Corporate & Company Secretary & Compliance Officer	

Note:

Information at Table I and II above need to be necessarily given in first quarter of each financial year. However, if there is no change of information in subsequent quarter(s) of that financial year, this information may not be given by Listed Entity and instead a statement "same as previous quarter" may be given.



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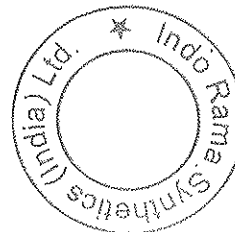
ANNEXURE - II

Name of Listed Entity : INDO RAMA SYNTHETICS (INDIA) LIMITED (CIN: L17124MH1986PLC166615)
 Quarter ending : 31 MARCH 2016

I. Disclosure on Website in terms of Listing Regulations		
Item	Compliance Status (Yes/No/NA) <small>(Refer note below)</small>	
Details of business	Yes	
Terms and conditions of appointment of Independent Directors	Yes	
Composition of various committees of Board of Directors	Yes	
Code of Conduct of Board of Directors and senior Management Personnel	Yes	
Details of establishment of Vigil Mechanism / Whistle Blower Policy	Yes	
Criteria of making payments to Non-Executive Directors	Yes	
Policy on dealing with Related Party Transactions	Yes	
Policy for determining "Material" subsidiaries	Yes	
Details on familiarization programmes imparted to Independent Directors	Yes	
Contact information of the designated officials of the listed entity who are responsible for assisting and handling Investor Grievances	Yes	
Email address for grievance redressal and other relevant details	Yes	
Financial Results	Yes	
Shareholding Pattern	Yes	
Details of Agreements entered into with the media companies and/or their Associates	NA	
New name and the old name of the Listed Entity	NA	
II Annual Affirmations		
Particulars	Regulation Number	Compliance Status (Yes/No/NA) <small>(Refer note below)</small>
Independent Director(s) have been appointed in terms of specified criteria of "Independence" and/or "Eligibility"	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes *
Meeting of Board of Directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees / compensation	17(6)	NA
Minimum Information	17(7)	Yes

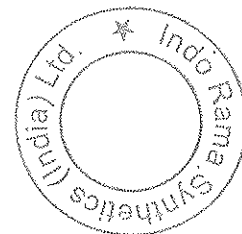
* Dr. Arvind Pandalai, Independent Director, resigned on 20 February 2016, thus vacancy to be full-filled by 20th May 2016.

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Particulars	Regulation Number	Compliance Status (Yes/No/NA) <small>[Refer note below]</small>
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of Nomination & Remuneration Committee	19(1)	No *
Composition of Nomination & Remuneration Committee	19(2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of Risk Management Committee	21(1), (2), (3), (4)	Yes
Vigil Mechanism	22	Yes
Policy for Related Party Transaction	23(1), (5), (6), (7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all Related Party Transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2), (3), (4), (5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of Independent Directors	25(3) & (4)	Yes
Familiarization of Independent Directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to Code of Conduct from members of Board of Directors and Senior Management Personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of Directors and Senior Management	26(2) & 26(5)	Yes
* Due to resignation of Dr. Arvind Pandalai, Independent Director, on 20 February 2016, need reconstitute the Committee in the next Board Meeting, scheduled on April/May 2016.		
Note		
1 In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/No/N.A.. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, "Yes" may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words "N.A." may be indicated.		
2 If status is "No" details of non-compliance may be given here.		
3 If the Listed Entity would like to provide any other information the same may be indicated here.		
III Affirmations:		
The Listed Entity has approved Material Subsidiary Policy and the Corporate Governance requirements with respect to subsidiary of Listed Entity have been complied: Yes		
Sd/- Name: Jayantk Sood Designation: Head-Corporate & Company Secretary & Compliance Officer		



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Compliance report with the requirements specified in Part-A of Annexure I of SEBI circular CIR/CFD/CMD/16/2015 dated November 30, 2015

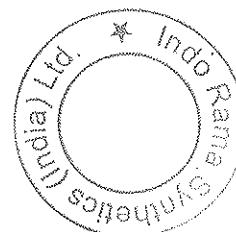
Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Amalgamation of Indo Rama Renewables Limited (Transferor Company No. 1), Indo Rama Renewables Ramgarh Limited (Transferor Company No. 2), Indo Rama Renewables Porbandar Limited (Transferor Company No. 3) with Indo Rama Synthetics (India) Limited (Transferee Company)

In connection with the above application, we hereby confirm that we satisfy all the conditions as stipulated in the aforesaid SEBI Circular, as given hereunder:

Sr. No.	Requirements as per SEBI circular CIR/CFD/CMD/16/2015 dated November 30, 2015	Whether Complied or not & How
1.	Listed companies shall choose one of the Stock Exchanges having nation-wide trading terminals as the designated Stock Exchange for the purpose of coordinating with SEBI.	Yes. The Board of Directors in its meeting held on 31 st August 2016 has chosen the BSE Limited as the Designated Stock Exchange for the purpose of proposed scheme of Amalgamation.
Compliance as per Part A, Annexure I to the Circular		
2.	Documents to be submitted:	
2.a	Draft Scheme of Arrangement/ Amalgamation/ Merger/ Reconstruction/ Reduction of Capital, etc.	Yes. The copy of draft Scheme of Amalgamation, as approved by the Board of Directors in their meeting held on 31 st August 2016 is enclosed with application and marked as Annexure-B.
2.b	Valuation Report from Independent Chartered Accountant	NA Annexure – C
2.c	Report from the Audit Committee recommending the Draft Scheme	Yes. The report of the Audit Committee duly signed by the Audit Committee Chairman is enclosed with Application and marked as Annexure D.

Page 1 of 3

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INDO RAMA SYNTHETICS (INDIA) LTD.

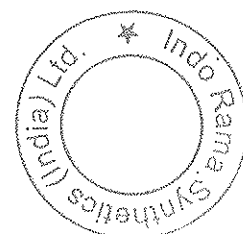
Corporate Office : 20th Floor, DLF Square, DLF Phase-2, NH-8, Gurgaon - 122002, Haryana, India. Tel : 0124-4997000, Fax : 0124-4997070

Registered Office & Manufacturing Complex : A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, India. Tel : 07104-663000 / 01, Fax : 07104-663200

E-mail : corp@indorama-ind.com • Website : www.indoramaindia.com

CIN : L17124MH1986PLC166615

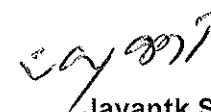
2.d	Fairness opinion by merchant banker	The Fairness opinion Category No. 1, Merchant Banker, dated 31 st August 2016 is enclosed with Application and marked as Annexure E
2.e	Pre and post amalgamation shareholding pattern of unlisted Company	Yes. Pre and post shareholding pattern of Transferor's and Transferee Companies are enclosed with Application and marked as Annexure F .
2.f	Audited financials of last 3 years (financials not being more than 6 months old) of unlisted Company;	Yes. Audited Financials of the Transferee/resulting and Transferor/amalgamated Companies for the last three years, as Annexure Q , Un-audited Financial Results for the quarter ended 30 th June 2016, accompanied by Limited Review Report is enclosed with Application and marked as Annexure G .
2.g	Compliance with Regulation 17 to 27 of Listing Regulations	Yes. Corporate Governance Report for the year ended 31 st March 2016 is enclosed with Application and marked as Annexure H .
2.h	Complaints Report	The Company will submit the compliant report within seven days of expiry of 21 days from the date of submission of the Scheme of Amalgamation to the Stock Exchanges.
3.	The equity shares sought to be listed are proposed to be allotted by the unlisted Issuer (transferee entity) to the holders of securities of a listed entity (transferor entity) pursuant to a scheme of reconstruction or amalgamation (Scheme) sanctioned by a High Court under Section 391-394 of the Companies Act, 1956 or Section 230 to 234 of the Companies Act 2013	Not Applicable.
4.	At least 25% of the post scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public holders in the transferor entity.	Not Applicable.



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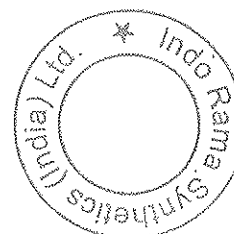
5.	The transferee entity will not issue/reissue any shares, not covered under the Draft scheme.	Not Applicable.
6.	As on date of application there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee entity at any future date. If there are such instruments stipulated in the Draft scheme, the percentage referred to in point (4) above, shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised.	Not Applicable.
7.	The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity are subjected to the lock-in for the remaining period.	Not Applicable.

for Indo Rama Synthetics (India) Limited



Jayantk Sood
Head-Corporate & Company Secretary
 (ICSI Membership No.: FCS 4482)

Place: Gurgaon
 Date: 31st August 2016





Sanjay Batra & Co. Chartered Accountants

802, Bhim Nagar Chowk, New Railway Road, Gurgaon-122001, Cell: 9811230040

The Board of Directors
Indo Rama Synthetics (India) Ltd
20th Floor, DLF Square, DLF Phase-II, Nh-8,
Gurgaon-122002, Haryana

We, the auditors/ Chartered Accountants, of Indo Rama Synthetics (India) Limited, (hereinafter referred to as "the Company"), have examined the draft Scheme of Indo Rama Synthetics (India) Limited between Indo Rama Renewables Ltd, 100% wholly owned subsidiary and two step down subsidiary companies, Indo Rama Renewables Ramgarh Ltd, Indo Rama Renewables Porbandar Ltd and shareholders under the provisions of Section 391 to 394 and other applicable provisions of Companies Act, 1956 ("draft scheme"), book of accounts and other relevant records and documents maintained by the company in the usual course of business for the purpose of certifying the accompanying "Undertaking in relation to non -applicability of requirements prescribed in paragraph 9 (a) of Annexure 1 of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015" in respect of Amalgamation, which has been prepared by the Company only for the purpose of submission to the BSE Limited ("BSE"), The National Stock Exchange of India Limited ("NSE") and SEBI.

The Management of the Company is responsible for the preparation of aforesaid Undertaking and the maintenance of proper books of account and such other relevant record as prescribed by applicable laws, which includes collecting, collating and validating data and designing, implementing and monitoring of internal controls relevant for the preparation of the Undertaking that is free from material misstatement, whether due to fraud or error.

Our responsibility is limited to certifying the particulars contained in the Undertaking on the basis of the draft scheme, audited books of account and other related records and documents maintained by the Company with the applicable guidelines. We conducted our verification in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India, which includes the concepts of test checks and materiality.

On the basis of our examination of draft scheme, audited books of account and other relevant records and documents as referred to above and according to the information and explanations provided to us by the Management of the Company, we certify that the Undertaking provided by the Company in Para 1 (A) (9) (a) of Annexure 1 of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 is not applicable to the scheme for the reasons stated in the undertaking, is in accordance with the audited with the audited books of account, the scheme and other relevant records and documents maintained and provided to us by the Company.

This Certificate is issued at the request of the Management of the Company for submission of the same with BSE, NSE and SEBI in terms of Para I (A) (9) of the Annexure 1 of SEBI Circular in connection with the scheme and should not be used for any other purpose without our prior written consent.

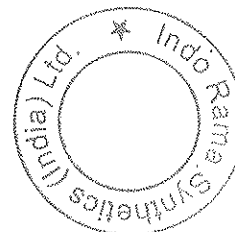
**For Sanjay Batra & Co.
Chartered Accountants**

**(Sanjay Batra)
Prop.**

M. No.092037

Place : Gurgaon

Date : 31.08.2016



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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE 6TH MEETING OF THE BOARD OF DIRECTORS OF INDO RAMA SYNTHETICS (INDIA) LIMITED, CIN L17124MH1986PLC166615, HELD ON WEDNESDAY, 31ST AUGUST 2016, COMMENCED AT 3:30 PM AND CONCLUDED AT 5:05 PM, AT 20TH FLOOR, DLF SQUARE, DLF PHASE-II, NH-8, GURGAON-122 002, HARYANA.

"RESOLVED THAT pursuant to the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Companies Act, 1956 and corresponding provisions of the Companies Act, 2013 upon their notification and enabling provisions in the Memorandum and Articles of Association of Indo Rama Synthetics (India) Limited ('the Company') and subject to the requisite approval of the Hon'ble High Court of Judicature at Bombay ('the Court'), Securities and Exchange Board of India ('the SEBI') Central Government and Stock Exchanges where the shares of the Company are listed and that of shareholders and creditors of the Company, consent of the Board of Directors ('the Board') be and are hereby accorded to the Scheme of Amalgamation ('the Scheme') of Indo Rama Renewables Limited referred as "Transferor Company No. 1", Indo Rama Renewables Porbandar Limited referred as "Transferor Company No. 2" and Indo Rama Renewables Ramgarh Limited referred as "Transferor Company No. 3", wholly owned and step-down subsidiaries of the Company registered under the Companies Act, 1956 with the Company and their respective shareholders and creditors as per the terms and conditions mentioned in the Scheme placed before the Board with effect from 1st April 2016 ("Appointed date") and initialled by the Chairman for the purposes of identification;

RESOLVED FURTHER THAT since the entire share capital of the Company of Transferor Company No.1, 2 & 3 is directly or indirectly owned by the Company, no shares shall be issued by the Company upon amalgamation of Transferor Company No.1, 2 & 3 with the Company and the shares held by the Company shall stand cancelled and extinguished pursuant to said Amalgamation;

RESOLVED FURTHER THAT:

- (a) The report from the Audit Committee of the Company, duly signed by the Chairman of Audit Committee, recommending the Scheme, as placed before the Board be and hereby accepted and approved;
- (b) BSE Limited be and is hereby appointed as the Designated Stock Exchange, for the purpose of Scheme and for co-ordinating with 'SEBI' in terms of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 issued under applicable Regulations of SEBI (Listing Obligations and Regulations Requirements) Regulations, 2015;
- (c) Certificate from Statutory Auditors (Chartered Accountants) of the Company to the effect that the Accounting Treatment contained in the Scheme is in compliance with all the Accounting Standards specified under Section 133 of the Companies Act, 2013.

RESOLVED FURTHER THAT the undertaking issued by the Company in terms of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 stating the reasons for non-applicability of the provisions of Para 9(a) of the aforesaid SEBI Circular to the Scheme of Amalgamation between the Transferor Company No.1, 2 & 3 and the Company and their respective shareholders and creditors as certified by Statutory Auditors (Chartered Accountants) of the Company, be and his hereby noted and approved;

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J-(b)

Page 1 of 3

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INDO RAMA SYNTHETICS (INDIA) LTD.

Corporate Office : 20th Floor, DLF Square, DLF Phase-2, NH-8, Gurgaon - 122002, Haryana, India. Tel : 0124-4997000, Fax : 0124-4997070

Registered Office & Manufacturing Complex : A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, India. Tel : 07104-663000 / 01, Fax : 07104-663200

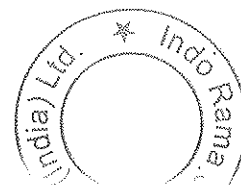
E-mail : corp@indorama-ind.com • Website : www.indoramaindia.com

CIN : L17124MH1986PLC166615

RESOLVED FURTHER THAT Mr. Om Prakash Lohia (DIN 00206807), Chairman and Managing Director and/or Mr. Vishal Lohia (DIN 00206458), Whole-time Director and/or Mr. Sanjeev Aggarwal (ICAI Membership No. 089369), President & CFO and/or Mr. Jayantk Sood (ICSI Membership No. FCS 4482), Head-Corporate & Company Secretary and/or Mr. B. S. Rana, AGM (Secretarial) of the Company be and are hereby severally authorized to oversee and monitor the process connected with the Scheme and to make such additions, alterations, rectifications and changes therein as may be expedient or necessary for satisfying the requirements or conditions imposed by the Shareholders, the Creditors, the Central Government or the Court and to take all such steps as may be necessary for the purpose of giving effect to the aforesaid Scheme of Amalgamation which shall include:

- (1) Filing of Scheme and other information/details with the concerned Stock Exchanges or any other body or regulatory authority or agency in order to obtain approval or sanction of Scheme of Amalgamation or for giving effect thereto;
- (2) Filing application(s) before the Hon'ble Court or any other Competent Authority for seeking directions as to convening/dispensing with the requirements of the meetings of the shareholders and/or the creditors of the Company as the Court or any other Competent Authority may direct and to file all necessary documents, applications, affidavits, Vakalatnama, petitions and other documents as may be necessary from time to time for the said purposes and to undertake the follow up action required thereafter;
- (3) To file any incidental application/petition as is necessary for the implementation of the Scheme;
- (4) To file petition for sanction/confirmation of the Scheme by the said Court or any other Competent Authority and to do all that may be necessary and incidental in this behalf;
- (5) To settle any question or difficulty that may arise with regards to the implementation of the Scheme and to give effect to the above resolution;
- (6) To do all acts, deeds and things necessary, convenient and incidental and ancillary in relation thereto and for that purpose to engage any advocate, Solicitor, counsel or other consultants;
- (7) And for the purposes set out hereinabove and in this behalf to sign and verify all declarations, affidavits, statements, notices, applications, other deeds and documents and to give such undertakings as may be necessary from time to time in connection with and incidental to the Scheme of Amalgamation;
- (8) Obtaining approval from such other parties as may be considered necessary, for the Scheme;
- (9) To delegate authority to another person(s) by a valid power of attorney or other appropriate authorizations;
- (10) To do all acts and things as may be considered necessary and expedient in relation to the implementation of the Scheme; and

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(11) To carry out and execute such additional and ancillary documents and formalities as may be deemed necessary.

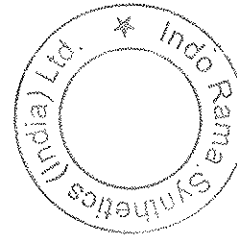
RESOLVED FURTHER THAT in accordance with the provisions of the Articles of Association of the Company, Common Seal of the Company, if required, be affixed on any document(s) executed in connection with the above resolution."

Certified to be true
for **Indo Rama Synthetics (India) Limited**



Jayantk Sood
Head-Corporate & Company Secretary
(ICSI Membership No.: FCS 4482)
Address: WW-93, SF, Personal Floors,
Malibu Town, Sohna Road,
Gurgaon, Haryana

Place: Gurgaon
Date: 31st August 2016



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE 6TH MEETING OF THE BOARD OF DIRECTORS OF INDO RAMA SYNTHETICS (INDIA) LIMITED, CIN L17124MH1986PLC166615, HELD ON WEDNESDAY, 31ST AUGUST 2016, COMMENCED AT 3:30 PM AND CONCLUDED AT 5:05 PM, AT 20TH FLOOR, DLF SQUARE, DLF PHASE-II, NH-8, GURGAON-122 002, HARYANA.

"RESOLVED THAT pursuant to the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Companies Act, 1956 and corresponding provisions of the Companies Act, 2013 upon their notification and enabling provisions in the Memorandum and Articles of Association of Indo Rama Synthetics (India) Limited ('the Company') and subject to the requisite approval of the Hon'ble High Court of Judicature at Bombay ('the Court'), Securities and Exchange Board of India ('the SEBI') Central Government and Stock Exchanges where the shares of the Company are listed and that of shareholders and creditors of the Company, consent of the Board of Directors ('the Board') be and are hereby accorded to the Scheme of Amalgamation ('the Scheme') of Indo Rama Renewables Limited referred as "Transferor Company No. 1", Indo Rama Renewables Porbandar Limited referred as "Transferor Company No. 2" and Indo Rama Renewables Ramgarh Limited referred as "Transferor Company No. 3", wholly owned and step- down subsidiaries of the Company registered under the Companies Act, 1956 with the Company and their respective shareholders and creditors as per the terms and conditions mentioned in the Scheme placed before the Board with effect from 1st April 2016 ("Appointed date") and initialled by the Chairman for the purposes of identification;

RESOLVED FURTHER THAT since the entire share capital of the Company of Transferor Company No.1, 2 & 3 is directly or indirectly owned by the Company, no shares shall be issued by the Company upon amalgamation of Transferor Company No.1, 2 & 3 with the Company and the shares held by the Company shall stand cancelled and extinguished pursuant to said Amalgamation;

RESOLVED FURTHER THAT:

- (a) The report from the Audit Committee of the Company, duly signed by the Chairman of Audit Committee, recommending the Scheme, as placed before the Board be and hereby accepted and approved;
- (b) BSE Limited be and is hereby appointed as the Designated Stock Exchange, for the purpose of Scheme and for co-ordinating with 'SEBI' in terms of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 issued under applicable Regulations of SEBI (Listing Obligations and Regulations Requirements) Regulations, 2015;
- (c) Certificate from Statutory Auditors (Chartered Accountants) of the Company to the effect that the Accounting Treatment contained in the Scheme is in compliance with all the Accounting Standards specified under Section 133 of the Companies Act, 2013.

RESOLVED FURTHER THAT the undertaking issued by the Company in terms of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 stating the reasons for non-applicability of the provisions of Para 9(a) of the aforesaid SEBI Circular to the Scheme of Amalgamation between the Transferor Company No.1, 2 & 3 and the Company and their respective shareholders and creditors as certified by Statutory Auditors (Chartered Accountants) of the Company, be and his hereby noted and approved;



Page 1 of 3

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INDO RAMA SYNTHETICS (INDIA) LTD.

RESOLVED FURTHER THAT Mr. Om Prakash Lohia (DIN 00206807), Chairman and Managing Director and/or Mr. Vishal Lohia (DIN 00206458), Whole-time Director and/or Mr. Sanjeev Aggarwal (ICAI Membership No. 089369), President & CFO and/or Mr. Jayantk Sood (ICSI Membership No. FCS 4482), Head-Corporate & Company Secretary and/or Mr. B. S. Rana, AGM (Secretarial) of the Company be and are hereby severally authorized to oversee and monitor the process connected with the Scheme and to make such additions, alterations, rectifications and changes therein as may be expedient or necessary for satisfying the requirements or conditions imposed by the Shareholders, the Creditors, the Central Government or the Court and to take all such steps as may be necessary for the purpose of giving effect to the aforesaid Scheme of Amalgamation which shall include:

- (1) Filing of Scheme and other information/details with the concerned Stock Exchanges or any other body or regulatory authority or agency in order to obtain approval or sanction of Scheme of Amalgamation or for giving effect thereto;
- (2) Filing application(s) before the Hon'ble Court or any other Competent Authority for seeking directions as to convening/dispensing with the requirements of the meetings of the shareholders and/or the creditors of the Company as the Court or any other Competent Authority may direct and to file all necessary documents, applications, affidavits, Vakalatnama, petitions and other documents as may be necessary from time to time for the said purposes and to undertake the follow up action required thereafter;
- (3) To file any incidental application/petition as is necessary for the implementation of the Scheme;
- (4) To file petition for sanction/confirmation of the Scheme by the said Court or any other Competent Authority and to do all that may be necessary and incidental in this behalf;
- (5) To settle any question or difficulty that may arise with regards to the implementation of the Scheme and to give effect to the above resolution;
- (6) To do all acts, deeds and things necessary, convenient and incidental and ancillary in relation thereto and for that purpose to engage any advocate, Solicitor, counsel or other consultants;
- (7) And for the purposes set out hereinabove and in this behalf to sign and verify all declarations, affidavits, statements, notices, applications, other deeds and documents and to give such undertakings as may be necessary from time to time in connection with and incidental to the Scheme of Amalgamation;
- (8) Obtaining approval from such other parties as may be considered necessary, for the Scheme;
- (9) To delegate authority to another person(s) by a valid power of attorney or other appropriate authorizations;
- (10) To do all acts and things as may be considered necessary and expedient in relation to the implementation of the Scheme; and

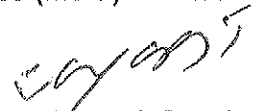
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(11) To carry out and execute such additional and ancillary documents and formalities as may be deemed necessary.

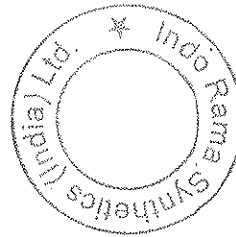
RESOLVED FURTHER THAT in accordance with the provisions of the Articles of Association of the Company, Common Seal of the Company, if required, be affixed on any document(s) executed in connection with the above resolution.”

Certified to be true
for **Indo Rama Synthetics (India) Limited**



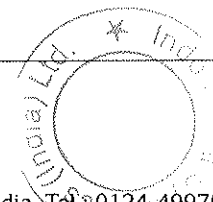
Jayantk Sood
Head-Corporate & Company Secretary
(ICSI Membership No.: FCS 4482)
Address: WW-93, SF, Personal Floors,
Malibu Town, Sohna Road,
Gurgaon, Haryana

Place: Gurgaon
Date: 31st August 2016



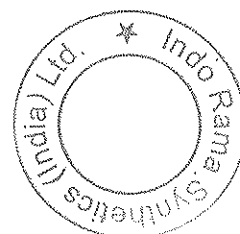
Brief particulars of the Transferee and Transferor Companies

Particulars	Transferee/ Resulting Company	Transferor/ Merged Companies
Name of the Company	Indo Rama Synthetics (India) Limited	i) Indo Rama Renewables Limited ii) Indo Rama Renewables Ramgarh Limited iii) Indo Rama Renewables Porbandar Limited
Date of Incorporation & details of name changes, if any	28 th April 1986	i) 3 rd May 2012 ii) 25 th May 2012 iii) 23 rd May 2012
Registered Office	A-31, MIDC Industrial Area, Butibori, Nagpur - 441122 Maharashtra, India	A-31, MIDC Industrial Area, Butibori, Nagpur - 441122 Maharashtra, India
Brief particulars of the Scheme	The objects / activities of the Transferor/ Applicant Companies and Transferee/ Applicant Company are similar/ identical in nature therefore in order to synergize the operations and to achieve the following benefits, this Scheme of Amalgamation is presented: a) Greater efficiency in resource management, cost savings resulting from rationalization, standardization and simplification of business processes. b) Improved organizational capability arising from pooling of financial, managerial and technical resources. c) Re-aligning the business operations as part of overall business reorganization plan. d) Avoiding un-necessary duplication of costs of administration, distribution, selling and marketing costs. e) Maximize the overall shareholders value by strengthening its core competencies.	
Rationale for the Scheme		
Date of resolution passed by the Board of Director of the Company approving the Scheme	31 st August 2016	31 st August 2016
Date of meeting of the Audit Committee in which the draft Scheme has been approved	31 st August 2016	Not Applicable
Appointed Date	1 st April 2016	1 st April 2016
Name of Exchanges where securities of the Company are listed	i) BSE Limited ii) National Stock Exchange of India Limited	Not Listed



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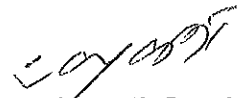
Nature of Business	Polyester / Manmade Fibre	Power Generation		
Capital before the Scheme	1,85,00,00,000/-	i) 50,00,00,000/- ii) 5,00,000/- iii) 5,00,000/-		
No. of shares to be issued	Not Applicable			
Cancellation of shares on account of cross holding, if any	3,98,43,677	99,988		
Capital after the Scheme	2,35,00,00,000/-	Not Applicable		
Net Worth	(Rs. in Crores)	(Rs. in Crores)		
Pre	577.58	i) 38.38		
Post	575.97	ii) (0.040)		
		iii) (0.013)		
		Post Net Worth – NA		
Valuation by Independent Chartered Accountant - Name of the valuer/valuer firm and Regn. no.	Not Applicable			
Methods of valuation and value per share arrived under each method with weight given to each method, if any.	Not Applicable	Not Applicable		
Fair value per shares	Not Applicable	Not Applicable		
Exchange ratio	Not Applicable			
Name of Merchant Banker giving fairness opinion	Refer Annexure _____			
Shareholding Pattern	Pre	Post		
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	10,19,11,551	67.13	10,19,11,551	67.13
Public	3,96,20,131	26.09	3,96,20,131	26.09
Custodian	1,02,90,560	6.78	1,02,90,560	6.78
TOTAL	15,18,22,242	100	15,18,22,242	100
No of shareholders	21,110		21,110	
Names of the Promoters	Mr. Mohan Lal Lohia Mr. Om Prakash Lohia Mr. Vishal Lohia	Not Applicable		



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Names of the Board of Directors	Mr. Mohan Lal Lohia Mr. Om Prakash Lohia Mr. Vishal Lohia Mr. Ashok Kumar Ladha Mr. Suman Jyoti Khaitan Ms. Ranjana Agarwal Dr. Arvind Pandalai	Dr. Arvind Pandalai Mr. Rajendra Kumar Gupta Mr. Vishal Sehgal
Details regarding change in management control, if any	Not Applicable	

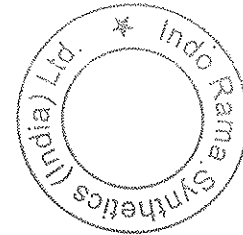
for Indo Rama Synthetics (India) Limited



Jayantk Sood

Head-Corporate & Company Secretary
(ICSI Membership No.: FCS 4482)

Place: Gurgaon
Date: 31st August 2016



SANJAY GROVER & ASSOCIATES

COMPANY SECRETARIES

B-88, 1st Floor, Defence Colony, New Delhi - 110 024
 Tel. : (011) 4679 0000, Fax : (011) 4679 0012
 e-mail : contact@cssanjaygrover.in
 website : www.cssanjaygrover.in

NET-WORTH CERTIFICATE

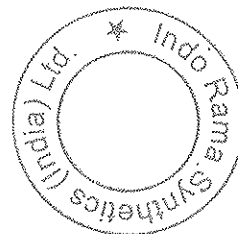
1. We, Sanjay Grover & Associates, Company Secretaries (Firm Registration No. P2001DE052900), New Delhi, have examined the enclosed "Statement of Computation of pre-amalgamation and post-amalgamation net-worth of Indo Rama Synthetics (India) Limited ("Transferee/ Applicant Company") on the basis of Financial Statements as on March 31, 2016 with respect to draft Scheme of Amalgamation of Indo Rama Renewables Limited ("Transferor / Applicant Company No. 1"), Indo Rama Renewables Ramgarh Limited ("Transferor / Applicant Company No. 2") and Indo Rama Renewables Porbandar Limited ("Transferor / Applicant Company No. 3") with Transferee Company (herein after referred to as the "Scheme") for the purposes of submission to BSF Limited and National Stock Exchange of India Limited" ("the Statement"), prepared by the Company with the books of account and other relevant records maintained by the Company in the ordinary course of its business.
2. The Management of the Company is responsible for the preparation of the said Statement and the maintenance of proper books of account and other relevant records. Our responsibility, for the purpose of this certificate, is limited to certify the particulars contained in the Statement on the basis of our verification of the relevant books of account and other records maintained by the Company.
3. On the basis of our verification as referred to in Paragraph 2 above and according to the informations and explanations provided to us by the Management of the Company, we certify that the particulars furnished by the Company in the said Statement are in agreement with the books of account and other relevant records maintained by it.
4. The Certificate is issued at the request of the Company for submission to BSE Limited and National Stock Exchange of India Limited and should not be used for any other purpose without our prior written consent.



New Delhi
 September 06, 2016

For Sanjay Grover & Associates
 Company Secretaries
 Firm Registration No.: P2001DE052900

Sanjay Grover
 Managing Partner
 CP No.: 3850



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INDO RAMA

Statement of Computation of pre-amalgamation and post amalgamation net-worth of Indo Rama Synthetics (India) Limited ("Transferee/ Applicant Company") on the basis of Financial Statements as on March 31, 2016 with respect to draft Scheme of Amalgamation of Indo Rama Renewables Limited ("Transferor / Applicant Company No. 1") and Indo Rama Renewables Ramgarh Limited ("Transferor / Applicant Company No. 2") and Indo Rama Renewables Porbandar Limited ("Transferor / Applicant Company No. 3") with Transferee Company (herein after referred to as the "Scheme") for the purposes of submission to BSE Limited and National Stock Exchange of India Limited.

Particulars	(Amount in Lacs)	
	Pre Amalgamation	Post Amalgamation
Share Capital:		
Equity	15,182	15,182
Add- Reserves & Surplus:		
(i) Capital reserve	2,038	2,038
(ii) Securities premium account	16,622	16,622
(iii) General reserve	5,898	5,898
(iv) Surplus in the Statement of Profit and Loss	18,018	17,857
Total Reserves and Surplus	42,576	42,415
Less- (i) Miscellaneous expenditure not written off	NIL	NIL
(ii) Accumulated losses	NIL	NIL
Net Worth	57,758	57,597

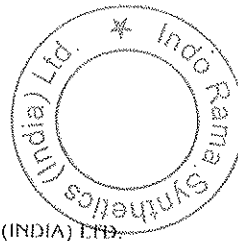


Place: Gurgaon
Date: 6th September 2016



for Indo Rama Synthetics (India) Limited

Jayantk Sood
Jayantk Sood
Head-Corporate & Company Secretary
(ICSI Membership No.: FCS 4482)



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SANJAY GROVER & ASSOCIATES

COMPANY SECRETARIES

B-88, 1st Floor, Defence Colony, New Delhi - 110 024

Tel : (011) 4679 0000, Fax : (011) 4679 0012

e-mail : contact@cssanjaygrover.in

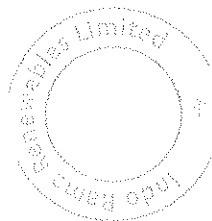
website : www.cssanjaygrover.in

NET-WORTH CERTIFICATE

1. We, Sanjay Grover & Associates, Company Secretaries (Firm Registration No. P2001DE052900), New Delhi, have examined the enclosed "Statement of Computation of pre-amalgamation net-worth of Indo Rama Renewables Limited ("Transferor / Applicant Company No. 1") on the basis of Financial Statements as on March 31, 2016 with respect to draft Scheme of Amalgamation of Transferor / Applicant Company No. 1, Indo Rama Renewables Ramgarh Limited ("Transferor / Applicant Company No. 2") and Indo Rama Renewables Porbandar Limited ("Transferor / Applicant Company No. 3") with Indo Rama Synthetics (India) Limited ("Transferee/ Applicant Company") (herein after referred to as the "Scheme") for the purposes of submission to BSE Limited and National Stock Exchange of India Limited" ("the Statement"), prepared by the Company with the books of account and other relevant records maintained by the Company in the ordinary course of its business.
2. The Management of the Company is responsible for the preparation of the said Statement and the maintenance of proper books of account and other relevant records. Our responsibility, for the purpose of this certificate, is limited to certify the particulars contained in the Statement on the basis of our verification of the relevant books of account and other records maintained by the Company.
3. On the basis of our verification as referred to in Paragraph 2 above and according to the informations and explanations provided to us by the Management of the Company, we certify that the particulars furnished by the Company in the said Statement are in agreement with the books of account and other relevant records maintained by it.
4. The Certificate is issued at the request of the Company for submission to BSE Limited and National Stock Exchange of India Limited and should not be used for any other purpose without our prior written consent.



New Delhi
September 06, 2016



For Sanjay Grover & Associates
Company Secretaries
Firm Registration No.: P2001DE052900

Sanjay Grover
Managing Partner
CP No.: 3850

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INDO RAMA

Statement of Computation of pre-amalgamation net-worth of Indo Rama Renewables Limited ("Transferor / Applicant Company No. 1") on the basis of Financial Statements as on March 31, 2016 with respect to draft Scheme of Amalgamation of Transferor / Applicant Company No. 1 and Indo Rama Renewables Ramgarh Limited ("Transferor / Applicant Company No. 2") and Indo Rama Renewables Porbandar Limited ("Transferor / Applicant Company No. 3") with Indo Rama Synthetics (India) Limited ("Transferee/ Applicant Company") (herein after referred to as the "Scheme") for the purposes of submission to BSE Limited and National Stock Exchange of India Limited.

(Amount in Lacs)

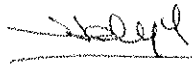
Particulars	Pre Amalgamation
Share Capital:	
Equity	3,984.37
Add- Reserves & Surplus	NIL
Less- (i) Miscellaneous expenditure not written off	NIL
(i) Accumulated losses	146.43
Net Worth	3,837.94

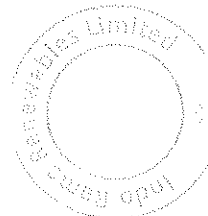
For Indo Rama Renewables Limited



Place: Gurgaon
Date : 6th September 2016




Vikas Sehgal
(Director)
DIN: 07529393



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SANJAY GROVER & ASSOCIATES

COMPANY SECRETARIES

B-88, 1st Floor, Defence Colony, New Delhi - 110 024

Tel. : (011) 4679 0000, Fax : (011) 4679 0012

e-mail : contact@cssanjaygrover.in

website : www.cssanjaygrover.in

NET-WORTH CERTIFICATE

1. We, Sanjay Grover & Associates, Company Secretaries (Firm Registration No. P2001DE052900), New Delhi, have examined the enclosed "Statement of Computation of pre-amalgamation net-worth of Indo Rama Renewables Ramgarh Limited ("Transferor / Applicant Company No. 2") on the basis of Financial Statements as on March 31, 2016 with respect to draft Scheme of Amalgamation of Indo Rama Renewables Limited ("Transferor / Applicant Company No. 1"), Transferor / Applicant Company No. 2 and Indo Rama Renewables Porbandar Limited ("Transferor / Applicant Company No. 3") with Indo Rama Synthetics (India) Limited ("Transferee/ Applicant Company") (herein after referred to as the "Scheme") for the purposes of submission to BSE Limited and National Stock Exchange of India Limited ("the Statement"), prepared by the Company with the books of account and other relevant records maintained by the Company in the ordinary course of its business.
2. The Management of the Company is responsible for the preparation of the said Statement and the maintenance of proper books of account and other relevant records. Our responsibility, for the purpose of this certificate, is limited to certify the particulars contained in the Statement on the basis of our verification of the relevant books of account and other records maintained by the Company.
3. On the basis of our verification as referred to in Paragraph 2 above and according to the informations and explanations provided to us by the Management of the Company, we certify that the particulars furnished by the Company in the said Statement are in agreement with the books of account and other relevant records maintained by it.
4. The Certificate is issued at the request of the Company for submission to BSE Limited and National Stock Exchange of India Limited and should not be used for any other purpose without our prior written consent.



New Delhi
September 06, 2016

For Sanjay Grover & Associates
Company Secretaries
Firm Registration No.: P2001DE052900

A handwritten signature in black ink, appearing to read "Sanjay Grover".

Sanjay Grover
Managing Partner
CP No.: 3850



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INDO RAMA

Statement of Computation of pre-amalgamation net-worth of Indo Rama Renewables Ramgarh Limited ("Transferor / Applicant Company No. 2") on the basis of Financial Statements as on March 31, 2016 with respect to draft Scheme of Amalgamation of Indo Rama Renewables Limited ("Transferor / Applicant Company No. 1") and Transferor / Applicant Company No. 2 and Indo Rama Renewables Porbandar Limited ("Transferor / Applicant Company No. 3") with Indo Rama Synthetics (India) Limited ("Transferee/ Applicant Company") (herein after referred to as the "Scheme") for the purposes of submission to BSE Limited and National Stock Exchange of India Limited.

(Amount in Lacs)

Particulars	Pre Amalgamation
Share Capital:	
Equity	5.00
Add- Reserves & Surplus	NIL
Less- (i) Miscellaneous expenditure not written off	NIL
(ii) Accumulated losses	8.96
Net Worth	(3.96)



Place: Gurgaon
Date: 6th September 2016

For Indo Rama Renewables Ramgarh Limited

Vikas Sehgal
(Director)
DIN: 07529393



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SANJAY GROVER & ASSOCIATES

COMPANY SECRETARIES

B-88, 1st Floor, Defence Colony, New Delhi - 110 024

Tel. : (011) 4679 0000, Fax : (011) 4679 0012

e-mail : contact@cssanjaygrover.in

website : www.cssanjaygrover.in

NET-WORTH CERTIFICATE

1. We, Sanjay Grover & Associates, Company Secretaries (Firm Registration No. P2001DE052900), New Delhi, have examined the enclosed "Statement of Computation of pre-amalgamation net-worth of Indo Rama Renewables Porbandar Limited ("Transferor / Applicant Company No. 3") on the basis of Financial Statements as on March 31, 2016 with respect to draft Scheme of Amalgamation of Indo Rama Renewables Limited ("Transferor / Applicant Company No. 1"), Indo Rama Renewables Ramgarh Limited ("Transferor / Applicant Company No. 2") and Transferor / Applicant Company No. 3 with Indo Rama Synthetics (India) Limited ("Transferee/ Applicant Company") (herein after referred to as the "Scheme") for the purposes of submission to BSE Limited and National Stock Exchange of India Limited" ("the Statement"), prepared by the Company with the books of account and other relevant records maintained by the Company in the ordinary course of its business.
2. The Management of the Company is responsible for the preparation of the said Statement and the maintenance of proper books of account and other relevant records. Our responsibility, for the purpose of this certificate, is limited to certify the particulars contained in the Statement on the basis of our verification of the relevant books of account and other records maintained by the Company.
3. On the basis of our verification as referred to in Paragraph 2 above and according to the informations and explanations provided to us by the Management of the Company, we certify that the particulars furnished by the Company in the said Statement are in agreement with the books of account and other relevant records maintained by it.
4. The Certificate is issued at the request of the Company for submission to BSE Limited and National Stock Exchange of India Limited and should not be used for any other purpose without our prior written consent.



New Delhi
September 06, 2016

For Sanjay Grover & Associates
Company Secretaries
Firm Registration No.: P2001DE052900

Sanjay Grover
Managing Partner
CP No.: 3850



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Statement of Computation of pre-amalgamation net-worth of Indo Rama Renewables Porbandar Limited ("Transferor / Applicant Company No. 3") on the basis of Financial Statements as on March 31, 2016 with respect to draft Scheme of Amalgamation of Indo Rama Renewables Limited ("Transferor / Applicant Company No. 1") and Indo Rama Renewables Ramgarh Limited ("Transferor / Applicant Company No. 2") and Transferor / Applicant Company No. 3 with Indo Rama Synthetics (India) Limited ("Transferee/ Applicant Company") (herein after referred to as the "Scheme") for the purposes of submission to BSE Limited and National Stock Exchange of India Limited.

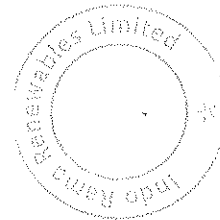
(Amount in Lacs)	
Particulars	Pre Amalgamation
Share Capital:	
Equity	5.00
Add- Reserves & Surplus	NIL
Less- (i) Miscellaneous expenditure not written off	NIL
(ii) Accumulated losses	6.34
Net Worth	(1.34)

For Indo Rama Renewables Porbandar Limited



Place: Gurgaon
Date : 6th September 2016


Vikas Sehgal
(Director)
DIN: 07529393



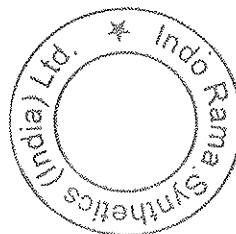
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Details of Capital evolution of the Transferee Company

Date of Issue	No. of Shares issued	Issue price	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights etc.)	Cumulative Capital (No. of shares)	Whether listed, if not listed, give reasons thereof.
28/04/1986	7	10	Subscribed to the Memorandum	7	Listed
07/08/1989	9956243	10	IPO	9956250	Listed
17/06/1991	6011105	10	Right Issue - conversion of Part-A PCDs	15967355	Listed
23/02/1993	3700000	10	Private Placement	19667355	Listed
26/03/1993	2374680	10	Right Issue - conversion of Part-B PCDs	22042035	Listed
05/05/1994	11023793	10	Right Issue - conversion of Part-A FCDs	33065828	Listed
01/02/1995	24252344	10	Right Issue - conversion of Part-B FCDs	57318172	Listed
26/07/1995	28659086	10	Bonus Issue	85977258	Listed
28/03/1996	43975380	10	GDR's	129952638	Listed
10/05/1996	25793177	10	Right Issue	155745815	Listed
23/01/2000	250000	10	Conversion of Loan	155995815	Listed
26/03/2001	10270000	10	Conversion of Loan	166265815	Listed
Share Capital de-merged/splitted on 3rd June 2003.					
03/06/2003	133020694	10	Split of capital upon de-merger	133020694	Listed
24/10/2004	-1193410		Less: Reduction in terms of exit option pursuant to scheme of de-merger	131827284	Listed
29/01/2008	20000000	10	Issued upon Amalgamation	151827284	Listed
28/01/2009	-5093	10	Less: Forefeited partly paid shares	151822191	Listed
19/05/2009	51	10	Add: Annulment of Forfeited Shares	151822242	Listed

for Indo Rama Synthetics (India) Limited

Place: Gurgaon
Date: 31st August 2016



Jayantk Sood
Jayantk Sood
Head-Corporate & Company Secretary
(ICSI Membership No.: FCS 4482)

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INDO RAMA SYNTHETICS (INDIA) LTD.

Corporate Office : 20th Floor, DLF Square, DLF Phase-2, NH-8, Gurgaon - 122002, Haryana, India. Tel : 0124-4997000, Fax : 0124-4997070
Registered Office & Manufacturing Complex : A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, India. Tel : 07104-663000 / 01, Fax : 07104-663200
E-mail : corp@indorama-ind.com • Website : www.indoramaindia.com
CIN : L17124MH1986PLC166615

Details of Capital evolution of the Transferor Company No. 1

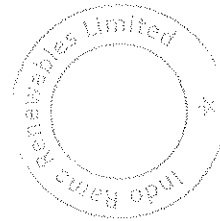
Date of Issue	No. of Shares issued	Issue price	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights etc.)	Cumulative Capital (No.of shares)	Whether listed, if not listed, give reasons thereof.
03/05/2012	100000	10	Subscribed to the Memorandum	100000	Unlisted
17/10/2012	36884831	10	Preferential Issue	36984831	Unlisted
26/06/2014	2858852	10	Preferential Issue	39843683	Unlisted

for Indo Rama Renewables Limited

Place: Gurgaon
Date: 31-Aug-2016



Vikas Sehgal
Director (DIN 07529393)



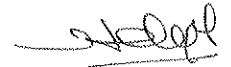
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Details of Capital evolution of the Transferor Company No. 2

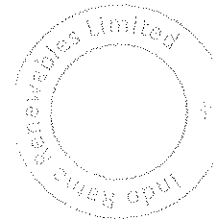
Date of Issue	No. of Shares issued	Issue price	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights etc.)	Cumulative Capital (No.of shares)	Whether listed, if not listed, give reasons thereof.
25/05/2012	50000	10	Subscribed to the Memorandum	50000	Unlisted

for Indo Rama Renewables Ramgarh Limited

Place: Gurgaon
Date: 31-Aug-2016



Vikas Sehgal
Director (DIN 07529393)



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Details of Capital evolution of the Transferor Company No. 3

Date of Issue	No. of Shares issued	Issue price	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights etc.)	Cumulative Capital (No.of shares)	Whether listed, if not listed, give reasons thereof.
23/05/2012	50000	10	Subscribed to the Memorandum	50000	Unlisted

for Indo Rama Renewables Porbandar Limited

Place: Gurgaon
Date: 31-Aug-2016



Vikas Sehgal
Director (DIN 07529393)



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CONFIRMATION BY THE COMPANY SECRETARY

Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Amalgamation of Indo Rama Renewables Limited (Transferor Company No. 1), Indo Rama Renewables Ramgarh Limited (Transferor Company No. 2), Indo Rama Renewables Porbandar Limited (Transferor Company No. 3) with Indo Rama Synthetics (India) Limited (Transferee Company).

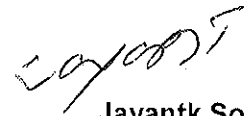
In connection with the above application, we hereby confirm that:

- a) The proposed Scheme of Amalgamation to be presented to any Court or Tribunal does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956 / the Companies Act, 2013, the rules, regulations and guidelines made under these Acts, and the provisions as explained in Regulation 11 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 or the requirements of BSE Limited.
- b) The draft Scheme of Amalgamation together with all documents mentioned in Para I(A)(7)(a) of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015, has been disseminated on Company's website as per Website link given hereunder:

<http://www.indoramaindia.com/schemeofamalgamation.php>

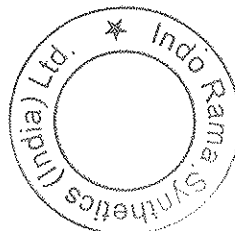
- c) The Company shall disclose the observation letter of the Stock Exchange on its website within 24 hours of receiving the same.
- d) The documents filed by the Company with the Exchange are same/ similar/ identical in all respect, which have been filled by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.
- e) There will be no alteration in the Share Capital of the unlisted Transferor Companies from the one given in the draft Scheme of Amalgamation.

for Indo Rama Synthetics (India) Limited



Jayantk Sood
Head-Corporate & Company Secretary
(ICSI Membership No.: FCS 4482)

Place: Gurgaon
Date: 31st August 2016



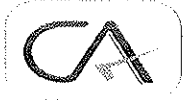
INDO RAMA SYNTHETICS (INDIA) LTD.

Corporate Office : 20th Floor, DLF Square, DLF Phase-2, NH-8, Gurgaon - 122002, Haryana, India. Tel : 0124-4997000, Fax : 0124-4997070

Registered Office & Manufacturing Complex : A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, India. Tel : 07104-663000 / 01, Fax : 07104-663200

E-mail : corp@indorama-ind.com • Website : www.indoramaindia.com

CIN : L17124MH1986PLC166615



ANNEXURE NO. 2

Sanjay Batra & Co. Chartered Accountants

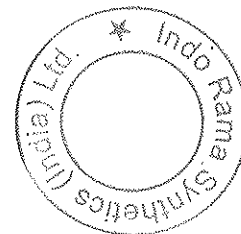
802, Bhim Nagar Chowk, New Railway Road, Gurgaon-122001, Cell: 9811230040

Independent Chartered Accountant Certificate

1. We, Chartered Accounts of Indo Rama Synthetics India Limited ("IRSL" or the "Company") have examined the proposed Draft Scheme of Amalgamation under Section 391 to 394 of the Companies Act, 1956 between the Company, having its registered office at A -31, MIDC Industrial Area, Butibori, Nagpur, Maharashtra 441122 and Indo Rama Renewables Ltd having its registered office at A -31, MIDC Industrial Area, Butibori, Nagpur, Maharashtra 441122 (IRRLL), a wholly owned subsidiary of the Company and Indo Rama Renewables Ramgarh Ltd having its registered office at A -31, MIDC Industrial Area, Butibori, Nagpur, Maharashtra 441122 (IRRRL), a wholly owned step down subsidiary of the Company and Indo Rama Renewables Porbandar Ltd having its registered office at A -31, MIDC Industrial Area, Butibori, Nagpur, Maharashtra 441122 (IRRPL), a wholly owned step down subsidiary of the Company and their respective shareholders and creditors ("the Scheme") which has been approved by the Audit Committee and Board of Directors of Indo Rama Synthetics India Limited at its meeting held on 31st August 2016.
2. Based on our examination of Draft Scheme and according to information and explanation given to us, we note that the Draft Scheme entails the amalgamation of IRRPL, IRRRL, IRRLL with parent IRSL.
3. We further note that as a result of the proposed amalgamation, the shares of IRRPL and IRRRL held by IRRLL and shares of IRRLL held by IRSL will stand cancelled, with no issuance of shares or payment of other consideration by IRSL. Since, the shareholders and shareholding pattern of IRSL remain same, it is treated as 'no change' in shareholding pattern and accordingly no valuation process is applicable to the transactions contemplated by the aforesaid scheme.
4. A certificate copy of the Draft Scheme duly authenticated on behalf of the Company and certified copy of the resolution of the Board of Directors of the company approving the Draft Scheme are attached as Annexure I and II, respectively, to this Certificate and are stamped by us only for the purpose of identification.
5. This Certificate is issued at the request of the Company in accordance with circular no CIR/CFD/CMD/16/2015 dated November 30,2015 read with regulation 11 and 37 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, for its onward submission to the Bombay Stock Exchange and National Stock Exchange of India Limited and should not be used for any other purpose or to be distributed to any other parties without our written consent.

**For Sanjay Batra & Co.
Chartered Accountants**

**(Sanjay Batra)
Prop.
M. No.092037**



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Place : Gurgaon
Date : 31.08.2016

Indo Rama Synthetics (India) Limited

Standalone Financial Statements
Statutory Audit for the year ended
31 March 2016

B S R and Associates

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002 (India)

Telephone: + 91 124 2358 610
Fax: + 91 124 2358 613

Independent Auditors' Report

To the Members of Indo Rama Synthetics (India) Limited

1. Report on the Standalone Financial Statements

We have audited the accompanying financial statements ("standalone financial statements") of Indo Rama Synthetics (India) Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

3. Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the



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appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

4. Basis for Qualified Opinion

Attention is drawn to note 39 (b) of the standalone financial statements, which enumerates recognition of interest of Rs. 10.95 crores for the year ended 31 March 2016 on the insurance claim lodged by the Company with its insurance company for the loss of certain assets and loss suffered due to business interruption at its plant in 2007-08. The said recognition of asset, is not in accordance with accounting principle stated in Accounting Standard 29, 'Provisions, Contingent Liabilities and Contingent Assets'. Had such income not been recognised, the net loss before tax for the year would have been higher by Rs. 10.95 crores, the net profit after tax for the year would have been lower by and Rs. 7.16 crores and Reserves and Surplus as at 31 March 2016 would have been lower by 7.16 crores.

5. Qualified Opinion

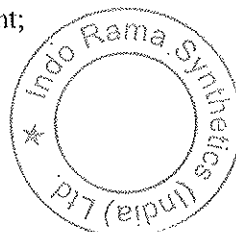
In our opinion and to the best of our information and according to the explanations given to us, except for the matter described in the 'Basis for Qualified Opinion' paragraph above, the aforesaid standalone financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, of its profit and its cash flows for the year ended on that date.

6. Emphasis of matter

We draw attention to note 39 (a) of the standalone financial statements which describes the uncertainty related to the outcome of the lawsuit filed by the Company against an insurance company. Our opinion is not modified in respect of this matter.

7. Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
- (ii) As required by section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. except for the effects of the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement, dealt with by this report, are in agreement with the books of account;



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B S R and Associates

- d. except for the effects of the matter described in the 'Basis for Qualified Opinion' paragraph, 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;
- e. the matter described in the 'Basis for Qualified Opinion' and matter described under 'Emphasis of matter' paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- f. on the basis of the written representations received from the directors, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- g. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the 'Basis for Qualified Opinion' paragraph above;
- h. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure II"; and
- i. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer notes 36 and 39 to the standalone financial statements;
 - ii. the Company did not have any long term contracts, including derivative contracts outstanding as at 31 March 2016 for which there were any material foreseeable losses; and
 - iii. there has been no delay in transferring amounts that were required to be transferred to the Investor Education and Protection Fund by the Company.

For B S R and Associates

Chartered Accountants

ICAI Firm registration number: 128901W



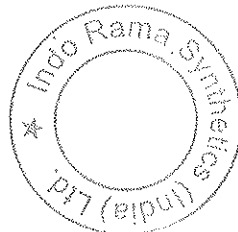
Jiten Chopra

Partner

Membership No.: 092894

Place: Gurgaon

Date: 18 May 2016



Annexure I referred to in paragraph 7 (i) of the Independent Auditors' Report to the Members of Indo Rama Synthetics (India) Limited on the Standalone financial statements for the year ended 31 March 2016.

- (i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets are physically verified by the management in accordance with a phased programme designed to cover all items of fixed assets over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and nature of its fixed assets. In accordance with this programme, certain categories of fixed assets at certain locations have been physically verified by the management during the year. As informed to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company.
- (ii) According to the information and explanations given to us, the inventories, except for goods in transit and stocks lying with third parties, have been physically verified, at reasonable interval by the management during the year. For stocks lying with third parties at the year end, written confirmations are obtained. As informed to us, no material discrepancies were noticed on such verification.
- (iii) According to the information and explanations given to us, the Company, during the earlier periods, had granted interest free unsecured loans to a wholly owned subsidiary company covered in the register maintained under Section 189 of the Companies Act, 2013. Further, according to information and explanations given to us:
- (a) the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.
- (b) the interest free loan is to be converted, on mutual agreement, into equity, quasi equity or debentures or repayable by 31 March 2017. Hence, the loan were not due for repayment in the current year in accordance with the stipulations.
- (c) There is no overdue for more than ninety days.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans, investments, guarantees, and security where provisions of section 185 and 186 of the Act are required to be complied with. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from public during the year.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government, the maintenance of cost records has been prescribed under sub section (1) of section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such records with a view to determine whether they are accurate or complete.

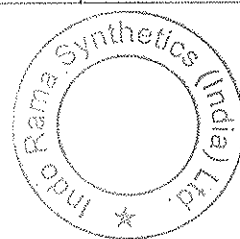


(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues, to the extent applicable, have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added tax, Cess and other material statutory dues, to the extent applicable, were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, and on the basis of the records of the Company examined by us, there are no dues of Income-tax, Sales-tax, Service tax, Duty of Customs, Value Added Tax, Duty of Excise, which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the Statute	Nature of dues	Amount of dispute (Rs. Crores) #	Amount paid under protest (Rs. Crores)	Period to which it relates	Forum where dispute is pending
The Central Excise Act, 1944	Duty of Excise	1.06	-	2002-03	Bombay High Court, Nagpur Bench
		0.38	-	2005-06	
		0.51	-	March 2008-December 2010	
		65.77	5.91	1996- 97 to 2009-10	Customs, Excise and Service Tax Appellate Tribunal
		17.56	0.08	1996-97 to 2008-09	Commissioner of Central Excise and Customs (Appeals)
		4.97	-	1997-98 to 2010-11	Commissioner/ Assistant Commissioner/ Deputy Commissioner
Bombay Sales Tax Act, 1959/ Central Sales Tax Act, 1956	Sales tax	0.43	0.13	1998-99 to 1999-00	Joint Commissioner Sales Tax (Appeals), Nagpur
Maharashtra VAT Act, 2002	VAT	22.20	5.60	2006-07, 2008-09 and 2010-11 to 2013-14	



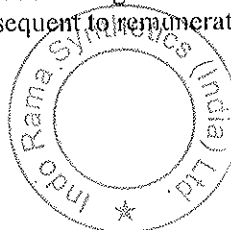
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Name of the Statute	Nature of dues	Amount of dispute (Rs. Crores) #	Amount paid under protest (Rs. Crores)	Period to which it relates	Forum where dispute is pending
Customs Act, 1962	Duty of Customs	214.25	-	2006-07	Supreme Court
		0.09	-	2002-03	Customs, Excise and Service Tax Appellate Tribunal
		6.01	-	2006-07	Commissioner of Customs
		0.04	-	1997- 98 to 1998-99	Assistant Commissioner/ Deputy Commissioner
		10.68	-	2014-15 to 2015-16	
Finance Act, 1994	Service tax	0.22	0.08	2004-05 to 2009-10	Customs, Excise and Service Tax Appellate Tribunal
		0.22	-	2002-03 to 2005-06	Commissioner, Nagpur
		0.18	-	2010-11 to 2013-14	Assistant/ Deputy Commissioner Nagpur
Income tax Act, 1961 *	Income tax	0.26	-	AY 2006-07	Commissioner of Income Tax (Appeals)
		24.55	14.50	AY 2002-03 to AY 2004-05 and AY 2007-08	Income Tax Appellate Tribunal

* excluding cases where losses / unabsorbed depreciation have been adjusted by the tax authorities without raising any demands, though disputed by the Company.

including interest/ penalties, where quantified and demanded by authorities.

- (viii) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. Further, there are no loans or borrowings from financial institutions or government and there are no dues to debenture holders during the year.
- (ix) According to the information and explanations given to us, the term loan taken by the Company have been applied for the purposes for which they were raised. The Company has not raised any moneys by way of initial public offer or further public offer.
- (x) According to the information and explanations given to us, no fraud by the Company and on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the managerial remuneration has been paid / provided in accordance with the the provisions of section 197 read with Schedule V to the Companies Act, 2013 except Rs. 0.62 crores which has been paid as Managerial Remuneration by the Company to one of its directors for services rendered subsequent to remuneration period approved by the



15/

B S R and Associates

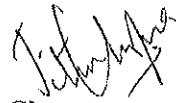
Central Government vide approval SRH B61072120/4/2013-CL VII. The Company is in the process of obtaining requisite renewal of such approval subsequent to 31 March 2016.

- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For B S R and Associates

Chartered Accountants

ICAI Firm registration number: 128901W



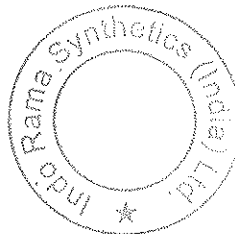
Jiten Chopra

Partner

Membership No.: 092894

Place: Gurgaon

Date: 18 May 2016



Annexure II referred to in paragraph 7 (ii)(h) of the Independent Auditors' Report to the Members of Indo Rama Synthetics (India) Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Indo Rama Synthetics (India) Limited** ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

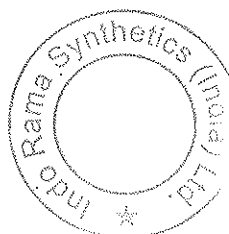
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



5/

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

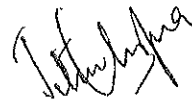
Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

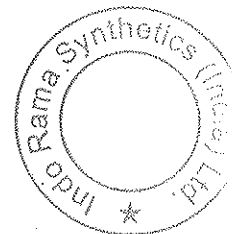
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' issued by the Institute of Chartered Accountants of India.

For B S R and Associates
Chartered Accountants
ICAI Firm registration number: 128901W



Jiten Chopra
Partner
Membership No.: 092894

Place: Gurgaon
Date: 18 May 2016



Indo Rama Synthetics (India) Limited
Balance Sheet as at 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

	Note No.	As at 31 March 2016	As at 31 March 2015
I. Equity and Liabilities			
(1) Shareholders' funds			
(a) Share capital	3	151.82	151.82
(b) Reserves and surplus	4	429.82	402.09
		581.64	553.91
(2) Non-current liabilities			
(a) Long-term borrowings	5	98.86	107.70
(b) Deferred tax liabilities (net)	6	-	172.96
(c) Other long-term liabilities	7	0.37	0.64
(d) Long-term provisions	8	18.79	19.90
		118.02	301.20
(3) Current liabilities			
(a) Short-term borrowings	9	177.72	204.94
(b) Trade payables	10	-	-
Total outstanding dues of micro enterprises and small enterprises		0.03	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		734.85	542.85
(c) Other current liabilities	11	159.99	124.01
(d) Short-term provisions	8	21.23	21.13
		1,093.82	892.93
TOTAL		1,803.48	1,748.04
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12.1	938.56	938.56
(ii) Intangible assets	12.2	-	0.05
(iii) Capital work-in-progress		13.36	3.22
		951.92	941.83
(b) Non-current investments	13.1	39.85	39.85
(c) Long-term loans and advances	14.1	20.50	123.23
(d) Other non-current assets	15.1	8.35	8.05
		68.70	171.13
(2) Current assets			
(a) Current investments	13.2	0.74	4.28
(b) Inventories	16	256.71	273.48
(c) Trade receivables	17	198.09	115.00
(d) Cash and bank balances	18	82.42	55.68
(e) Short-term loans and advances	14.2	104.34	69.60
(f) Other current assets	15.2	140.56	117.04
		782.86	635.08
TOTAL		1,803.48	1,748.04

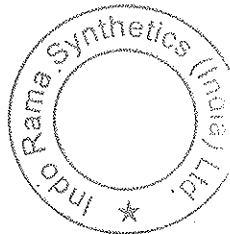
Significant accounting policies

The accompanying notes (from 1 to 45) form an integral part of the financial statements

As per our report attached
For BSR and Associates
Chartered Accountants
ICAI Firm registration number: 128901W

Jiten Chopra
Partner
Membership No : 092894

Place: Gurgaon
Date: 18 May 2016



For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

Om Prakash Lohia
Chairman and Managing Director
DIN Number: 00206807

Jayant K Soed
Company Secretary
ICSI Membership No. FCS4482

Place: Gurgaon
Date: 18 May 2016

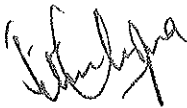
Ashish Kumar Ladha
Director
DIN Number: 00089360

Sudhanshu Mittal
Company Secretary
ICAI Membership No : 089369

Indo Rama Synthetics (India) Limited
Statement of Profit and Loss for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

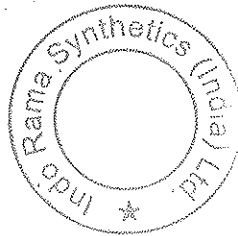
	Note No.	For the year ended 31 March 2016	For the year ended 31 March 2015
Income			
I. Revenue from operations	19		
Sale of products (gross)		2,714.69	2,961.90
Less: Excise duty		249.94	253.00
Sale of products (net)		2,464.75	2,708.90
Other operating revenue		70.90	52.48
Revenue from operations (net)		2,535.65	2,761.38
II. Other income	20	30.88	9.81
III. Total revenue (I+II)		2,566.53	2,771.19
IV. Expenses :			
Cost of materials consumed	21	2,019.32	2,192.84
Changes in inventories of finished goods and work-in-progress	22	(52.90)	(39.84)
Employee benefits expense	23	105.45	92.09
Other expenses	24	370.37	393.85
Expenses before finance costs, depreciation/amortisation and exceptional items		2,442.24	2,638.94
V. Profit before finance costs, depreciation/amortisation, exceptional items and tax (III-IV)		124.29	132.25
VI. Finance costs	25	51.66	43.38
VII. Profit before depreciation/amortisation, exceptional items and tax (V-VI)		72.63	88.87
VIII. Depreciation and amortisation expense	12.1 & 12.2	77.76	117.16
IX. Loss before exceptional items and tax (VII-VIII)		(5.13)	(28.29)
X. Exceptional items			
- Foreign exchange fluctuation (loss) / gain (refer note 43(b))		(23.62)	15.02
- Inventory losses (refer note 21 and 22)		(26.68)	(20.75)
- Others (refer note 43(c))		(4.23)	-
XI. Loss before tax (IX+X)		(54.66)	(34.02)
XII. Tax expense (refer note 41):			
MAT credit taken in previous years charged off		57.30	0.58
Deferred tax credit		(172.96)	(13.07)
XIII. Profit / (Loss) for the year		56.60	(21.53)
Basic and diluted earnings / (loss) per equity share (in Rs.) [Face value Rs.10 each]	26	3.69	(1.42)
Significant accounting policies	2		
The accompanying notes (from 1 to 45) form an integral part of the financial statements			

As per report attached to the balance sheet
for BSR and Associates
Chartered Accountants
ICAI Firm registration number: 128901W

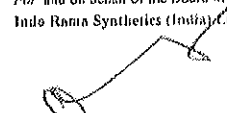


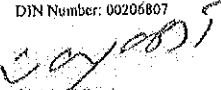
Jiten Chopra
Partner
Membership No.: 092894

Place: Gurgaon
Date: 18 May 2016





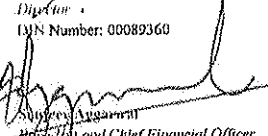
For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited


Om Prakash Lohia
Chairman and Managing Director
DIN Number: 00206807


Ajay K. Saini
Company Secretary
ICSI Membership No.: 4034482

Place: Gurgaon
Date: 18 May 2016


Ashok Kumar Laddha
Director
DIN Number: 00089360


Subhrajit Arghwal
Principal and Chief Financial Officer
ICAI Membership No.: 089369

Indo Rama Synthetics (India) Limited
Cash flow statement for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

	For the year ended 31 March 2016	For the year ended 31 March 2015
A. Cash flow from operating activities		
Loss before taxation	(59.66)	(34.02)
Adjusted for:		
Depreciation and amortization (net of transfer from revaluation reserve)	77.76	117.16
Loss or (gain) on scrap / disposal of fixed asset	0.09	(3.33)
Provision made / (written back) for diminution in the value of investments	-	(0.09)
Provision for doubtful debts and advances	(0.38)	0.85
Profit on sale of current investments (net)	(25.45)	(0.99)
Interest income	(29.69)	(12.34)
Dividend income	(0.60)	(0.52)
Interest expense	35.73	28.30
Operating (loss) / profit before working capital changes	(2.20)	95.02
Changes in:		
Decrease in inventories	16.77	20.13
(Increase) in trade receivables	(82.71)	(4.01)
(Increase) / decrease in short term loans and advances and other current assets	(10.88)	55.57
(Increase) in long term loans and advances	(1.00)	(1.02)
(Increase) in other non current assets	(0.30)	(0.44)
Increase in trade payables	192.03	12.20
(Decrease) in other non current liabilities	(0.27)	(0.19)
Increase in other current liabilities	17.12	3.24
(Decrease) / Increase in long term provisions	(1.11)	1.76
Increase in short term provisions	0.10	0.19
Cash generated from operations	127.55	182.45
Income tax paid	(0.83)	(0.51)
Net cash flow from operating activities (A)	126.72	181.94
B. Cash flows from investing activities		
Purchase of fixed assets	(46.13)	(9.37)
Sale of fixed assets	0.46	17.37
Sale of current investments (net)	28.99	0.14
Income from renunciation of rights issue	-	0.85
Purchase of non current non trade investments	-	(2.86)
Movement in bank deposits (net) (having original maturity of more than 3 months)	(44.57)	(1.66)
Repayment from subsidiary company	1.77	0.11
Dividend received	0.60	0.52
Interest received	25.50	11.10
Net cash flow (used) in / from investing activities (B)	(33.38)	16.20
C. Cash flows used in financing activities		
Long-term borrowings repaid during the year	(30.39)	(101.71)
Long-term borrowings taken during the year	-	4.14
Short term borrowings repaid during the year (net)	(27.22)	(40.91)
Payment of dividend	(15.17)	(15.16)
Taxes on dividend	(3.09)	(2.58)
Interest paid	(35.30)	(30.84)
Net cash flow used in financing activities (C)	(111.17)	(187.06)
Net changes in cash and cash equivalents (A+B+C)	(17.83)	11.08
Cash and cash equivalents - opening balance	23.69	12.61
Cash and cash equivalents - closing balance	5.86	23.69
Components of cash and cash equivalents (refer note 18)		
Cash in hand	0.92	0.27
With scheduled banks:		
in current accounts	4.94	10.98
in margin money accounts (currently not available for use by the Company)	-	12.44
Total	5.86	23.69

Notes:

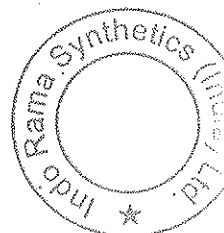
- The accompanying notes (from 1 to 45) form an integral part of the financial statements
- The Cash Flow Statement has been prepared under the 'indirect method' as set out in Accounting Standard - 3 'Cash Flow Statements', as specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies Amendment Rules, 2014.

As per our report attached to the balance sheet

For B S R and Associates
Chartered Accountants
ICAI Firm registration number: 128901W

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurgaon
Date: 18 May 2016



For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

Om Kishish Lohia
Chairman and Managing Director
DIN Number: 00206807

Jayant K Sood
Company Secretary
ICSI Membership No.: FC84482

Place: Gurgaon
Date: 18 May 2016

Ashok Kumar Ladia
Director
DIN Number: 00089360

Sanjay Bhatnagar
President and Chief Executive Officer
ICAI Membership No.: 089369

Indo Rama Synthetics (India) Limited
Notes to the financial statements for the year ended 31 March 2016
(All amount in Rs. crores, unless otherwise stated)

1. General information

Indo Rama Synthetics (India) Limited (hereinafter referred to as 'the Company' or 'IRSL') is a manufacturer of Polyester Filament Yarn (PFY), Polyester Staple Fibre (PSF), Draw Texturised Yarn (DTY), Specialty Fiber and Chips. The Company is also engaged in power generation, which is used primarily for captive consumption. The Company's manufacturing facilities are located at Butibori, Nagpur.

2. Significant Accounting Policies

2.1 Basis of preparation

These financial statements have been prepared under the historical cost convention, modified to include revaluation of certain fixed assets, on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP primarily comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014, and other accounting pronouncements of the Institute of Chartered Accountants of India.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the year. Differences between actual results and estimates are recognized in the year in which the results are known or materialized. Examples of such estimates are estimated useful life of assets, classification of assets/liabilities as current or non-current in certain circumstances, recoverability of minimum alternate tax credit entitlement, provision for doubtful receivables and retirement benefits, etc. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Current/ non-current classification

All assets and liabilities are classified as current and non-current.

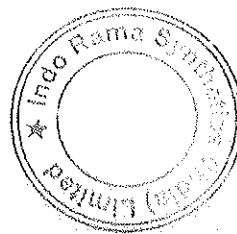
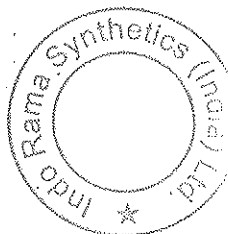
Assets

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

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.



Indo Rama Synthetics (India) Limited
Notes to the financial statements for the year ended 31 March 2016
(All amount in Rs. crores, unless otherwise stated)

Liabilities

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

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company considers its operating cycle to be within a year.

2.4 Fixed assets

Fixed assets are stated at cost or at revalued amounts less accumulated depreciation. Cost of fixed assets includes all incidental expenses and interest costs on borrowings, attributable to the acquisition of qualifying assets, upto the date of commissioning of assets.

Foreign currency exchange differences are capitalized as per the policy stated in note 2.12 (b) below.

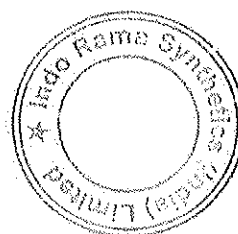
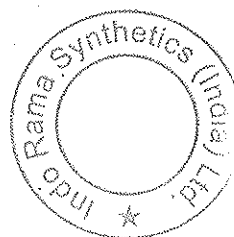
2.5 Depreciation/ amortization

- Leasehold land and cost of leasehold improvements are amortised over the period of lease or their useful lives, whichever is shorter.
- Depreciation on other fixed assets (excluding software) is provided using the straight line method at the rates based on following useful lives of assets estimated by the management:

Particulars	Useful life
Factory buildings/ Non factory buildings	28 years/ 58 years
Plant and equipment (Continuous Process Plant)	18 years
Furniture and fixtures	15 years
Vehicles	10 years
Office equipment/ Computer and Peripherals	20 years/ 6 years

The above useful lives are arrived at, based on the internal technical assessment of the management, are currently reflective of the estimated useful lives of the fixed assets.

- Fixed assets individually costing up to rupees five thousand are depreciated at the rate of 100% over a period of one year.
- Software are amortised on straight line method over a period of three years.



Indo Rama Synthetics (India) Limited
Notes to the financial statements for the year ended 31 March 2016
(All amount in Rs. crores, unless otherwise stated)

2.6 Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated as higher of its net selling price and value in use. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (Cash Generating Unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed 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 amortization, had no impairment loss been recognized.

2.7 Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to be put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

2.8 Investments

Long-term investments (including its current portion) are carried at cost less diminution, other than temporary, in value. Current investments are carried at the lower of cost and fair value, which is computed category wise.

2.9 Inventories

- Stores and spare parts are valued at cost or under, computed on weighted average basis.
- Raw materials, work-in-progress and finished goods are valued at the lower of cost and net realizable value. Finished goods and work-in-progress include material cost and appropriate portion of manufacturing and other overheads. Cost is ascertained on a weighted average basis.

2.10 Revenue recognition

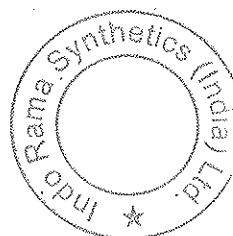
i) Sale of goods

Revenue from sale of products is recognized when the products are dispatched against orders from customers in accordance with the contract terms, which coincides with the transfer of significant risks and rewards.

Sales are stated inclusive of excise duty and net of rebates, trade discounts, sales tax and sales returns.

ii) Sale of power

Sale of power is recognized on the basis of actual quantity of power sold with reference to the contracted rate.



Indo Rama Synthetics (India) Limited
Notes to the financial statements for the year ended 31 March 2016
(All amount in Rs. crores, unless otherwise stated)

iii) Insurance claims

Insurance claims are accounted for on an accrual basis, to the extent these are measurable and ultimate collection is reasonably certain (Also refer to note 39).

iv) Dividend

Dividend from investments is recognized when the right to receive dividend is established.

v) Interest income

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

2.11 Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating lease. Operating lease charges are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

2.12 Foreign exchange transactions and forward contracts

Foreign exchange transactions

a) Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rates prevailing at the date of the balance sheet. All exchange differences, other than in relation to acquisition of fixed assets and other long term foreign currency monetary liabilities, are dealt with in the Statement of Profit and Loss.

b) In accordance with Accounting Standard 11, "Accounting for the effects of changes in foreign exchange rates", exchange differences arising in respect of long term foreign currency monetary items used for acquisition of depreciable capital asset, are added to or deducted from the cost of asset and are depreciated over the balance life of asset.

c) In case of foreign exchange forward contracts taken for underlying transactions, and covered by Accounting Standard 11, "Accounting for the Effects of Changes in Foreign Exchange Rates", the premium or discount is amortised as income or expense over the life of the contract. The exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange difference is recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

Any profit or loss arising on the cancellation or renewal of such contracts is recognized as income or expense for the year.

d) Forward exchange contracts taken for highly probable/forecast transactions, which are not covered by Accounting Standard 11, are marked to market in accordance with the principles under AS 30 "Financial Instruments: Recognition and Measurement", issued by the Institute of Chartered Accountants of India. The Company records the gain or loss on effective hedges, if any, in the Hedging Reserve until the transactions are complete. On completion, the gain or loss is transferred to the Statement of Profit and Loss



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of the period in which such transaction is concluded. To designate a forward contract or option as an effective hedge, management objectively evaluates with appropriate supporting documents at the inception of each contract whether the contract is effective in achieving offsetting cash flows attributable to the hedged risk. In the absence of a designation as effective hedge, a gain or loss is recognized in the Statement of Profit and Loss.

2.13 Employee benefits

a) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus, etc., are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

b) Post-employment benefits

Defined contribution plan

The Company deposits the contributions for provident fund to the appropriate government authorities and these contributions are recognized in the Statement of Profit and Loss in the financial year to which they relate.

Defined benefit plan

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

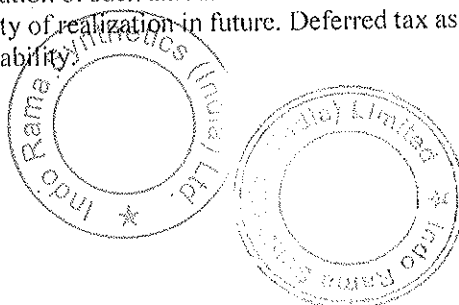
c) Other long term employee benefits

Entitlements to annual leave are recognized when they accrue to employees. Leave entitlements may be availed while in service or encashed at the time of retirement/ termination of employment, subject to a restriction on the maximum number of accumulation. The Company determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

2.14 Taxation

Income tax expense comprises current tax and deferred tax charge or credit. Current tax provision is made based on the tax liability computed after considering tax allowances and exemptions under the Income tax Act, 1961. The deferred tax charge or credit and the corresponding deferred tax liability and assets are recognized using the tax rates that have been enacted or substantively enacted on the balance sheet date.

Deferred tax assets arising from unabsorbed depreciation or carry forward losses are recognized only if there is virtual certainty of realization of such amounts. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets are reviewed at each balance sheet date to reassess their realisability.



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The credits arising from Minimum Alternate Tax paid are recognized as receivable only if there is reasonable certainty together with convincing/ reliable evidence that the Company will have sufficient taxable income in future years to utilize such credits.

2.15 Government grants

Government grants specifically receivable as a reduction of interest charge under the grants scheme is netted off from the interest charge for the year.

2.16 Earnings per share

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

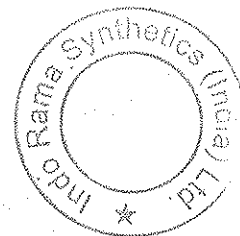
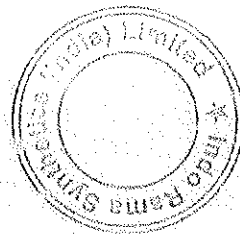
For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.17 Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligations and the amount of such obligation can be reliably estimated. Provisions are not discounted to their present value and are determined based on the management's estimation of the outflow required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events, not wholly within the control of the Company.

When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



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Note 3: Share capital

	As at 31 March 2016	As at 31 March 2015
Authorised		
185,000,000 (previous year 185,000,000) equity shares of Rs 10 each	185.00	185.00
Issued, subscribed and fully paid-up		
151,822,242 (previous year 151,822,242) equity shares of Rs 10 each fully paid-up	151.82	151.82
	<u>151.82</u>	<u>151.82</u>

Foot notes :

1. During the current year and in the previous year, there have been no movements in the number of outstanding equity shares.

2. The Company has only one class of equity shares, having a par value of Rs.10 per share. Each shareholder is eligible to one vote per share held, except for shares held against Global Depository Receipts (GDR). The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

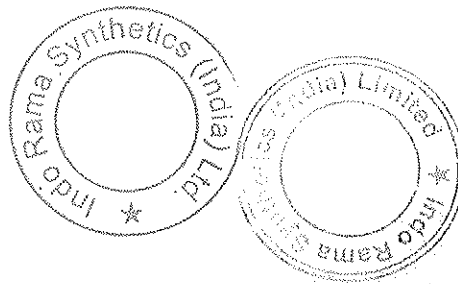
3. Shares in the Company held by each shareholder holding more than 5% shares (also refer note 4 below) are as under:-

Names	As at 31 March 2016		As at 31 March 2015	
	Number of shares	% of shares held	Number of shares	% of shares held
Brookgrange Investments Limited	43,288,057	28.51	43,288,057	28.51
Mr. O P Lohia (Chairman and Managing Director)	37,984,000	25.02	15,378,350	23.30
Mrs. Urmila Lohia	18,184,518	11.98	15,855,314	10.44
APMS Investment Fund Limited	12,652,175	8.33	12,652,175	8.33
	<u>112,108,750</u>	<u>73.84</u>	<u>107,173,896</u>	<u>70.58</u>

4. Above equity shares of Rs 10 each include 10,290,560 equity shares (representing 6.78% of total number of shares), outstanding against 1,286,320 Global Depository Receipts (GDR), each GDR comprising 8 underlying fully paid up equity shares of Rs 10 each (previous year 10,290,560 equity shares (representing 6.78% of total number of shares), outstanding against 1,286,320 GDRs). Since, the same are held by depository, details of individual beneficiaries is not available with the Company.

Note 4: Reserves and surplus

	As at 31 March 2016	As at 31 March 2015
Capital reserve		
As at the beginning and at the end of the year	20.38	20.38
Securities premium account		
As at the beginning and at the end of the year	166.22	166.22
Revaluation reserve		
Opening balance	14.91	25.43
Less: transferred to general reserve	0.85	10.52
Closing balance	<u>14.06</u>	<u>14.91</u>
General reserve		
Opening balance	58.13	47.61
Add: amount transferred from revaluation reserve	0.85	10.52
Closing balance	<u>58.98</u>	<u>58.13</u>
Surplus in the Statement of Profit and Loss		
Opening balance	142.45	182.25
Profit / (loss) after tax for the year	56.00	(21.53)
Less: Appropriations:		
Proposed dividend (refer note 8)	15.18	15.18
Tax on dividend (refer note 8)	3.09	3.09
Net surplus in the Statement of Profit and Loss	<u>180.18</u>	<u>142.45</u>
Total reserves and surplus	<u>439.82</u>	<u>402.09</u>



Indo Rama Synthetics (India) Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Note 5: Long-term borrowings

	Total		Non-current portion		Current portion	
	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
Secured :						
Loans from banks						
Term loans						
- Rupee loans	71.81	95.68	44.94	71.78	26.87	23.90
- Foreign currency loans	71.90	71.92	53.92	35.92	17.98	36.00
	<u>143.71</u>	<u>167.60</u>	<u>98.86</u>	<u>107.70</u>	<u>44.85</u>	<u>59.90</u>
Less:						
Amounts disclosed under the head "other current liabilities" (refer note 11)					(44.85)	(59.90)
	<u>143.71</u>	<u>167.60</u>	<u>98.86</u>	<u>107.70</u>		

Nature of security

Terms of repayment

a) Rupee term loans from banks:

i) Amounting to Rs 2.67 crores (previous year Rs. 8.00 crores) are secured by specific charge over specific assets purchased under the loan agreement.

Repayable in 18 equal quarterly installments of Rs. 1.33 crores each commencing from June 2012, along with interest at bank rate plus 1.50%.

ii) Amounting to Rs 15.26 crores (previous year Rs. 20.82 crores) are secured by exclusive charge on the captive power plant at Butibori, Maharashtra.

Repayable in 18 equal quarterly installments of Rs. 1.39 crores each commencing from 30 September 2014 along with interest at 3.25% over base rate.

iii) Amounting to Rs 53.12 crores (previous year Rs. 65.63 crores) are secured primarily by first pari-passu charge on the current assets and collaterally by first pari-passu charge on the fixed assets of the company. Further, the same is secured by the personal guarantee of promoters, i.e., Mr. Om Prakash Lohia and Mr. Vishal Lohia.

Repayable in 8 equal quarterly installments of Rs. 3.12 crores each commencing from 30 September 2014 and 10 equal quarterly installments of Rs. 5 crores thereafter, along with interest at 3% over base rate.

iv) Aggregating to Rs 0.76 crores (previous year Rs. 1.23 crores) are secured by hypothecation of specific vehicles.

- (a) Rs. Nil (previous year Rs. 0.05 crores) repayable in 36 monthly installments commencing from January 2013
- (b) Rs.0.56 crores (previous year Rs. 0.91 crores) repayable in 36 monthly instalments commencing from September 2014.
- (c) Rs.0.08 crores (previous year Rs. 0.14 crores) repayable in 36 monthly instalments commencing from June 2014.
- (d) Rs.0.05 crores (previous year Rs. 0.08 crores) repayable in 36 monthly instalments commencing from May 2014.
- (e) Rs.0.03 crores (previous year Rs. 0.05 crores) repayable in 36 monthly instalments commencing from June 2014.
- (f) Rs.0.04 crores (previous year Rs. Nil) repayable in 36 monthly instalments commencing from Nov 2015.

The outstanding amount of borrowings taken for vehicles is Rs 0.76 crores (previous year Rs 1.23 crores) out of which current maturity payable next year amounts to Rs 0.53 crores (previous year Rs. 0.51 crores).

b) Foreign currency term loans from banks:

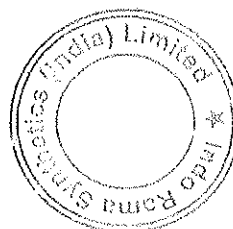
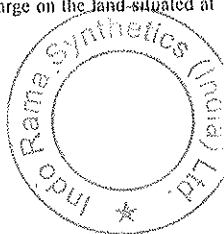
i) Amounting to Rs. 46.40 crores (previous year Rs. 45.46 crores), are secured by specific charge on the equipment purchased under the loan agreement for the Company's Polyester Expansion Project and a first charge on the land situated at Mehsana, Gujarat.

The outstanding loan is repayable in 8 semi-annual installments in April and October every year with interest at six months EURIBOR plus 0.95%. The loan is to be repaid by October 2019.
Amount payable within one year amounts to Rs. 11.60 crores (previous year Rs. 22.77 crores).

ii) Amounting to Rs. 25.50 crores (previous year Rs. 26.46 crores) are secured by specific charge on the equipment purchased under the loan agreement for the Company's Polyester Expansion Project and a first charge on the land situated at Mehsana, Gujarat.

The outstanding loan is repayable in 8 semi-annual installments in April and October every year with interest at six months LIBOR plus 0.95%. The loan is to be repaid by October 2019.

Amount payable within one year amounts to Rs. 6.38 crores (previous year Rs. 13.23 crores)



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Note 6: Deferred tax liabilities (net)

	As at 31 March 2016	As at 31 March 2015
Deferred tax liability on account of:		
- Fixed assets	182.60	179.47
Deferred tax assets on account of:		
- Unabsorbed depreciation*	176.28	
- Effect of expenditure debited to statement of profit and loss in the current/earlier years but allowable for tax purposes in following years	4.63	4.72
- Provision for doubtful debts and advances	1.69	1.79
	<u>182.60</u>	<u>6.51</u>
Net deferred tax liability		<u>172.96</u>

* In view of absence of virtual certainty of realisation of unabsorbed depreciation, during the year the Company has recognized deferred tax assets on unabsorbed depreciation to the extent of the availability of future taxable income, by virtue of the future reversal of deferred tax liability (refer note 41(b)).

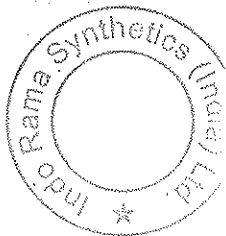
Note 7: Other long-term liabilities

	As at 31 March 2016	As at 31 March 2015
Lease equalisation reserve	0.37	0.64
	<u>0.37</u>	<u>0.64</u>

Note 8: Provisions

	Long-term		Short-term	
	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
Provision for employee benefits				
- Gratuity (refer note 32)	12.11	12.65	1.01	1.00
- Compensated absences (refer note 32)	6.68	7.25	1.95	1.86
	<u>18.79</u>	<u>19.90</u>	<u>2.96</u>	<u>2.86</u>
Others				
Proposed dividend			15.18	15.18
Tax on proposed dividend *			3.09	3.09
			<u>18.27</u>	<u>18.27</u>
	<u>18.79</u>	<u>19.90</u>	<u>21.23</u>	<u>21.13</u>

* During the current year, the Company has declared a dividend of Rs. 1 (previous year Rs. 1) per equity share of Rs. 10 each.



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Note 9 : Short-term borrowings

	As at 31 March 2016	As at 31 March 2015
Loans repayable on demand (Secured)		
From banks :		
Cash credit and working capital facilities	177.72	204.94
	177.72	204.94

Nature of security

Cash credit and other working capital facilities from banks are secured by way of hypothecation of stocks of raw materials, work-in-progress, finished goods, stores and spares, packing material, goods at port/in transit/under shipment, outstanding money, book debts, receivables and other current assets of the Company, both present and future. These are further secured by a second charge on all the immovable properties of the Company, both present and future.

Note 10: Trade payables

	As at 31 March 2016	As at 31 March 2015
Acceptances	351.69	163.52
Sundry creditors		
Total outstanding dues of micro enterprises and small enterprises (refer note 40)	0.03	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	383.16	379.33
	734.88	542.85

Note 11: Other current liabilities

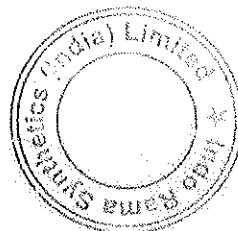
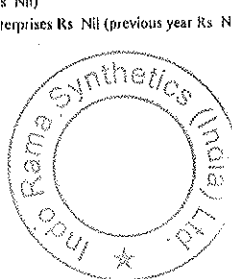
	As at 31 March 2016	As at 31 March 2015
Current maturities of long-term borrowings (refer note 5)	44.85	59.90
Interest accrued but not due on borrowings	0.67	0.62
Unpaid dividends*	0.39	0.38
Advances from customers	22.31	12.55
Lease equalisation reserve	0.27	0.17
Other payables:		
Payable to employees	18.65	16.15
Creditors towards fixed assets ** #	42.23	8.38
Statutory dues payable		
- Excise duty on finished goods	12.92	8.91
- Customs duty	14.11	15.00
- Tax deducted at source	2.45	0.88
- Other statutory dues	1.14	1.07
	159.99	124.01

Note:

* There are no outstanding dues to be paid to Investor Education and Protection Fund

** Including acceptances of Rs. 5.19 crores (previous year Rs. Nil)

includes amounts payable to micro enterprises and small enterprises Rs. Nil (previous year Rs. Nil)



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Note 12.1: Fixed Assets - Tangible assets
As at 31 March 2016

Asset description	Gross block			Depreciation			Net block		
	As at 31 March 2015	Additions	Disposals/ adjustments	As at 31 March 2016	Upto 31 March 2015	Depreciation for the year	In respect of disposals/ adjustments	Upto 31 March 2016	As at 31 March 2016
Land									
- freehold	0.16	-	-	0.16	-	-	-	-	0.16
- leasehold	9.14	-	-	9.14	1.76	0.10	-	1.86	7.28
Buildings	156.71	1.07	-	157.78	51.53	3.78	-	55.31	102.47
Leasehold improvements	3.22	-	-	3.22	1.95	0.36	-	2.31	0.91
Plant and equipment	3,011.69	73.56	3.70	3,085.55	2,197.04	71.99	3.31	2,265.52	818.03
Furniture and fixtures	8.82	0.23	0.15	8.90	6.70	0.20	0.05	6.85	2.05
Vehicles	6.53	0.05	0.01	6.57	3.51	0.46	-	3.97	2.60
Office equipments	18.98	0.75	0.49	19.22	14.20	0.82	0.24	14.78	4.46
Total	3,215.25	78.26	4.35	3,289.16	2,276.69	77.71	3.80	2,350.60	935.56

As at 31 March 2015

Asset description	Gross block			Depreciation			Net block		
	As at 31 March 2014	Additions	Disposals/ adjustments	As at 31 March 2015	Upto 31 March 2014	Depreciation for the year	In respect of disposals/ adjustments	Upto 31 March 2015	As at 31 March 2015
Land									
- freehold	0.16	-	-	0.16	-	-	-	-	0.16
- leasehold	9.14	-	-	9.14	1.66	0.10	-	1.76	7.38
Buildings	156.71	-	-	156.71	47.75	3.78	-	51.53	105.18
Leasehold improvements	3.22	-	-	3.22	1.59	0.36	-	1.95	1.27
Plant and equipment	3,045.08	8.15	41.54	3,011.69	2,113.42	111.32	27.70	2,197.04	814.65
Furniture and fixtures	8.93	0.01	0.12	8.82	6.58	0.20	0.08	6.79	2.12
Vehicles	4.98	1.70	0.15	6.53	3.21	0.41	0.11	3.51	3.02
Office equipments	19.03	0.28	0.23	18.98	13.75	0.61	0.16	14.20	4.78
Total	3,247.25	10.09	42.09	3,215.25	2,187.96	116.78	28.05	2,376.69	935.56

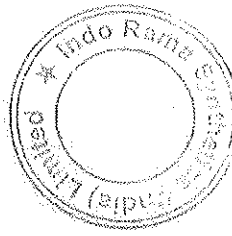
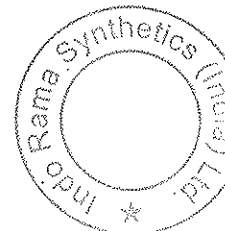
Notes:
1. Fixed assets comprising of plant and equipment, buildings and land were revalued by an external valuer as on 31 March 2000. The valuation was based on fair market price/other relevant indices and resulted in increase in the gross block by Rs 203.20 crores at that time. The balance of revaluation reserve as at the end of year amounts to Rs. 14.06 crores (previous year Rs. 14.91 crores).
2. Additions to plant and equipment include loss on foreign exchange fluctuation Rs. 6.95 crores (previous year Rs Nil) (refer note 2.12(b)).
3. Disposals/adjustments to plant and equipment include gain on foreign exchange fluctuation Rs Nil (previous year Rs 11.65 crores)

Note 12.2: Fixed Assets - Intangible assets
As at 31 March 2016

Asset description	Gross block			Amortisation			Net block		
	As at 31 March 2015	Additions	Disposals/ adjustments	As at 31 March 2016	Upto 31 March 2015	Amortisation for the year	In respect of disposals/ adjustments	Upto 31 March 2016	As at 31 March 2016
Computer Software	3.24	-	-	3.24	3.19	0.05	-	3.24	-
Total	3.24	-	-	3.24	3.19	0.05	-	3.24	-

As at 31 March 2015

Asset description	Gross block			Amortisation			Net block		
	As at 31 March 2014	Additions	Disposals/ adjustments	As at 31 March 2015	Upto 31 March 2014	Amortisation for the year	In respect of disposals/ adjustments	Upto 31 March 2015	As at 31 March 2015
Computer Software	3.24	-	-	3.24	2.81	0.38	-	3.19	0.05
Total	3.24	-	-	3.24	2.81	0.38	-	3.19	0.05



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Note 13.1 Non-current investments (valued at cost unless otherwise stated)

	No.	As at 31 March 2016	No.	As at 31 March 2015
Other than trade investments (Unquoted)				
Equity shares				
Fully paid up equity shares of Rs. 10 each				
Indo Rama Renewables Limited (wholly owned subsidiary)	39,843,677	39.85	39,843,677	39.85
Ritspin Synthetics Limited	1,500,000	1.50	1,500,000	1.50
Less: provision for other than temporary diminution in the value of non-current investments		(1.50)		(1.50)
Aggregate book value of unquoted non-current investments		39.85		39.85

Note 13.2 Current investments

	No.	As at 31 March 2016	No.	As at 31 March 2015
Current investments (carried at the lower of cost and fair value)				
A) Equity shares, quoted				
Fully paid up equity shares of Rs. 10 each				
Optel Telecommunications Limited	52,501	0.37	52,501	0.37
Sanghi Polyesters Limited	708,400	2.34	708,400	2.34
Reliance Industries Limited	10	-*	10	-*
Fully paid up equity shares of Rs. 5 each				
Balacore Alloys Limited	72,601	0.17	72,601	0.17
Fully paid up equity shares of 1 Bahl each				
Indorama Ventures Public Company Limited, Thailand		2.88	7,509,200	0.83
Less: provision for diminution in the value of current investments		2.77		3.71
		0.11		3.71
B) Preference shares, quoted				
Fully paid-up preference shares of Rs.10 each				
0.1% Cumulative redeemable preference shares				
JSW Steel Limited	892,000	0.89	892,000	0.89
Less: provision for diminution in the value of current investments		0.26		0.32
		0.63		0.57
C) Government securities, unquoted				
National Savings Certificates VIII issue (pledged with sales tax authorities)				
		**		**
		0.74		4.28

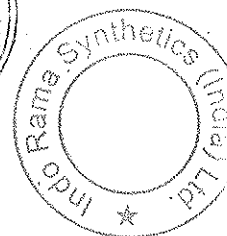
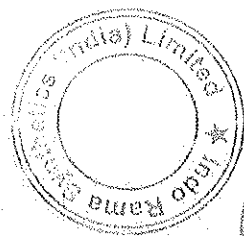
Additional disclosures for current investments

	As at 31 March 2016		As at 31 March 2015	
	Aggregate Book Value	Market Value/ Net Asset Value #	Aggregate Book Value	Market Value/ Net Asset Value #
Quoted investments				
- Equity shares	0.11	0.11	3.71	37.62
- Preference shares	0.63	0.63	0.57	0.57
	0.74	0.74	4.28	38.19
Book value of unquoted investments	**	**	**	**
Aggregate diminution in the value of current investments	3.03		0.32	

* Rs. 7,780 (previous year Rs. 7,780)

** Rs. 4,000 (previous year Rs. 4,000)

excluding for equity shares of Sanghi Polyesters Limited and Optel Telecommunications Limited in respect of which market value are not available.



Indo Rama Synthetics (India) Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Note 14.1 : Long-term loans and advances

	As at 31 March 2016	As at 31 March 2015
To parties other than related (unsecured)		
Considered good :		
Capital advances	0.80	2.72
Security deposits	2.15	1.97
Other loans and advances :		
Surrender value of keyman insurance	5.57	4.80
MAT credit entitlement (refer note 41(n))	-	57.30
Advance tax (net of provision Rs 106.42 crores (previous year Rs 106.42 crores))	11.29	10.46
Others	0.69	0.61
	<u>20.50</u>	<u>77.89</u>
Considered doubtful :		
Advances to vendors	1.80	1.80
Less : provision for doubtful advances	1.80	1.80
	<u>20.50</u>	<u>77.89</u>
To related parties (unsecured, considered good)		
Indo Rama Renewables Limited (wholly owned subsidiary) (refer note 37)	<u>20.50</u>	<u>123.23</u>

Note 14.2 : Short-term loans and advances

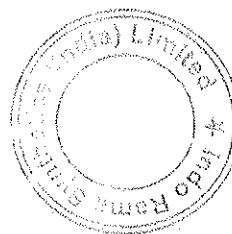
	As at 31 March 2016	As at 31 March 2015
To parties other than related (unsecured)		
Considered good :		
Others :		
Customs and excise duty	43.01	37.50
Prepaid expenses	5.37	5.04
Advances to vendors	11.65	26.01
Advances to employees	0.74	1.05
	<u>60.77</u>	<u>69.60</u>
To related parties (unsecured, considered good)		
Indo Rama Renewables Limited (wholly owned subsidiary) (refer note 37)	<u>43.57</u>	<u>69.60</u>
	<u>104.34</u>	<u>69.60</u>

Note 15.1 : Other non-current assets

	As at 31 March 2016	As at 31 March 2015
Claims and other receivables	8.35	8.05
	<u>8.35</u>	<u>8.05</u>

Note 15.2 : Other current assets

	As at 31 March 2016	As at 31 March 2015
Claims and other receivables	119.13	100.41
Forward cover receivable (net)	14.51	13.90
Interest accrued on deposits and others	6.92	2.73
	<u>140.56</u>	<u>117.04</u>



Indo Rama Synthetics (India) Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Note 16: Inventories

	As at 31 March 2016	As at 31 March 2015
Raw materials (include in transit Rs. 7.93 crores (previous year Rs. 84.92 crores))	102.77	152.27
Work-in-progress *	19.76	14.08
Finished goods (include in transit Rs. 4.99 crores (previous year Rs. 8.59 crores)) *	112.52	91.04
Stores and spares (include in transit Rs. Nil (previous year Rs. 0.05 crores)) #	13.95	13.01
Packing material #	4.12	2.64
Waste \$	3.59	0.44
	256.71	273.48

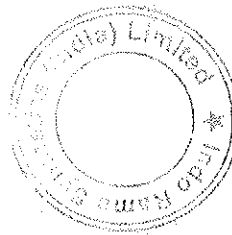
* valued at the lower of cost and net realisable value. The inventories were reduced by Rs. 1.50 crores (previous year Rs. 1.10 crores) on account of net realisable value being lower than the cost.

valued at cost or under

\$ at realisable value

Additional disclosures regarding inventories

Raw materials		
Purified Terephthalic Acid	14.79	98.08
Mono Ethylene Glycol	76.88	45.98
Others	11.10	8.21
	102.77	152.27
Work-in-progress		
Polyester Staple Fibre	7.95	7.08
Polyester Filament Yarn	6.04	4.25
Draw Texturised Yarn	5.48	2.75
Polyester Chips	0.29	-
	19.76	14.08
Finished goods		
Polyester Staple Fibre	52.16	36.96
Polyester Filament Yarn	23.90	21.28
Draw Texturised Yarn	35.76	32.58
Polyester Chips	0.70	0.22
	112.52	91.04



Indo Rama Synthetics (India) Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Note 17: Trade receivables

	As at 31 March 2016	As at 31 March 2015
- Receivables outstanding for a period exceeding six months from the date they became due for payment	13.15	2.15
- Unsecured, considered good	3.08	3.46
- Unsecured, considered doubtful	16.23	5.61
Less:- Provision	3.08	3.46
	13.15	2.15
- Other receivables, unsecured and considered good	184.94	112.85
	198.09	115.00

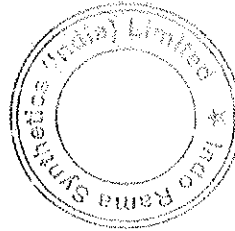
Note 18: Cash and bank balances

	As at 31 March 2016	As at 31 March 2015
Cash and cash equivalents		
Cash on hand	0.92	0.27
Balances with banks:		
- Current accounts	4.94	10.98
Fixed deposits with original maturity period of upto three months #	8.86	23.69
Other bank balances :		
Fixed deposits with banks due to mature within 12 months of reporting date #	68.57	31.53
Balances with bank:		
- Unpaid dividends *	0.39	0.38
Margin money accounts **	76.56	31.99
	82.42	85.68

Pledged with banks for credit limits

* Emarked against the corresponding provision

** Pledged with banks for performance guarantees issued to government authorities on behalf of the Company



Indo Rama Synthetics (India) Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Note 19: Revenue from operations

	For the year ended 31 March 2016	For the year ended 31 March 2015
Sale of products		
Finished goods	2,714.69	2,961.90
Less: Excise duty	249.94	253.09
	<u>2,464.75</u>	<u>2,708.90</u>
Other operating revenue		
Scrap sales	11.24	9.16
VAT refund	29.76	27.83
Interest from customers	13.91	9.41
Interest on insurance claim (refer note 39 (b))	10.95	-
Others	5.04	6.08
	<u>70.90</u>	<u>52.48</u>
Revenue from operations (net)	<u>2,535.65</u>	<u>2,761.38</u>

Breakup of revenue from sale of products :

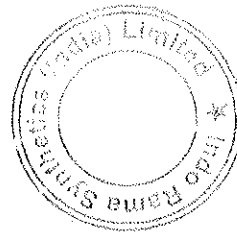
	For the year ended 31 March 2016	For the year ended 31 March 2015
Sale of finished goods		
Polyester Staple Fibre	1,485.77	1,641.67
Polyester Filament Yarn	472.96	555.13
Dmwr Texturised Yarn	734.17	750.47
Polyester Chips	11.89	0.48
Power	0.08	0.75
Product Waste	9.82	13.40
	<u>2,714.69</u>	<u>2,961.90</u>

Note 20: Other income

	For the year ended 31 March 2016	For the year ended 31 March 2015
Interest on fixed deposits	4.83	2.93
Dividend income from current investments	0.60	0.52
Profit on sale of current investments (net)	25.45	0.99
Reversal of provision for diminution in the value of current investments	-	0.09
Gain on sale of fixed assets	-	3.33
Miscellaneous income	-	1.95
	<u>30.88</u>	<u>9.81</u>

Note 21: Cost of materials consumed

	For the year ended 31 March 2016	For the year ended 31 March 2015
Raw materials :		
Purified Terephthalic Acid	1,346.81	1,540.54
Mono Ethylene Glycol	607.63	611.70
Others	68.97	55.86
	<u>2,023.41</u>	<u>2,208.10</u>
Less: write down of inventory, considered as exceptional item (refer note 43(n))	(4.09)	(15.26)
	<u>2,019.32</u>	<u>2,192.84</u>



Indo Rama Synthetics (India) Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Note 22: Changes in inventories of finished goods and work-in-progress

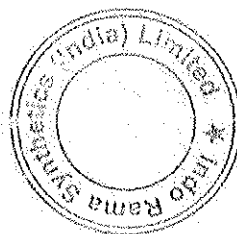
	As at 31 March 2016	As at 31 March 2015	(Increase)/decrease during the year ended 31 March 2016
Inventories at the end of the year			
- Finished goods	112.52	91.04	(21.48)
- Work-in-progress	19.76	14.08	(5.68)
- Waste	3.59	0.44	(3.15)
	<u>135.87</u>	<u>105.56</u>	<u>(30.31)</u>
Inventories at the beginning of the year			31 March 2015
- Finished goods	91.04	60.73	(30.31)
- Work-in-progress	14.08	10.01	(4.07)
- Waste	0.44	0.47	0.03
	<u>105.56</u>	<u>71.21</u>	<u>(34.35)</u>
Write down of inventory, considered as exceptional item (refer note 43(a))	(22.59)	(5.49)	
(Increase) / Decrease during the year	<u>(52.90)</u>	<u>(39.84)</u>	

Note 23: Employee benefits expense

	For the year ended 31 March 2016	For the year ended 31 March 2015
Salaries, wages and bonus	95.37	82.09
Contribution to provident and other funds (refer note 32)	5.11	4.92
Workmen and staff welfare expenses	4.97	4.68
	<u>105.45</u>	<u>92.09</u>

Note 24: Other expenses

	For the year ended 31 March 2016	For the year ended 31 March 2015
Consumption of stores and spares	27.29	33.05
Power and fuel	165.17	183.25
Rent and hire charges (refer note 35)	6.76	5.65
Repairs and maintenance:		
- plant and machinery	16.82	14.93
- buildings	1.57	2.30
- others	6.00	6.19
Insurance	1.61	1.73
Less: Recovery	0.48	0.91
Rates and taxes	2.07	1.43
Packing materials consumed	55.14	50.67
Freight and forwarding charges	103.24	106.73
Less: Recovery	77.73	67.90
Brokerage and commission on sales (other than to sole selling agents)	10.00	10.04
Cash discounts and claims	10.60	3.84
Directors' sitting fee	0.09	0.07
Legal and professional charges	5.26	4.49
Auditors' remuneration:		
- for audit	0.42	0.40
- for tax audit	-	0.06
- for other services	0.27	0.28
- for reimbursement of out of pocket expenses	0.05	0.04
Donations	0.04	0.10
Corporate social responsibility expenses (refer note 44)	0.12	0.18
Provision for doubtful debts and advances	0.45	0.85
Loss on discard / disposal of fixed assets	0.09	-
Increase in excise duty on stocks of finished goods and waste	4.01	3.77
Miscellaneous expenses	31.51	32.61
	<u>370.37</u>	<u>393.85</u>



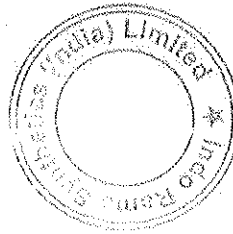
Indo Rama Synthetics (India) Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Note 25: Finance costs

	For the year ended 31 March 2016	For the year ended 31 March 2015
Interest	33.07	28.30
Bank and other charges	18.59	15.08
	51.66	43.38

Note 26: Earnings / (loss) per equity share (EPS)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Net Profit / (Loss) as per Statement of Profit and Loss	56.00	(21.53)
Number of equity shares of Rs 10 each at the beginning of the year	151,822,242	151,822,242
Number of equity shares of Rs. 10 each at the end of the year	151,822,242	151,822,242
Weighted average number of equity shares of Rs 10 each at the end of the year for calculation of basic and diluted EPS	151,822,242	151,822,242
Basic and diluted earnings / (loss) per share (in Rs.) (Per share of Rs 10 each)	3.69	(1.42)



Indo Rama Synthetics (India) Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

27. CIF value of imports

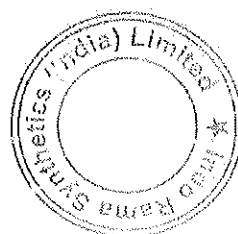
Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Raw materials	653.60	1331.29
Packing material	1.01	0.26
Stores and spares	5.89	3.98
Capital goods	20.58	2.23

28. Expenditure in foreign currency (accrual basis)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Travelling	1.59	2.24
Commission	2.34	3.16
Interest	3.00	3.03
Others	1.38	0.76

29. Value of raw materials, stores & spares and packing materials consumed:

Particulars	Percentage of total consumption (%)		Value	
	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2016	For the year ended 31 March 2015
Raw materials				
Imported	40	66	818.23	1,466.94
Indigenous	60	34	1,205.18	741.16
Total	100	100	2,023.41	2,208.10
Stores and spares				
Imported	15	12	3.96	3.85
Indigenous	85	88	23.33	29.20
Total	100	100	27.29	33.05
Packing materials				
Imported	2	1	1.15	0.26
Indigenous	98	99	53.99	50.41
Total	100	100	55.14	50.67



Indo Rama Synthetics (India) Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

30. Net dividend remitted in foreign exchange

	For the year ended 31 March 2016	For the year ended 31 March 2015
Period to which dividend relates to	2014-15	2013-14
Number of non-resident shareholders (Nos.)	2	2
Number of equity shares held on which dividend was due (Nos.)	43,620,465	43,620,465
Amount remitted USD 653,980 (Previous year USD 720,761) (Rs. in crores)	4.36	4.36

31. Earnings in foreign currency (accrual basis)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
F.O.B. value of exports	388.02	596.72
Dividend	0.60	0.52
Sale of current investments (Gross consideration)	28.98	0.92

32. Disclosure pursuant to Accounting Standard 15 on "Employee Benefits"

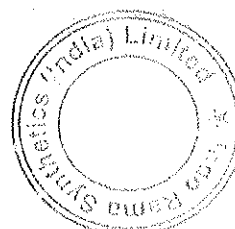
a. Defined contribution plans

An amount of Rs. 4.52 crores (previous year Rs. 4.33 crores) for the year has been recognized as an expense in respect of the Company's contributions towards Provident Fund and an amount of Rs. 0.58 crore (previous year Rs. 0.57 crores) for the year has been recognized as an expense in respect of Company's contributions towards Employee State Insurance, which are deposited with the government authorities and have been included under employee benefit expenses in the Statement of Profit and Loss.

b. Defined benefit plans

Gratuity is payable to all eligible employees of the Company on superannuation, death or permanent disablement in terms of the provisions of the Payment of Gratuity Act or as per the Company's Scheme, whichever is more beneficial.

The following table sets forth the status of the gratuity plan of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss:



Indo Rama Synthetics (India) Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Changes in present value of obligation		
Present value of obligation as at the beginning of the year	13.65	12.60
Interest cost	1.10	1.05
Current service cost	0.91	0.99
Past service cost	-	-
Benefits paid	(1.34)	(0.53)
Actuarial (gain) / loss on obligation	(1.20)	(0.46)
Present value of obligation as at end of the year	<u>13.12</u>	<u>13.65</u>
- Long term	12.11	12.65
- Short term	1.01	1.00
	<u>13.12</u>	<u>13.65</u>
Expenses recognized in the Statement of Profit and Loss		
Current service cost	0.91	0.99
Past service cost	-	-
Interest cost on benefit obligation	1.10	1.05
Net actuarial (gain) / loss recognised in the year	(1.20)	(0.46)
Expenses recognised in the Statement of Profit and Loss	<u>0.81</u>	<u>1.58</u>

Experience adjustments

	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Defined benefit obligation	13.12	13.64	12.60	12.00	11.26
Plan assets	-	-	-	-	-
Surplus / (deficit)	(13.12)	(13.64)	(12.60)	(12.00)	(11.26)
Experience adjustment on plan liabilities	(0.38)	0.81	0.59	0.22	(0.29)
Past service cost	-	-	-	-	-
Experience adjustment on plan assets	-	-	-	-	-



Indo Rama Synthetics (India) Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Discounting rate	8.20%	8.10%
Retirement age	58 Years	58 Years
Salary Escalation Rate (per annum)	4%	5%
Withdrawal rates		
Age - Upto 30 years	3%	3%
31-44 years	2%	2%
Above 44 years	1%	1%
Mortality table	IALM (2006-08)	IALM (2006-08)

Discounting Rate: The discount rate is estimated based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligation.

Salary Escalation Rate: The estimates of salary increases, considered in actuarial valuation, take account of inflation, promotion and other relevant factors.

c. Other long term benefits:

An amount of Rs. 0.92 crores (previous year Rs. 1.76 crores) pertains to expense towards compensated absences and included in "Employee benefits expense"

33. Segment information:

(a) Information about primary business segment

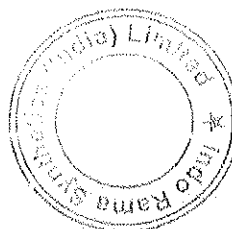
The Company recognises 'Polyester' as its only primary segment since its operations consist of manufacturing of this product and related activities. Accordingly, 'Polyester' segment is the only segment comprising the primary basis of segmental information set out in these financial statements.

(b) Information on secondary/ geographical segment

The Company sells its products to various manufacturers within the country and also exports to other companies. Considering the size and proportion of exports to local sales, the Company considers sales made within the country and exports as two geographical segments. Information of geographical segment is based on the geographical location of the customers.

Particulars	(Rs in crores)	
	2015-16	2014-15
Segment revenue		
Domestic	2,138.45	2,145.35
Overseas	397.20	616.03
Total	2,535.65	2,761.38
Segment receivables		
Domestic	158.96	91.36
Overseas	39.13	23.64
Total	198.09	115.00

Note: All assets of the Company are located in India except as mentioned above.



Indo Rama Synthetics (India) Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

34. Related party disclosures (As per Accounting Standard – 18)

(i) Related parties where control exists:

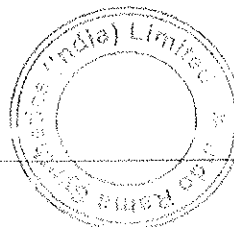
(a)	Wholly owned subsidiaries	Indo Rama Renewables Limited ('IRRL') Indo Rama Renewables Porbandar Limited Indo Rama Renewables Ramgarh Limited Indo Rama Renewables Jath Limited
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(ii) Other related parties with whom Company had transactions:

(a)	Key management personnel and their relatives	Mr. Mohan Lal Lohia, Chairman Emeritus Mr. Om Prakash Lohia, Chairman cum Managing Director ('CMD') Mr. Vishal Lohia, Whole Time Director ('WTD') Mr. Anant Kishore Mrs. Urmila Lohia, Wife of CMD Mr. Alope Lohia Brother of CMD Mrs. Ritika Kumar, Daughter of CMD Ms. Aruna Goenka, Sister of CMD Mrs. Rimple Lohia, Wife of WTD
(b)	Enterprises over which key management personnel or their relatives have significant influence	Indorama Petrochem Limited, Thailand T P T Petrochemicals Public Co. Limited, Thailand PT. Indorama Petrochemicals, Indonesia Lohia Industries Private Limited Indorama Retail Holding Private Limited
(c)	Enterprises having significant influence on the Company	Brookgrange Investments Limited

(iii) Transactions with related parties:

Particulars	Wholly owned subsidiaries	Key Management Personnel and their relatives	Enterprises over which key management personnel or their relatives have significant influence	Enterprises having significant influence on the Company	Total
Investment made in the equity shares					
- IRRL	(2.86)				(2.86)
Loans and advances repaid/ adjusted towards shares issued					
-IRRL	1.77 (0.11)				1.77 (0.11)



Indo Rama Synthetics (India) Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Particulars	Wholly owned subsidiaries	Key Management Personnel and their relatives	Enterprises over which key management personnel or their relatives have significant influence	Enterprises having significant influence on the Company	Total
Purchases of raw material					
- Indorama Petrochem Limited			47.17 (410.83)		47.17 (410.83)
- TPT Petrochemicals Public Co. Limited			25.16 (329.25)		25.16 (329.25)
-PT. Indorama Petrochemicals			39.84 (16.94)		39.84 (16.94)
Managerial remuneration *					
- Mr. O.P. Lohia		2.82 (2.83)			2.82 (2.83)
- Mr. Vishal Lohia		2.11 (2.08)			2.11 (2.08)
-Mr. Anant Kishore		1.08 (1.06)			1.08 (1.06)
Dividend paid					
- Brookgrange Investments Limited				4.33 (4.33)	4.33 (4.33)
- Mr. O.P. Lohia		3.54 (3.54)			3.54 (3.54)
- Mrs. Urmila Lohia		1.59 (1.59)			1.59 (1.59)
- Others		0.68 (0.73)			0.68 (0.73)



Indo Rama Synthetics (India) Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

(iv) Closing Balances of related parties :

Particulars	Wholly owned subsidiaries	Key Management Personnel and their relatives	Enterprises over which key management personnel or their relatives have significant influence	Enterprises having significant influence on the Company	Total
Trade Payables					
- Indorama Petrochem Limited			52.73 (61.15)		52.73 (61.15)
- TPT Petrochemicals Public Co. Limited			42.47 (90.80)		42.47 (90.80)
- P T Indorama Petrochemicals			- (16.95)		- (16.95)
Loans and advance Receivable					
- IRRL	43.57 (45.34)				43.57 (45.34)

* excludes expenditure towards gratuity and compensated absences, since the same are based on actuarial valuations for the Company as a whole.

Personal guarantee has been given by Mr. Om Prakash Lohia (CMD) and Mr. Vishal Lohia (WTD) in respect of loan taken by the Company amounting to Rs. 53.12 crores (previous year Rs. 65.63 crores).

Note: previous year figures have been given in brackets.

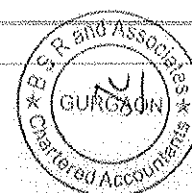
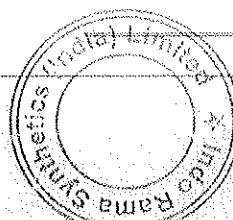
35. Long term obligations in respect of operating lease

The Company has taken office space on operating lease. The lease rentals charged during the year in respect of cancellable and non cancellable operating leases and maximum obligations on long term non-cancellable operating lease payable as per the rentals stated in the agreement are as follows:

	For the year ended 31 March 2016	For the year ended 31 March 2015
Lease rental expense	6.76	5.65

Future minimum lease rentals for non-cancellable operating lease

	Total future minimum lease rentals payable as on 31 March 2016	Total future minimum lease rentals payable as on 31 March 2015
Within one year	1.67	1.67
Later than one year and not later than five years	2.31	3.98
Later than five years	-	-
Total	3.98	5.65



Indo Rama Synthetics (India) Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

36. Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities:

- Claims against the Company not acknowledged as debts.

	As at 31 March 2016	As at 31 March 2015
Excise / customs / service tax matters in dispute/ under appeal	92.26	62.83
Income tax matters in dispute/ under appeal	11.88	11.88
Sales tax/ VAT matters in dispute/ under appeal	12.84	11.04
Claims by ex-employees, vendors, customers and civil cases	0.95	0.84

- Customs duty claims (including penalties) against the Company aggregating to Rs. 214.25 crores (previous year Rs. 214.25 crores) have not been considered contingent as favourable orders have been received, in some of the cases, by the Company from the CESTAT. The Company believes that its position is strong in this regard. The matter is pending with the Honorable Supreme Court. In addition during the previous year, the Company has also received a show cause notice amounting to Rs 6.01 crores.

The Company also believes that the above issues, when finally settled, are not likely to have any significant impact on the financial position of the Company.

• **Commitments:**

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs. 17.46 crores (previous year Rs.25.48 crores).
- b) The Company has commitments to export 191,549 MT (previous year 285,985 MT) of finished goods as per foreign trade policy pursuant to import of duty free material under advance license scheme.

37. Supplementary statutory information required to be given pursuant to Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the loans given

Interest free loans to wholly owned subsidiary given for the purpose of setting up of renewable power project, are to be converted, on mutual agreement, into equity, quasi equity or debentures or repayable on or before 31 March 2017:

Name of Subsidiary	Balance as at 31 March 2016	Maximum outstanding during the year 2015-16	Balance as at 31 March 2015	Maximum outstanding during the year 2014-15
Indo Rama Renewables Limited	43.57	45.34	45.34	45.45



Indo Rama Synthetics (India) Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

38. Derivative instruments and unhedged foreign currency exposure

(a) Foreign currency forward contracts outstanding:

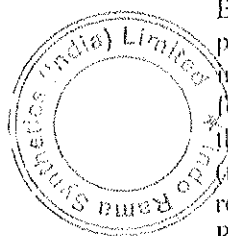
Purpose	As at 31 March 2016		As at 31 March 2015	
	USD Millions	INR crores	USD Millions	INR Crores
Hedging of expected future exports (Sell)	110.21	730.27	126.40	789.93

(b) Particulars of unhedged foreign currency exposure:

Particulars	Currency	As at 31 March 2016			As at 31 March 2015		
		Amount in foreign currency (millions)	Exchange rate (in absolute rupees)	Amount (in Rs crores)	Amount in foreign currency (millions)	Exchange rate (in absolute rupees)	Amount (in Rs crores)
Trade payables	USD	24.95	66.26	165.32	51.31	62.505	320.73
	Euro	0.01	75.42	0.11	0.02	67.21	0.15
	JPY	107.13	0.59	6.32	79.52	0.52	4.14
	AED	5.06	18.04	9.13	4.81	17.02	8.19
Advance from customers	USD	0.35	66.26	2.34	0.70	62.505	4.36
Loans (including interest payable)	USD	22.80	66.26	151.06	32.23	62.505	201.43
	Euro	6.19	75.42	46.70	6.81	67.21	45.77
Capital creditors	USD	1.72	66.26	11.42	-	-	-

39. Insurance claim receivables:

- (a) The Company had lodged claims with its insurance company for the loss of certain assets and loss suffered due to business interruption under loss of profit policy relating to a fire incidence at Butibori plant in 2007-08. Since, the matter has been under dispute with the insurance company, as per the terms and conditions of the above policy, the Company has, during the previous years, initiated the arbitration process for a claim of Rs. 72.94 crores for loss of business interruption and for the claim of Rs. 6.43 crores for loss of assets. While the said matter was pending conclusion by the Arbitral Tribunal, the Company, on a conservative basis, carried forward insurance recoverable (recorded in the financial year ended 31 March 2008) to the extent of Rs. 33.53 crores (net of receipt/adjustment) as advances recoverable, without prejudice to its right to claims aggregating Rs. 79.37 crores. On 1 August 2012, the Arbitral Tribunal decided the matter in the favour of the Company with an award of Rs. 32.45 crores (net off receipt/adjustment) and interest at 9% per annum from July 2008 till the date of payment. Pursuant to the above award, the Company had during the year 2012-13 recorded the interest receivable amounting to Rs. 11.69 crores upto July 2012 (the date of order) and aligned the carrying amount of insurance claim. The Insurance Company had filed an appeal in the Delhi High Court against the same. On 20 January 2015, the



Indo Rama Synthetics (India) Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Delhi High Court Single bench pronounced the order wherein the Court has remanded the matter back to Arbitral Tribunal for computation of claim on "turnover basis". Subsequently, the Company had filed an appeal with the Delhi High Court double bench and an interim stay has been awarded pending disposal. Currently, the case is pending with Delhi High Court.

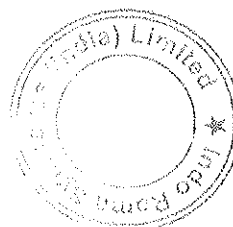
- (b) During the year ended 31 March 2016, the Company has recognised interest of Rs. 10.95 crore on award decided by the arbitral tribunal, for the loss of certain assets and loss suffered due to business interruption under loss of profit policy relating to fire incidence at its plant in 2007-08 under 'other operating income'.
- (c) Consequent to an incident of fire during the year 2011-12, the Company had spent Rs. 7.58 crores on refurbishment of the concerned plant and machinery, which had been recognized as a receivable from the insurance company under other current assets. During the current year, the claim was rejected by insurer on grounds of insufficient premium paid. The Company has filed the writ petition on 6 May 2016 against the insurance company.

Further, the Company strongly believes and is reasonably certain that the above cases do not have any significant impact on the financial position of the Company and it will be able to realize the above amounts in the normal course and, therefore, all the claims have been classified as current.

40. Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

Sl. no.	Particulars	2015-16	2014-15
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
	- principal amount*	0.03	-
	- interest thereon	-	-
(ii)	the amount of interest paid in terms of section 16, along with the amounts of the payment made to the suppliers beyond the appointed day:		
	- principal amount**	0.14	0.09
	- interest thereon	-	-
(iii)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act #	0.01	-
(iv)	the amount of interest accrued and remaining unpaid ##	0.02	0.01
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

- * Rs. 253 thousand (previous year Rs. 24 thousand)
** Rs. 1,421 thousand (previous year Rs. 893 thousand)
Rs. 58 thousand (previous year Rs. 15 thousand)
Rs. 158 thousand (previous year Rs. 99 thousand)



Indo Rama Synthetics (India) Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

41. (a) The Company has internally assessed the operating margins and it's set-off against accumulated Unabsorbed Depreciation as per the income tax laws. In the absence of virtual certainty and as a matter of prudence the Company has charged off MAT Credit entitlement amounting to Rs. 57.30 crores during the year.

(b) Earlier, the Company had not recorded deferred tax assets in relation to unabsorbed depreciation as the same has been subject matter of litigation. Pursuant to the changes made by Finance Act, 2015 and based on opinion of legal counsel, the Company is reasonably certain that the litigation do not have any significant impact on recoverability of Rs. 158.33 crore of unabsorbed depreciation to the extent of future reversal of deferred tax liabilities.

42. The Company had made an early application, since the year 2010-11, of Accounting Standard 30 "Financial Instruments- Recognition and Measurement", issued by the Institute of Chartered Accountants of India for accounting for forward exchange contracts taken for highly probable / forecast transactions, which are not covered by Accounting Standard 11. An amount of Rs. 5.09 crores has been recognized as income (previous year an expense of Rs. 4.69 crores) in the financial statements for the year ended 31 March 2016 and included in exceptional items as an adjustment on the said application of Accounting Standard 30.

43. Exceptional items :

(a) Inventory losses amounting to Rs. 26.68 crore for the year ended March 31, 2016, which includes loss of Rs. 4.62 crore (previous year Rs. 20.75 crore) on account of write down of closing inventories, calculated on month on month basis, incurred by the Company due to crash in global crude oil prices and consequently impacting raw material prices, i.e., of PTA and MEG. The loss incurred has been primarily due to the timing difference in the prices at which material has been purchased and sold.

(b) Due to significant volatility in the foreign currency vis-à-vis local currency, the Company has considered the foreign exchange fluctuation as an exceptional item in the Statement of Profit and Loss.

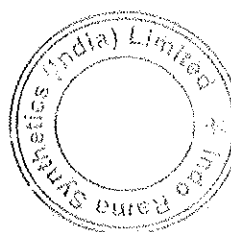
(c) 'Others' includes differential excise duty (including interest thereon) amounting to Rs. 4.23 crore paid in compliance with the judgment of the Supreme Court.

44. CSR expenditure

(a) Gross amount required to be spent by the Company during the year: Rs. Nil (previous year Rs. 0.36 crores).

(b) Amount spent during current year is as follows:

Sr. No.	Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
1	Promotion of Education	0.11	0.17
2	Health Care	0.01	0.01
	Total	0.12	0.18



Indo Rama Synthetics (India) Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

45. The figures relating to the previous year have been regrouped and reclassified, wherever necessary, to confirm to the current year's classification.

As per our report
For B S R and Associates
Chartered Accountants
ICAI Firm Registration No.: 128901W

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited



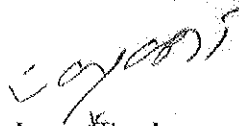
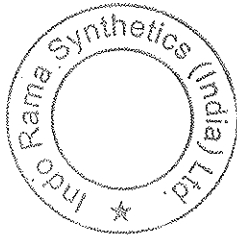
Jiten Chopra
Partner
Membership No. : 092894



Om Prakash Lohia
Chairman & Managing Director
DIN Number: 00206807



Ashok Kumar Ladha
Director
DIN Number: 00089360



Jayant Sood
Company Secretary

ICSI Membership No.: FCS4482



Sanjeev Agrawal
President and Chief
Financial Officer

ICAI Membership No: 089369

Place: Gurgaon
Date: 18 May 2016

Place: Gurgaon
Date: 18 May 2016

Indo Rama Synthetics (India) Limited

**Consolidated Financial Statements
Statutory Audit for the year ended
31 March 2016**

B S R and Associates

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002 (India)

Telephone: + 91 124 2358 610
Fax: + 91 124 2358 613

Independent Auditors' Report

To the Members of Indo Rama Synthetics (India) Limited

1. Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Indo Rama Synthetics (India) Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), comprising of the consolidated Balance Sheet as at 31 March 2016, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ("the consolidated financial statements").

2. Management's Responsibility for the Consolidated Financial Statements

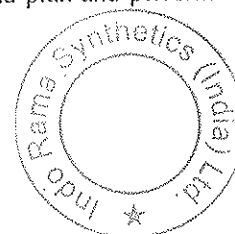
The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

3. Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to

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obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

4. Basis for Qualified Opinion

Attention is drawn to note 39 (b) of the consolidated financial statements, which enumerates recognition of interest of Rs. 10.95 crores for the year ended 31 March 2016 on the insurance claim lodged by the Holding Company with its insurance company for the loss of certain assets and loss suffered due to business interruption at its plant in 2007-08. The said recognition of asset, is not in accordance with accounting principle stated in Accounting Standard 29, 'Provisions, Contingent Liabilities and Contingent Assets'. Had such income not been recognised, the net loss before tax for the year would have been higher by Rs. 10.95 crores, the net profit after tax for the year would have been lower by and Rs. 7.16 crores and Reserves and Surplus as at 31 March 2016 would have been lower by 7.16 crores.

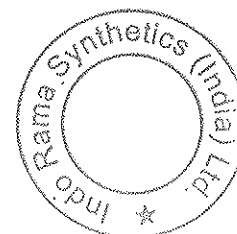
5. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the matter described in 'Basis for Qualified Opinion' paragraph above, the aforesaid consolidated financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2016, their consolidated profit and their consolidated cash flows for the year ended on that date.

6. Emphasis of matter

We draw attention to note 39 (a) of the consolidated financial statements which describes the uncertainty related to the outcome of the lawsuit filed by the Holding Company against an insurance company. Our opinion is not modified in respect of this matter.

JC

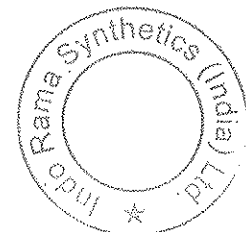


7. Report on other legal and regulatory requirements

(i) As required by section 143(3) of the Act, we report, to the extent applicable, that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- (b) except for the effects of the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- (c) the consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report, are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) except for the effects of the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) the matter described in the 'Basis for Qualified Opinion' and matter described under 'Emphasis of matter' paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;
- (f) on the basis of the relevant assertion contained in the audit reports on standalone financial statements of the Holding Company and each of its subsidiary companies, incorporated in India, none of the directors of the Group companies is disqualified as on 31 March 2016 from being appointed as a director of that company in terms of Section 164 (2) of the Act;
- (g) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the 'Bases for Qualified Opinion' paragraph above;
- (h) with respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure-I";
- (i) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer notes 37 and 39 to the consolidated financial statements;

JK



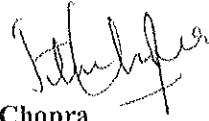
B S R and Associates

- ii. the Group did not have any long term contracts, including derivatives contracts outstanding as at 31 March 2016 for which there were any material foreseeable losses; and
- iii. there has been no delay in transferring amounts that were required to be transferred to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by subsidiary companies, incorporated in India.

For B S R and Associates

Chartered Accountants

ICAI Firm Registration number: 128901 W



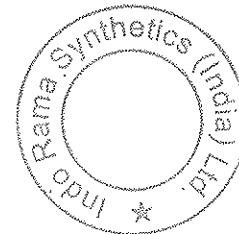
Jiten Chopra

Partner

Membership No.: 092894

Place: Gurgaon

Date: 18 May 2016



Annexure I to the Independent Auditors' Report to the Members of Indo Rama Synthetics (India) Limited on the consolidated financial statements

Report on the Internal Financial Controls under Clause (i) of Sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

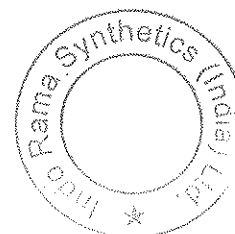
Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, and both 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

JC



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

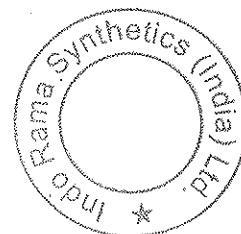
In our opinion, the Holding Company and its subsidiary Companies which are companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' issued by the ICAI.

For B S R and Associates
Chartered Accountants
ICAI Firm Registration No.: 128901W



Jiten Chopra
Partner
Membership No.: 092894

Place: Gurgaon
Date: 18 May 2016



Indo Rama Synthetics (India) Limited
Consolidated Balance Sheet as at 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Note No.	As at 31 March 2016	As at 31 March 2015
I. Equity and liabilities		
(1) Shareholders' funds		
(a) Share capital	3 151.82	151.82
(b) Reserves and surplus	4 434.43	396.56
	586.25	548.38
(2) Non-current liabilities		
(a) Long-term borrowings	5 223.96	242.58
(b) Deferred tax liabilities (net)	6 -	172.96
(c) Other long-term liabilities	7 0.37	0.64
(d) Long-term provisions	8 18.79	19.90
	243.12	436.08
(3) Current liabilities		
(a) Short-term borrowings	9 177.72	204.94
(b) Trade payables	10 -	-
Total outstanding dues of micro enterprises and small enterprises	0.03	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	735.43	542.88
(c) Other current liabilities	11 170.12	134.62
(d) Short-term provisions	8 21.23	21.13
	1,104.53	903.57
TOTAL	1,933.90	1,888.03
II. Assets		
(1) Non-current assets		
(a) Fixed assets		
(i) Tangible assets	12.1 1,118.51	1,133.71
(ii) Intangible assets	12.2 -	0.05
(iii) Capital work-in-progress	12.3 16.51	6.36
	1,135.02	1,140.12
(b) Non-current investments	13.1 -	-
(c) Deferred tax assets (net)	14 2.00	2.13
(d) Long-term loans and advances	15.1 21.50	83.40
(e) Other non-current assets	16.1 8.35	8.05
	31.85	93.58
(2) Current assets		
(a) Current investments	13.2 10.06	16.26
(b) Inventories	17 256.71	273.48
(c) Trade receivables	18 211.19	119.77
(d) Cash and bank balances	19 83.71	55.77
(e) Short-term loans and advances	15.2 62.27	69.80
(f) Other current assets	16.2 143.09	119.25
	767.03	654.33
TOTAL	1,933.90	1,888.03

Significant accounting policies
The accompanying notes (from 1 to 46) form an integral part of the financial statements.

As per our report attached.
For B S R and Associates
Chartered Accountants
ICAI Firm registration number: 128901W

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurgaon
Date: 18 May 2016

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

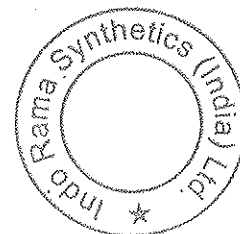
Omi Prakash Lohia
Chairman and Managing Director
DIN Number: 00206807

Jayant Khandelwal
Company Secretary
ICSI Membership No.: FCS4482

Place: Gurgaon
Date: 18 May 2016

Ashok Kumar Latha
Director
DIN Number: 00089360

Ranbeer Arora
Managing Director and Chief Executive Officer
ICAI Membership No.: 089369



Indo Rama Synthetics (India) Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

	Note No.	For the year ended 31 March 2016	For the year ended 31 March 2015
A) CONTINUING OPERATIONS			
Income			
I. Revenue from operations	20	2,714.69	2,961.90
Sale of products (gross)		249.94	253.00
Less: Excise duty		2,464.75	2,708.90
Sale of products (net)		70.91	52.56
Other operating revenue		2,535.66	2,761.46
Revenue from operations (net)	21	30.88	9.67
II. Other income		2,566.54	2,771.13
III. Total revenue (I+II)		2,566.54	2,771.13
IV. Expenses :			
Cost of materials consumed	22	2,019.32	2,192.84
Changes in inventories of finished goods and work-in-progress	23	(52.90)	(39.84)
Employee benefits expense	24	105.45	92.09
Other expenses	25	270.56	394.00
Expenses before finance costs, depreciation/ amortisation and exceptional items		2,442.43	2,639.09
V. Profit before finance costs, depreciation/amortisation, exceptional items and tax (III-IV)		124.11	132.04
VI. Finance costs	26	51.66	43.38
VII. Profit before depreciation/amortisation, exceptional items and tax (V-VI)		72.45	88.66
VIII. Depreciation and amortisation expense	12.1 & 12.2	77.80	117.16
IX. Loss before exceptional items and tax (VII-VIII)		(5.35)	(28.50)
X. Exceptional items		(23.62)	15.02
- Foreign exchange fluctuation (loss) / gain (refer note 43(b))		(26.68)	(20.75)
- Inventory losses (refer note 22 and 23)		(4.23)	(34.23)
- Others (refer note 43(e))		(59.88)	(34.23)
XI. Loss before tax (IX+X)		(59.88)	(34.23)
XII. Tax expense (refer note 41):		57.30	0.58
MAT credit taken in previous years charged off		(172.96)	(13.07)
Deferred tax credit		55.78	(21.74)
XIII. Profit / (Loss) for the year from continuing operations		55.78	(21.74)
B) DISCONTINUING OPERATIONS (refer note 44)			
XIV. Profit / (Loss) before tax from discontinuing operations		0.49	(1.08)
XV. Tax expense from discontinuing operations:		0.13	(2.13)
Deferred tax expense / (credit)		0.36	1.05
XVI. Profit for the year from discontinuing operations		0.36	1.05
C) TOTAL OPERATIONS			
XVII. Net Profit / (Loss) for the year (XIII+XVI)		56.14	(20.69)
Basic and diluted earnings / (loss) per equity share (in Rs.) [Face value Rs.10 each]	27	3.67	(1.43)
Continuing operations		3.70	(1.36)
Total operations	2	3.70	(1.36)

Significant accounting policies
The accompanying notes (from 1 to 46) form an integral part of the financial statements.

As per our report attached to the balance sheet.

For BSR and Associates
Chartered Accountants
ICAI Firm registration number: 128901W

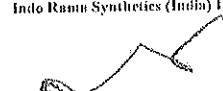


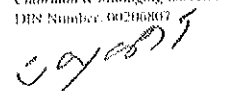
Jiten Chopra
Partner
Membership No : 092894

Place: Gurgaon
Date: 18 May 2016




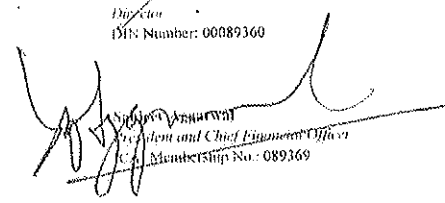
For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

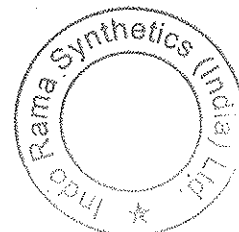

Om Prakash Lohia
Chairman & Managing Director
DIN Number: 00296807


Jayant K Sood
Company Secretary
ICSI Membership No : FCS4482

Place: Gurgaon
Date: 18 May 2016


Ashok Kumar Ladia
Director
DIN Number: 00089360


Anil Kumar
President and Chief Financial Officer
C.A. Membership No : 089369



Indo Rama Synthetics (India) Limited
Consolidated cash flow statement for the year ended 31 March 2016
(All amounts in Rs. Crores, unless otherwise stated)

	For the year ended 31 March 2016	For the year ended 31 March 2015
A. Cash flow from operating activities		
Loss before taxation	(59.39)	(35.31)
Adjusted for:		
Depreciation and amortization (net of transfer from revaluation reserve)	92.96	132.32
Loss or (gain) on scrap / disposal of fixed asset	0.09	(3.19)
Provision made / (written back) for diminution in the value of investments	1.77	(0.09)
Long term pre-paid expense written off	(0.38)	0.85
Provision for doubtful debts & advances	(26.40)	(1.13)
Profit on sale of current investments (net)	(29.69)	(12.36)
Interest income	(0.60)	(0.52)
Dividend income	53.92	48.73
Interest expense	32.28	129.30
Operating profit before working capital changes		
Changes in:		
Decrease in inventories	16.77	20.13
(Increase) in trade receivables	(91.04)	(6.41)
(Increase) / decrease in short term loans and advances and other current assets	(12.10)	63.65
(Increase) in long term loans and advances	(1.00)	(0.84)
(Increase) in other non current assets	(0.30)	(0.44)
Increase in trade payables	192.58	11.86
(Decrease) in other non current liabilities	(0.27)	(0.19)
Increase in other current liabilities	17.19	2.88
(Decrease) / increase in long term provisions	(1.11)	1.72
Increase in short term provisions	0.10	0.19
Cash generated from operations	153.10	221.85
Income tax paid	(1.23)	(0.51)
Net cash flow from operating activities (A)	151.87	221.34
B. Cash flows from investing activities		
Purchase of fixed assets	(43.40)	(19.49)
Sale of fixed assets	0.46	17.59
Purchase of current investments	(24.85)	(11.98)
Sale of current investments (net)	57.45	0.28
Income from renunciation of subscription rights in a rights issue	-	0.85
Movement in bank deposits (net) (having original maturity of more than 3 months)	(44.57)	(1.66)
Dividend received	0.60	0.52
Interest received	25.50	11.12
Net cash used in investing activities (B)	(28.81)	(2.77)
C. Cash flows used in financing activities		
Long-term borrowings repaid during the year	(40.15)	(112.18)
Long-term borrowings taken during the year	-	11.97
Short term borrowings repaid during the year (net)	(27.22)	(40.91)
Payment of dividend	(15.17)	(15.16)
Taxes on dividend	(3.09)	(2.58)
Interest and ancillary costs of borrowing paid	(54.06)	(49.62)
Net cash flow used in financing activities (C)	(139.69)	(208.40)
Net changes in cash and cash equivalents (A+B+C)	(16.63)	10.09
Cash and cash equivalents - opening balance	23.78	13.69
Cash and cash equivalents - closing balance	7.15	23.78
Components of cash and cash equivalents (refer note 19)		
Cash in hand	0.93	0.28
With scheduled banks:		
In current accounts	6.22	11.06
In margin money accounts (currently not available for use by the Company)	-	12.44
Total	7.15	23.78

Notes:

- The accompanying notes (from 1 to 46) form an integral part of the financial statements
- The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 Cash Flow Statements specified in the Companies (Accounting Standards) Rules 2006
- The Cash Flow statement reflects the combined cash flows pertaining to continuing and discontinuing operations.

As per our report attached to the balance sheet

For: B S R and Associates
Chartered Accountants
Firm registration number: 128901W

Allen Chopra
Partner
Membership No.: 092894

Place: Gurgaon
Date: 18 May 2016

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

Om Prakash Lubin
Chairman and Managing Director
DIN Number: 00296800

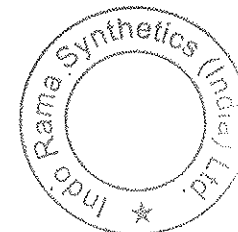
Ashok Kumar Latha
Director
DIN Number: 00089360

Anyaat K Sood
Company Secretary
ICSI Membership No.:
FCS4482

Srinivas Aggarwal
Chartered Accountant / Financial Officer

ICAI Membership No.: 089369

Place: Gurgaon
Date: 18 May 2016



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

1. General information

Indo Rama Synthetics (India) Limited (hereinafter referred to as 'the Holding Company' or 'IRSL') is a manufacturer of Polyester Filament Yarn (PFY), Polyester Staple Fibre (PSF), Draw Texturised Yarn (DTY), Specialty Fiber and Chips. The Company is also engaged in power generation, which is used primarily for captive consumption. The Company's manufacturing facilities are located at Butibori, Nagpur.

The Holding Company has invested in certain subsidiaries which are directly or indirectly engaged in the business of generation and supply of energy from renewable resources. The Holding Company along with its subsidiaries has been referred to as "the Group".

2. Significant Accounting Policies

2.1 Basis of preparation and consolidation

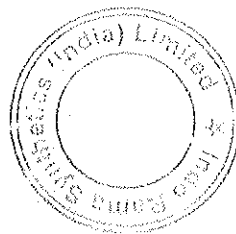
These consolidated financial statements have been prepared under the historical cost convention, modified to include revaluation of certain fixed assets, on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP primarily comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014, and other accounting pronouncements of the Institute of Chartered Accountants of India.

2.2 Principles of consolidation

The consolidated financial statements relate to the Group, all being incorporated in India. The consolidated financial statements have been prepared in accordance with the principles and procedures for the preparation and presentation as laid down in Accounting Standard- 21.

The consolidated financial statements have been prepared on the following basis:

- i) The consolidated financial statements of the Group have been combined on a line-by-line basis by adding the book values of all items of assets, liabilities, incomes and expenses after eliminating intra-group balances/ transactions and unrealised profits in full.
- ii) The consolidated financial statements are prepared by using uniform accounting policies for similar significant transactions and other events in similar circumstances. The financial statements of the subsidiaries are adjusted for the accounting principles and policies followed by the Group.
- iii) The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Group for its separate financial statements.



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

(iv) The companies considered in the consolidated financial statements are:

Name of the company	Date of incorporation	Percentage of shareholding as at 31 March 2016
Indo Rama Synthetics (India) Limited ('IRSL')	28 April 1986	Ultimate holding Company
Indo Rama Renewables Limited ('IRRL')	3 May 2012	100
Indo Rama Renewables Jath Limited ('IRRJL')	23 May 2012	100
Indo Rama Renewables Porbandar Limited ('IRRPL')	23 May 2012	100
Indo Rama Renewables Ramgarh Limited ('IRRRL')	25 May 2012	100

2.3 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the year. Differences between actual results and estimates are recognized in the year in which the results are known or materialized. Examples of such estimates are estimated useful life of assets, classification of assets/liabilities as current or non-current in certain circumstances, recoverability of minimum alternate tax credit entitlement, provision for doubtful receivables and retirement benefits, etc. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.4 Current/ non-current classification

All assets and liabilities are classified as current and non-current.

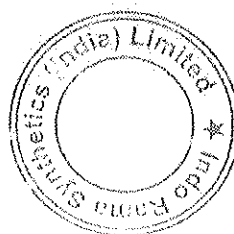
Assets

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

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Liabilities

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

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company considers its operating cycle to be within a year.

2.5 Fixed assets

Fixed assets are stated at cost or at revalued amounts less accumulated depreciation. Cost of fixed assets includes all incidental expenses and interest costs on borrowings, attributable to the acquisition of qualifying assets, upto the date of commissioning of assets.

Foreign currency exchange differences are capitalized as per the policy stated in note 2.13(b) below.

2.6 Depreciation/ amortization

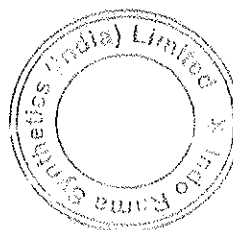
Holding Company (Polyester business)

- Leasehold land and cost of leasehold improvements are amortised over the period of lease or their useful lives, whichever is shorter.
- Depreciation on other fixed assets (excluding software) is provided using the straight line method at the rates based on following useful lives of assets estimated by the management:

Particulars	Useful life
Factory buildings/ Non factory buildings	28 years/ 58 years
Plant and equipment (Continuous Process Plant)	18 years
Furniture and fixtures	15 years
Vehicles	10 years
Office equipment/ Computer and Peripherals	20 years/ 6 years

The above useful lives are arrived at, based on the internal technical assessment of the management, are currently reflective of the estimated useful lives of the fixed assets.

- Fixed assets individually costing up to rupees five thousand are depreciated at the rate of 100% over a period of one year.
- Software are amortised on straight line method over a period of three years.



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Subsidiaries (Power Generation)

In respect of assets used in generation and supply of energy from renewable sources, the depreciation is being provided at the rates as well as methodology notified by the Maharashtra Electricity Regulatory Commission in its order dated March 22, 2013 for Determination of Generic Tariff under Regulation 8 of the Maharashtra Electricity Regulatory Commission (Terms and Conditions for determination of Renewable Energy tariff) Regulations 2010. As per the regulations, the depreciation is to be allowed upto a maximum of 90% of the Capital Cost of the asset and the depreciation rate for the first 10 years of the Tariff Period shall be 7% per annum and the remaining depreciation shall be spread over the remaining useful life of the project from 11th year onwards.

Further, office equipment are depreciated over useful life of 20 years.

The useful life is arrived at, based on the internal technical evaluation of the management, primarily consisting of plant and machinery. As per this evaluation, the useful life of assets does not require a change from the previous estimates.

2.7 Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated as higher of its net selling price and value in use. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (Cash Generating Unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed 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 amortization, had no impairment loss been recognized.

2.8 Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to be put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

2.9 Investments

Long-term investments (including its current portion) are carried at cost less diminution, other than temporary, in value. Current investments are carried at the lower of cost and fair value, which is computed category wise.

2.10 Inventories

- Stores and spare parts are valued at cost or under, computed on weighted average basis.



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

- Raw materials, work-in-progress and finished goods are valued at the lower of cost and net realizable value. Finished goods and work-in-progress include material cost and appropriate portion of manufacturing and other overheads. Cost is ascertained on a weighted average basis.

2.11 Revenue recognition

i) Sale of goods

Revenue from sale of products is recognized when the products are dispatched against orders from customers in accordance with the contract terms, which coincides with the transfer of significant risks and rewards.

Sales are stated inclusive of excise duty and net of rebates, trade discounts, sales tax and sales returns.

ii) Sale of power

Sale of power is recognized on the basis of actual quantity of power sold with reference to the contracted rate.

Revenue from the sale of wind power is recognised when earned on the basis of contractual arrangements and reflects the number of units supplied in accordance with joint meter readings undertaken on a monthly basis by representatives of the buyer and the Company at rates stated in the contract.

iii) Generation-based incentives

Revenue from generation-based incentives are recognised based on the number of units supplied and when the eligibility criteria under the Indian Renewable Energy Development Agency Limited - Generation Based Incentive scheme are met.

iv) Insurance claims

Insurance claims are accounted for on an accrual basis, to the extent these are measurable and ultimate collection is reasonably certain (Also refer to note 39).

v) Dividend

Dividend from investments is recognized when the right to receive dividend is established.

vi) Interest income

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

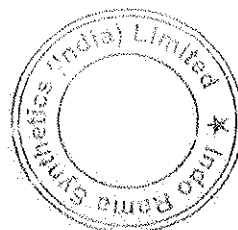
2.12 Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating lease. Operating lease charges are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

2.13 Foreign exchange transactions and forward contracts

Foreign exchange transactions

a) Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rates prevailing at the date of the balance sheet. All exchange differences, other than in relation to acquisition of fixed assets and other long term foreign currency monetary liabilities, are dealt with in the Statement of Profit and Loss.



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

b) In accordance with Accounting Standard 11, "Accounting for the effects of changes in foreign exchange rates", exchange differences arising in respect of long term foreign currency monetary items used for acquisition of depreciable capital asset, are added to or deducted from the cost of asset and are depreciated over the balance life of asset.

c) In case of foreign exchange forward contracts taken for underlying transactions, and covered by Accounting Standard 11, "Accounting for the Effects of Changes in Foreign Exchange Rates", the premium or discount is amortised as income or expense over the life of the contract. The exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange difference is recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

Any profit or loss arising on the cancellation or renewal of such contracts is recognized as income or expense for the year.

d) Forward exchange contracts taken for highly probable/forecast transactions, which are not covered by Accounting Standard 11, are marked to market in accordance with the principles under AS 30 "Financial Instruments: Recognition and Measurement", issued by the Institute of Chartered Accountants of India. The Company records the gain or loss on effective hedges, if any, in the Hedging Reserve until the transactions are complete. On completion, the gain or loss is transferred to the Statement of Profit and Loss of the period in which such transaction is concluded. To designate a forward contract or option as an effective hedge, management objectively evaluates with appropriate supporting documents at the inception of each contract whether the contract is effective in achieving offsetting cash flows attributable to the hedged risk. In the absence of a designation as effective hedge, a gain or loss is recognized in the Statement of Profit and Loss.

2.14 Employee benefits

a) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus, etc., are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

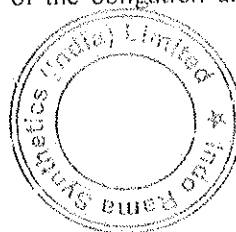
b) Post-employment benefits

Defined contribution plan

The Company deposits the contributions for provident fund to the appropriate government authorities and these contributions are recognized in the Statement of Profit and Loss in the financial year to which they relate.

Defined benefit plan

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

c) Other long term employee benefits

Entitlements to annual leave are recognized when they accrue to employees. Leave entitlements may be availed while in service or encashed at the time of retirement/ termination of employment, subject to a restriction on the maximum number of accumulation. The Company determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

2.15 Taxation

Income tax expense comprises current tax and deferred tax charge or credit. Current tax provision is made based on the tax liability computed after considering tax allowances and exemptions under the Income tax Act, 1961. The deferred tax charge or credit and the corresponding deferred tax liability and assets are recognized using the tax rates that have been enacted or substantively enacted on the balance sheet date.

Deferred tax assets arising from unabsorbed depreciation or carry forward losses are recognized only if there is virtual certainty of realization of such amounts. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets are reviewed at each balance sheet date to reassess their realisability.

The credits arising from Minimum Alternate Tax paid are recognized as receivable only if there is reasonable certainty together with convincing/ reliable evidence that the Company will have sufficient taxable income in future years to utilize such credits.

Deferred tax is not recognized on timing differences which reverse during the tax holiday period.

2.16 Government grants

Government grants specifically receivable as a reduction of interest charge under the grants scheme is netted off from the interest charge for the year.

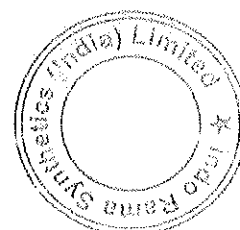
2.17 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period 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 to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.18 Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligations and the amount of such obligation can be reliably estimated. Provisions are not discounted to their present value and are determined based on the management's estimation of the outflow required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current management estimates.



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events, not wholly within the control of the Company.

When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Note 3: Share capital

	As at 31 March 2016	As at 31 March 2015
Authorised		
185,000,000 (previous year 185,000,000) equity shares of Rs.10 each	185.00	185.00
Issued, subscribed and fully paid-up		
151,822,242 (previous year 151,822,242) equity shares of Rs. 10 each fully paid-up	151.82	151.82

Foot notes :

1. During the current year and in the previous year, there have been no movements in the number of outstanding equity shares.

2. The Company has only one class of equity shares, having a par value of Rs.10 per share. Each shareholder is eligible to one vote per share held, except for shares held against Global Depository Receipts (GDR). The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

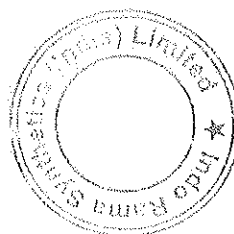
3. Shares in the Company held by each shareholder holding more than 5% shares (also refer to note 4 below) are as under:-

Names	As at 31 March 2016		As at 31 March 2015	
	Number of shares	% of shares held	Number of shares	% of shares held
Brookgrange Investments Limited	43,288,057	28.51	43,288,057	28.51
Mr. Om Prakash Lohia (Chairman & Managing Director)	37,984,000	25.02	35,378,350	23.30
Mrs. Urmila Lohia	18,184,518	11.98	15,855,314	10.44
APMS Investment Fund Limited	12,652,175	8.33	12,652,175	8.33
	112,108,750	73.84	107,173,896	70.58

4. Above equity shares of Rs. 10 each include 10,290,560 equity shares (representing 6.78% of total number of shares), outstanding against 1,286,320 Global Depository Receipts (GDR), each GDR comprising 8 underlying fully paid up equity shares of Rs. 10 each [previous year 10,290,560 equity shares (representing 6.78% of total number of shares), outstanding against 1,286,320 GDRs]. Since the same are held by depository, details of individual beneficiaries is not available with the Company.

Note 4: Reserves and surplus

	As at 31 March 2016	As at 31 March 2015
Capital reserve		
As at the beginning and at the end of the year	20.38	20.38
Securities premium account		
As at the beginning and at the end of the year	166.22	166.22
Revaluation reserve		
Opening balance	14.91	25.43
Less: transferred to general reserve	0.85	10.52
Closing balance	14.06	14.91
General reserve		
Opening balance	58.13	47.61
Add: amount transferred from revaluation reserve	0.85	10.52
Closing balance	58.98	58.13
Surplus in the Statement of Profit and Loss		
Opening balance	136.92	175.88
Profit / (loss) after tax for the year	56.14	(20.69)
Less: Appropriations :		
Proposed dividend (refer note 8)	15.18	15.18
Tax on dividend (refer note 8)	3.09	3.09
Net surplus in the Statement of Profit and Loss	174.79	136.92
Total reserves and surplus	434.43	396.56



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Note 5: Long-term borrowings

	Total		Non-current portion		Current portion	
	As at	As at	As at	As at	As at	As at
	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Secured :						
Loans from banks						
Term loans	71.81	95.68	44.94	71.78	26.87	23.90
- Rupee loans	71.90	71.92	53.92	35.92	17.98	36.00
- Foreign currency loans						
Other loans	134.92	144.68	125.10	134.88	9.82	9.80
- Rupee loans						
	278.63	312.28	223.96	242.58	54.67	69.70
					(54.67)	(69.70)
Less:						
Amounts disclosed under the head "other current liabilities" (refer note 11)	278.63	312.28	223.96	242.58		

Terms of repayment

Nature of security

a) Rupee term loans from banks taken by Holding Company:

- i) amounting to Rs 2.67 crores (previous year Rs. 8.00 crores) are secured by specific charge over specific assets to be purchased under the loan agreement.
- ii) amounting to Rs 15.26 crores (previous year Rs. 20.82 crores) are secured by exclusive charge on the captive power plant at Buihori, Maharashtra.
- iii) amounting to Rs. 53.12 crores (previous year Rs.65.63 crores) are secured primarily by first pari-passu charge on the current assets and collaterally by first pari-passu charge on the fixed assets of the Company. Further, the same is secured by the personal guarantee of promoters, i.e., Mr. Om Prakash Lohia and Mr. Vishal Lohia
- iv) aggregating to Rs. 0.76 crores (previous year Rs.1.23 crores) are secured by hypothecation of specific vehicles

Repayable in 18 equal quarterly installments of Rs. 1.33 crores each commencing from June 2012, along with interest at bank rate plus 1.50%.

Repayable in 18 equal quarterly installments of Rs. 1.39 crores each commencing from 30 September 2014 along with interest at 3.25% over base rate.

Repayable in 8 equal quarterly installments of Rs. 3.12 crores each commencing from 30 September 2014 and 10 equal quarterly installments of Rs. 5 crores thereafter, along with interest at 3% over base rate.

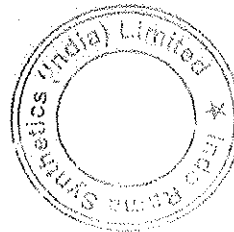
- (a) Rs. Nil (previous year Rs. 0.05 crores) repayable in 36 monthly installments commencing from January 2013.
 - (b) Rs. 0.56 crores (previous year Rs. 0.91 crores) repayable in 36 monthly installments commencing from September 2014.
 - (c) Rs. 0.08 crores (previous year Rs. 0.14 crores) repayable in 36 monthly installments commencing from June 2014.
 - (d) Rs. 0.05 crores (previous year Rs. 0.08 crores) repayable in 36 monthly installments commencing from May 2014.
 - (e) Rs. 0.03 crores (previous year Rs. 0.05 crores) repayable in 36 monthly installments commencing from June 2014.
 - (f) Rs. 0.04 crores (previous year Rs. Nil) repayable in 36 monthly installments commencing from Nov 2015.
- The outstanding amount of borrowings taken for vehicles is Rs 0.76 crores (previous year Rs. 1.23 crores) out of which current maturity payable next year amounts to Rs 0.53 crores (previous year Rs. 0.51 crores)

b) Foreign currency term loans from banks taken by Holding Company:

- i) amounting to Rs 46.40 crores (previous year Rs 45.46 crores), are secured by specific charge on the equipment purchased under the loan agreement for the Company's Polyester Expansion Project and a first charge on the land situated at Mehsana, Gujarat
- ii) amounting to Rs 25.50 crores (previous year Rs 26.46 crores) are secured by specific charge on the equipment purchased under the loan agreement for the Company's Polyester Expansion Project and a first charge on the land situated at Mehsana, Gujarat.

The outstanding loan is repayable in 8 semi-annual installments in April and October every year with interest at six months EURIBOR plus 0.95%. The loan is to be repaid by October 2019.
Amount payable within one year amounts to Rs 11.60 crores (previous year Rs 22.77 crores).

The outstanding loan is repayable in 8 semi-annual installments in April and October every year with interest at six months LIBOR plus 0.95%. The loan is to be repaid by October 2019.
Amount payable within one year amounts to Rs. 6.38 crores (previous year Rs.13.23 crores).



c) Rupee term loans from others taken by IRRIL:

As at 31 March 2016, the breakup of secured loan is as follows:

- 1) L&T Infra Rs. 68.47 crores (previous year Rs. 73.42 crores)
- 2) TCCl. Rs. 24.95 crores (previous year Rs. 26.76 crores)
- 3) PFS Rs. 41.50 crores (previous year Rs. 44.50 crores)

The Loan is Secured in all respect pari passu among all lenders with the below mentioned charges/pledges/mortgages and guarantees :

(a) First mortgage and charge of all the borrower's immovable properties (freehold/leased subject to provisions of applicable law in relation to forest land and revenue land, if any) together with all structures and appurtenances thereon and thereunder, both present and future;

(b) First charge by way of hypothecation of all the borrower's movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets, both present and future;

(c) First charge on all intangible assets of the borrower including but not limited to goodwill and uncalled capital of the borrower, both present and future;

(d) First charge on all accounts, revenue, all receivables, operating cash flows, commissions, reserves, book debts and DSR of the borrower including without limitation, the trust and retention accounts/escrow accounts (or any account in substitution thereof) and of all funds from time to time deposited therein and in all Permitted Investments or other securities representing all amounts credited to the trust and retention accounts both present and future;

(e) First charge by way of assignment, both present and future, of:

(i) All rights, title, interest, benefits, claims and demands, whatsoever of the borrower in, to and under all of the project documents as may be amended, varied and supplemented from time to time, including erection & commissioning contract, supply contract, operation and maintenance agreement (O&M) etc. duly acknowledged/consented in writing by relevant counter parties to such project document(s);

(ii) All rights, title and interest, claims and demands, whatsoever of the borrower in, to and under all the permits, approvals, clearance(s) and the government approvals;

(iii) All rights, title, interest benefits, claims and demands, whatsoever of the borrower in, to and under all the guarantees/letter of credit other performance bonds warranties, corporate guarantee, bank guarantee, indemnities and securities that may be furnished in favour of the borrower by the various contractors and any party under the project documents, after obtaining the written consent of the parties thereto, if necessary,

(iv) All rights, title, benefits, claims, demands and interest, whatsoever under all the Insurance contracts/insurance proceeds pertaining to the project.

(f) Pledge of 76% (seventy six per cent) of the paid up and voting equity share capital and of preference share capital (if any) held by the promoter in the share capital of the borrower till final settlement date, and;

(g) An irrevocable and unconditional corporate guarantee from the promoter in favour of the security trustee acting for the benefit of lenders for the due payment/repayment of secured obligations

144 structured monthly instalments post moratorium period of 6 months from the Date of Commencement of Commercial Operation (DCCO) i.e. 1 October 2013

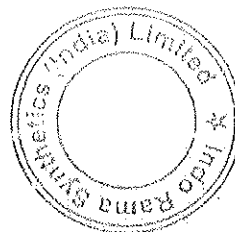
Interest rate

(i) Rate of interest: The rate of interest is "L&T Infra" prime lending rate (PLR) minus spread per annum with monthly rests ("Applicable Interest Rate") payable monthly

(ii) "Spread" is calculated as the difference between "L&T Infra" PLR and the Applicable Interest Rate amounting to 2.5% per annum. The spread was determined at the time of first disbursement based on the L&T Infra PLR on that date. Average interest rate for the year ended 31 March 2016 is 13% (previous year 13.25%).

(iii) The Applicable Interest Rate shall be reset on the first day of the subsequent month at the end of one year from the date of first disbursement ("First Reset Date") and every anniversary of such date thereafter ("Reset Date"), based on the then prevailing L&T Infra PLR.

(iv) In case the account is irregular for more than one month at time of reset, no benefit for reduction in interest would be passed on, though the increase in interest will be loaded.



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Note 6: Deferred tax liabilities (net)

	As at 31 March 2016	As at 31 March 2015
Deferred tax liability on account of:		
- Fixed assets	182.60	179.47
Deferred tax assets on account of:		
- Unabsorbed depreciation*	176.28	-
- Effect of expenditure debited to statement of profit and loss in the current/earlier years but allowable for tax purposes in following years	4.63	4.72
- Provision for doubtful debts and advances	1.69	1.79
	<u>182.60</u>	<u>6.51</u>
Net deferred tax liability	<u>182.60</u>	<u>172.96</u>

* In view of absence of virtual certainty of realisation of unabsorbed depreciation, during the year the Company has recognized deferred tax assets on unabsorbed depreciation to the extent of the availability of future taxable income, by virtue of the future reversal of deferred tax liability (refer note 41(b)).

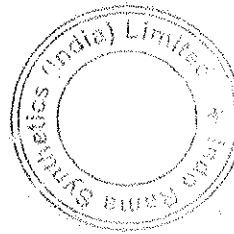
Note 7: Other long-term liabilities

	As at 31 March 2016	As at 31 March 2015
Lease equalisation reserve	0.37	0.64
	<u>0.37</u>	<u>0.64</u>

Note 8: Provisions

	Long-term		Short-term	
	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
Provision for employee benefits				
- Gratuity (refer note 33)	12.11	12.65	1.01	1.00
- Compensated absences (refer note 33)	6.68	7.25	1.95	1.86
	<u>18.79</u>	<u>19.90</u>	<u>2.96</u>	<u>2.86</u>
Others				
Proposed dividend *			15.18	15.18
Tax on proposed dividend *			3.09	3.09
			<u>18.27</u>	<u>18.27</u>
	<u>18.79</u>	<u>19.90</u>	<u>21.23</u>	<u>21.13</u>

* During the current year, the Company has declared a dividend of Rs. 1 (previous year Rs. 1) per equity share of Rs. 10 each.



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. Crores, unless otherwise stated)

Note 9 : Short-term borrowings

	As at 31 March 2016	As at 31 March 2015
Loans repayable on demand (secured)		
From banks :		
Cash credit and working capital facilities	177.72	204.94
	<u>177.72</u>	<u>204.94</u>

Nature of security

Cash credit and other working capital facilities from banks are secured by way of hypothecation of stocks of raw materials, work-in-progress, finished goods, stores and spares, packing material, goods at port/in transit/under shipment, outstanding money, book debts, receivables and other current assets of the Company, both present and future. These are further secured by a second charge on all the immovable properties of the Company, both present and future.

Note 10: Trade payables

	As at 31 March 2016	As at 31 March 2015
Acceptances	351.69	163.52
Sundry creditors		
Total outstanding dues of micro enterprises and small enterprises (refer note 40)	0.03	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	383.74	379.36
	<u>735.46</u>	<u>542.88</u>

Note 11: Other current liabilities

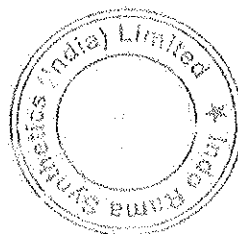
	As at 31 March 2016	As at 31 March 2015
Current maturities of long-term borrowings (refer note 5)	54.67	69.70
Interest accrued but not due on borrowings	0.67	1.19
Unpaid dividends *	0.39	0.38
Advances from customers	22.31	12.55
Lease equalisation reserve	0.27	0.17
Other payables:		
Payable to employees	18.66	16.15
Creditors towards fixed assets ** #	42.23	8.38
Statutory dues payable:		
- Excise duty on finished goods	12.92	8.91
- Customs duty	14.11	15.00
- Tax deducted at source	2.72	1.12
- Other statutory dues	1.17	1.07
	<u>170.12</u>	<u>134.62</u>

Note :

* There are no outstanding dues to be paid to Investor Education and Protection Fund

** Including acceptances of Rs.5.19 crores (previous year Rs.Nil).

Includes amounts payable to micro enterprises and small enterprises Rs. Nil (previous year Rs. Nil).



Indo Rama Synthetics (India) Limited
to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Note 12.1: Fixed Assets - tangible assets

As at 31 March 2016

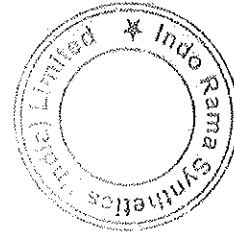
Asset description	Gross block				Depreciation		Net block		
	As at 31 March 2015	Additions	Disposals/ adjustments	As at 31 March 2016	Upto 31 March 2015	Depreciation for the year	In respect of disposals/ adjustments	Upto 31 March 2016	As at 31 March 2016
Land	1.61	-	-	1.61	-	-	-	-	1.61
- freehold	9.14	-	-	9.14	-	0.10	-	-	7.28
- leasehold	156.71	1.67	-	158.38	51.53	3.78	-	1.86	103.07
Buildings	3.22	-	-	3.22	1.95	0.36	-	2.31	0.91
Leasehold improvements	3,228.95	75.56	3.70	3,308.21	2,220.63	87.19	3.51	2,304.31	996.50
Plant and equipment	8.82	0.23	0.15	9.20	6.78	0.20	0.65	6.85	2.05
Furniture and fixtures	6.53	0.05	0.01	6.57	3.51	0.46	-	3.97	2.60
Vehicles	19.02	0.75	0.49	19.26	14.21	0.82	0.24	14.79	4.49
Office equipments									
TOTAL	3,434.00	78.26	4.35	3,507.91	2,500.29	92.91	3.80	2,589.40	1,118.51

As at 31 March 2015

Asset description	Gross block				Depreciation		Net block		
	As at 31 March 2014	Additions	Disposals/ adjustments	As at 31 March 2015	Upto 31 March 2014	Depreciation for the year	In respect of disposals/ adjustments	Upto 31 March 2015	As at 31 March 2015
Land	1.61	-	-	1.61	-	-	-	-	1.61
- freehold	9.14	-	-	9.14	1.66	0.10	-	1.76	7.38
- leasehold	156.71	-	-	156.71	47.75	3.78	-	51.53	105.18
Buildings	3.22	-	-	3.22	1.59	0.36	-	1.95	1.27
Leasehold improvements	3,262.23	8.15	41.93	3,272.31	2,121.84	126.52	27.73	2,220.63	1,008.32
Plant and equipment	8.93	0.61	0.12	9.66	6.58	0.20	0.08	6.70	2.12
Furniture and fixtures	4.98	1.70	0.15	6.83	3.21	0.41	0.11	3.51	3.02
Vehicles	19.07	0.23	0.28	19.58	13.76	0.61	0.16	14.21	4.81
Office equipments									
TOTAL	3,466.59	10.09	42.48	3,519.16	2,196.39	131.98	28.08	2,300.29	1,133.71

Notes:

- Fixed assets comprising of plant and equipment, buildings and land were revalued by an external valuer as on 31 March 2000. The valuation was based on fair market price/other relevant indices and resulted in increase in the gross block by Rs. 203.20 crores at that time. The balance of revaluation reserve as at the end of year amounts to Rs. 14.06 crores (previous year Rs. 14.91 crores).
- Additions to plant and equipment include loss on foreign exchange fluctuation Rs. 6.95 crores (previous year Rs. Nil); (refer note 2.13 (b)).
- Disposals/adjustments to plant and equipment include gain on foreign exchange fluctuation Rs. Nil (previous year Rs. 1.45 crores).
- Depreciation includes Rs. 15.16 crore (previous year Rs. 15.16 crore) pertaining to discontinuing operations.



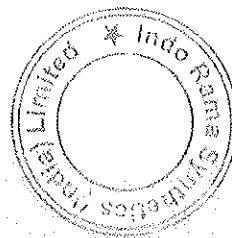
Note 12.2: Fixed assets - intangible assets

As at 31 March 2016	Gross block			Amortisation		Net block As at 31 March 2016		
	As at 31 March 2015	Additions	Disposals/ adjustments	As at 29 Feb 2016	Upto 31 March 2015		Amortisation for the year	In respect of disposals/ adjustments
Computer software	3.24	-	-	3.24	3.19	0.05	-	3.24
TOTAL	3.24	-	-	3.24	3.19	0.05	-	3.24

As at 31 March 2015	Gross block			Amortisation		Net block As at 31 March 2015		
	As at 31 March 2014	Additions	Disposals/ adjustments	As at 31 March 2015	Upto 31 March 2014		Amortisation for the year	In respect of disposals/ adjustments
Computer software	3.24	-	-	3.24	2.81	0.38	-	3.19
TOTAL	3.24	-	-	3.24	2.81	0.38	-	3.19

Note 12.3: Capital work in progress comprises

Particulars	As at 31 March 2016	As at 31 March 2015
- Plant and machinery	13.36	3.11
- Borrowing cost	-	0.01
- Salaries, wages and bonus	0.63	0.69
- Legal and professional charges	1.10	1.10
- Project consultancy expenses	0.64	0.64
- Travelling expenses	0.05	0.05
- Rates and taxes	0.59	0.59
- Miscellaneous expenses	0.14	0.17
Total	16.51	6.36



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Note 13.1 Non-current investments (valued at cost unless otherwise stated)

	No.	As at 31 March 2016	No.	As at 31 March 2015
Other than trade investments (Unquoted)				
Equity shares				
Fully paid up equity shares of Rs. 10 each				
Ritspin Synthetics Limited	1,500,000	1.50	1,500,000	1.50
Less: Provision for diminution in the value of long term investments		(1.50)		(1.50)
		-		-
Aggregate book value of unquoted investments		-		-

Note 13.2 Current investments

	No.	As at 31 March 2016	No.	As at 31 March 2015
Current investments (at the lower of cost and fair value)				
A) Equity shares, quoted				
Fully paid up equity shares of Rs. 10 each				
Optel Telecommunications Limited	52,501	0.37	52,501	0.37
Sanghi Polyesters Limited	708,400	2.34	708,400	2.34
Reliance Industries Limited	10	*	10	*
Fully paid up equity shares of Rs. 5 each				
Balalore Alloys Limited	72,601	0.17	72,601	0.17
Fully paid up equity shares of 1 Baht each				
Indorama Ventures Public Company Limited, Thailand			7,509,200	0.83
		2.88		3.71
Less: Provision for diminution in the value of current investments		2.77		-
		0.11		3.71
B) Preference shares, quoted				
Fully paid-up preference shares of Rs.10 each				
0.01% Cumulative redeemable preference shares				
JSW Steel Limited	892,000	0.89	892,000	0.89
Less: Provision for diminution in the value of current investments		0.26		0.32
		0.63		0.57
C) Government securities, unquoted				
National Savings Certificates VIII issue				
(pledged with sales tax authorities)				
		**		**
		0.74		4.78
D) Units of Mutual Fund of Rs.10 each				
L. & T Ultra Short Term Fund Direct Plan - Growth	3,876,744	9.26	5,265,177	11.65
L. & T Liquid Fund Direct Plan - Growth	316	0.06	1,758	0.33
		9.32		11.98

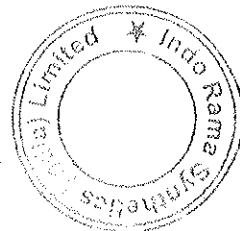
Additional disclosures for current investments

	As at 31 March 2016		As at 31 March 2015	
	Aggregate Book Value	Market Value/ Net Asset Value #	Aggregate Book Value	Market Value/ Net Asset Value #
Quoted investments				
-Equity shares	0.11	0.11	3.71	37.62
-Preference shares	0.63	0.63	0.57	0.57
-Mutual Fund	9.32	9.69	11.98	12.15
	10.06	10.43	16.26	50.34
Book value of unquoted investments	**	**	**	**
Aggregate diminution in the value of current investments		3.03		0.32

* Rs. 7,780 (previous year Rs. 7,780)

** Rs. 4,000 (previous year Rs. 4,000)

excluding for equity shares of Sanghi Polyesters Limited and Optel Telecommunications Limited in respect of which market value are not available



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. Crores, unless otherwise stated)

Note 14: Deferred tax assets (net)

	As at 31 March 2016	As at 31 March 2015
Deferred tax assets on account of:		
- Unabsorbed depreciation	28.36	17.85
Deferred tax liability on account of:		
- Fixed assets	26.36	15.72
Net deferred tax asset	2.00	2.13
Net deferred tax asset / liabilities recognized	2.00	2.13

Note: Benefits under section 80 IA of Income Tax Act, 1961 is available to IRRJI, for period of 10 years starting from financial year 2018-19. The Company would be able to avail the benefits under this section post utilisation of brought forward unabsorbed depreciation.

Note 15.1 : Long-term loans and advances (unsecured)

	As at 31 March 2016	As at 31 March 2015
Considered good :		
Capital advances	1.80	6.46
Security deposits	2.15	1.97
Other loans and advances :		
Surrender value of keyman insurance	5.57	4.80
MAT credit entitlement (refer note 41(a))	-	57.30
Advance tax [net of provision Rs.106.42 crores (previous year Rs.106.42 crores)]	11.29	10.46
Prepaid expenses	0.69	1.77
Others	0.60	0.64
	21.50	83.40
Considered doubtful :		
Advances to vendors	1.80	1.80
Less : Provision for doubtful advances	1.80	1.80
	-	-
	21.50	83.40

Note 15.2 : Short-term loans and advances (unsecured, considered good)

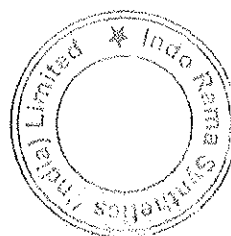
	As at 31 March 2016	As at 31 March 2015
Others :		
Customs and excise duty	43.01	37.50
Prepaid expenses	6.46	5.23
Advance tax	0.40	-
Advances to vendors	11.65	26.01
Advances to employees	0.75	1.06
	62.27	69.80

Note 16.1 : Other non-current assets

	As at 31 March 2016	As at 31 March 2015
Claims and other receivables	8.35	8.05
	8.35	8.05

Note 16.2 : Other current assets

	As at 31 March 2016	As at 31 March 2015
Claims and other receivables	120.05	100.97
Forward cover receivable (net)	14.51	13.90
Unbilled revenue	1.61	1.65
Interest accrued on deposits and others	6.92	2.73
	143.09	119.25



Indo Rama Synthetics (India) Limited
 Notes to the consolidated financial statements for the year ended 31 March 2016
 (All amounts in Rs. Crores, unless otherwise stated)

Note 17: Inventories

	As at 31 March 2016	As at 31 March 2015
Raw materials (include in transit Rs. 7.93 crores (previous year Rs. 84.92 crores))	102.77	152.27
Work-in-progress *	19.76	14.08
Finished goods (include in transit Rs. 4.99 crores (previous year Rs. 8.59 crores))*	112.52	91.04
Stores and spares (include in transit Rs. Nil (previous year Rs. 0.05 crores))#	13.95	13.01
Packing material #	4.12	2.64
Waste \$	3.59	0.44
	<u>256.71</u>	<u>273.48</u>

* valued at the lower of cost and net realisable value. The inventories were reduced by Rs. 1.50 crores (previous year Rs. 1.10 crores) on account of net realisable value being lower than the cost.

valued at cost or under.

\$ at realisable value

Additional disclosures regarding inventories

Raw materials		
Purified Terephthalic Acid	14.79	95.08
Mono Ethylene Glycol	76.88	43.98
Others	11.10	2.21
	<u>102.77</u>	<u>152.27</u>
Work-in-progress		
Polyester Staple Fibre	7.95	7.08
Polyester Filament Yarn	6.04	4.25
Draw Texturised Yarn	5.48	2.75
Polyester Chips	0.29	-
	<u>19.76</u>	<u>14.08</u>
Finished goods		
Polyester Staple Fibre	52.16	36.96
Polyester Filament Yarn	23.90	21.28
Draw Texturised Yarn	35.76	32.58
Polyester Chips	0.70	0.22
	<u>112.52</u>	<u>91.04</u>



Indo Rama Synthetics (India) Limited
 Notes to the consolidated financial statements for the year ended 31 March 2016
 (All amounts in Rs. Crores, unless otherwise stated)

Note 18: Trade receivables

	As at 31 March 2016	As at 31 March 2015
Receivables outstanding for a period exceeding six months from the date they became due for payment.		
- Unsecured, considered good	13.15	2.15
- Unsecured, considered doubtful	3.08	3.46
	16.23	5.61
Less: Provision towards doubtful debts	3.08	3.46
	13.15	2.15
- Other receivables, unsecured and considered good	198.04	117.62
	211.19	119.77

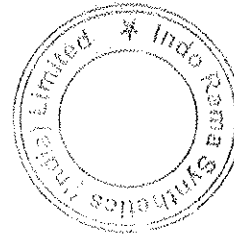
Note 19: Cash and bank balances

	As at 31 March 2016	As at 31 March 2015
Cash and cash equivalents		
Cash on hand	0.93	0.28
Balances with banks:		
- Current accounts	6.22	11.06
Fixed deposits with original maturity period of upto three months #	7.15	23.78
Other bank balances :		
Fixed deposits with banks due to mature within 12 months of reporting date #	68.57	31.53
Balances with banks:		
- Unpaid dividends *	0.39	0.38
Margin money accounts **	7.60	0.08
	76.56	31.99
	83.71	55.77

Pledged with banks for credit limits

* Earmarked against the corresponding provision

** Pledged with banks for performance guarantees issued to government authorities on behalf of the Company



Indo Ramn Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. Crores, unless otherwise stated)

Note 20: Revenue from operations

	For the year ended 31 March 2016	For the year ended 31 March 2015
Sale of products		
Finished goods	2,714.69	2,961.90
Less: Excise duty	249.94	253.00
	<u>2,464.75</u>	<u>2,708.90</u>
Other operating revenue		
Scrap sales	11.24	9.16
VAT refund	29.76	27.83
Interest from customers	13.91	9.41
Interest on insurance claim (refer note no.39(b))	10.95	-
Others	5.05	6.16
	<u>70.91</u>	<u>52.56</u>
Revenue from operations (net)	<u>2,535.66</u>	<u>2,761.46</u>

Breakup of revenue from sale of products :

	For the year ended 31 March 2016	For the year ended 31 March 2015
Sale of finished goods		
Polyester Staple Fibre	1,485.77	1,641.67
Polyester Filament Yarn	472.96	555.13
Draw Texturised Yarn	734.17	750.47
Polyester Chips	11.89	0.48
Power	0.08	0.75
Product Waste	9.82	13.40
	<u>2,714.69</u>	<u>2,961.90</u>

Note 21: Other income

	For the year ended 31 March 2016	For the year ended 31 March 2015
Interest on fixed deposits	4.83	2.93
Dividend income from current investments	0.60	0.52
Profit on sale of current investments (net)	25.45	0.99
Gain on sale of fixed assets	-	3.19
Reversal of provision for diminution in the value of current investments	-	0.89
Miscellaneous income	-	1.95
	<u>30.88</u>	<u>9.67</u>

Note 22: Cost of materials consumed

	For the year ended 31 March 2016	For the year ended 31 March 2015
Raw materials :		
Purified Terephthalic Acid	1,346.81	1,540.54
Mono Ethylene Glycol	607.63	611.70
Others	68.97	55.86
	<u>2,023.41</u>	<u>2,208.10</u>
Less: write down of inventory, considered as exceptional item (refer note 43(a))	(4.09)	(15.20)
	<u>2,019.32</u>	<u>2,192.84</u>



Indo Rama Synthetics (India) Limited
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(All amounts in Rs. Crores, unless otherwise stated)

Note 23: Changes in inventories of finished goods and work-in-progress

	As at 31 March 2016	As at 31 March 2015	(Increase)/decrease during the year ended 31 March 2016
Inventories at the end of the year			
- Finished goods	112.52	91.04	(21.48)
- Work-in-progress	19.76	14.08	(5.68)
- Waste	3.59	0.44	(3.15)
	<u>135.87</u>	<u>105.56</u>	<u>(30.31)</u>
			31 March 2015
Inventories at the beginning of the year			
- Finished goods	91.04	60.73	(30.31)
- Work-in-progress	14.08	10.01	(4.07)
- Waste	0.44	0.47	0.03
	<u>105.56</u>	<u>71.21</u>	<u>(34.35)</u>
	<u>(22.59)</u>	<u>(5.49)</u>	
Write down of inventory, considered as exceptional item (refer note 43(a)) (Increase) / decrease during the year	<u>(52.90)</u>	<u>(39.84)</u>	

Note 24: Employee benefits expense

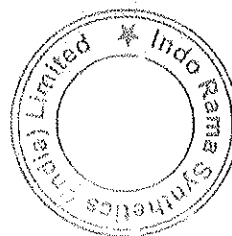
	For the year ended 31 March 2016	For the year ended 31 March 2015
Salaries, wages and bonus	95.37	82.52
Contribution to provident and other funds (refer note 33)	5.11	4.89
Workmen and staff welfare expenses	4.97	4.68
	<u>105.45</u>	<u>92.09</u>

Note 25: Other expenses

	For the year ended 31 March 2016	For the year ended 31 March 2015
Consumption of stores and spares	27.29	33.05
Power and fuel	165.17	183.25
Rent and hire charges (refer note 36)	6.76	5.66
Repairs and maintenance:		
- plant and machinery	16.82	14.94
- buildings	1.57	2.30
- others	6.00	6.19
Insurance	1.61	1.73
Less: Recovery	0.48	0.91
Rates and taxes	2.08	1.44
	<u>55.14</u>	<u>50.67</u>
Packing materials consumed		
Freight and forwarding charges	103.24	106.73
Less: Recovery	77.73	67.90
	<u>25.51</u>	<u>38.83</u>
Brokerage and commission on sales (other than to sole selling agents)	10.00	10.04
Cash discounts and claims	10.60	3.84
Directors' sitting fee	0.09	0.07
Legal and professional charges	5.39	4.54
Auditors' remuneration:		
- for audit	0.44	0.42
- for tax audit	-	0.06
- for other services	0.27	0.28
- for reimbursement of out of pocket expenses	0.05	0.05
Donations	0.04	0.10
Corporate social responsibility expenses (refer note 45)	0.12	0.18
Provision for doubtful debts and advances	0.45	0.85
Loss on discard / disposal of fixed assets	0.09	-
Loss on discard / disposal of fixed assets	4.01	3.77
Increase in excise duty on stocks of finished goods and waste	31.54	32.65
Miscellaneous expenses	<u>370.56</u>	<u>394.00</u>

Note 26: Finance costs

	For the year ended 31 March 2016	For the year ended 31 March 2015
Interest	33.07	28.30
Bank and other charges	18.59	15.08
	<u>51.66</u>	<u>43.38</u>



Indo Rama Synthetics (India) Limited
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 (All amounts in Rs. Crores, unless otherwise stated)

Note 27: Earnings / (loss) per equity share (EPS)

	<u>For the year ended 31 March 2016</u>	<u>For the year ended 31 March 2015</u>
Net Profit / (loss) as per Statement of Profit and Loss	55.78	(21.74)
Continuing operations	56.14	(20.69)
Total operations		
Number of equity shares of Rs.10 each at the beginning of the year	151,822,242	151,822,242
Number of equity shares of Rs.10 each at the end of the year	151,822,242	151,822,242
Weighted average number of equity shares of Rs.10 each at the end of the year for calculation of basic and diluted EPS	151,822,242	151,822,242
Basic and diluted earnings / (loss) per share (in Rs.) (Per share of Rs.10 each)		
Continuing operations	3.67	(1.43)
Total operations	3.70	(1.36)



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

28. CIF value of imports

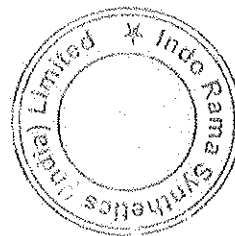
Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Raw materials	653.60	1331.29
Packing material	1.01	0.26
Stores and spares	5.89	3.98
Capital goods	20.58	2.23

29. Expenditure in foreign currency (accrual basis)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Travelling	1.59	2.24
Commission	2.34	3.16
Interest	3.00	3.03
Others	1.38	0.76

30. Value of raw materials, stores and spares and packing materials consumed:

Particulars	Percentage of total consumption (%)		Value	
	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2016	For the year ended 31 March 2015
Raw materials				
Imported	40	66	818.23	1,466.94
Indigenous	60	34	1,205.18	741.16
Total	100	100	2,023.41	2,208.10
Stores and spares				
Imported	15	12	3.96	3.85
Indigenous	85	88	23.33	29.20
Total	100	100	27.29	33.05
Packing materials				
Imported	2	1	1.15	0.26
Indigenous	98	99	53.99	50.41
Total	100	100	55.14	50.67



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

31. Net dividend remitted in foreign exchange

	For the year ended 31 March 2016	For the year ended 31 March 2015
Period to which dividend relates to	2014-15	2013-14
Number of non-resident shareholders (Nos.)	2	2
Number of equity shares held on which dividend was due (Nos.)	43,620,465	43,620,465
Amount remitted USD 653,980 (Previous year USD 720,761) (Rs. in crores)	4.36	4.36

32. Earnings in foreign currency (accrual basis)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
F.O.B. value of exports	388.02	596.72
Dividend	0.60	0.52
Sale of current investments (Gross consideration)	28.98	0.92

33. Disclosure pursuant to Accounting Standard 15 on "Employee Benefits"

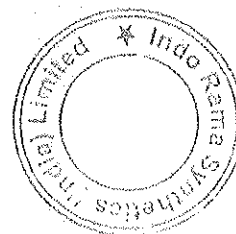
a) Defined contribution plans

An amount of Rs. 4.52 crores (previous year Rs. 4.33 crores) for the year has been recognized as an expense in respect of the Holding Company's contributions towards Provident Fund and an amount of Rs. 0.58 crore (previous year Rs. 0.57 crores) for the year has been recognized as an expense in respect of Holding Company's contributions towards Employee State Insurance, which are deposited with the government authorities and has been included under employee benefit expenses in the Statement of Profit and Loss.

b) Defined benefit plans

Gratuity is payable to all eligible employees of the Holding Company on superannuation, death or permanent disablement in terms of the provisions of the Payment of Gratuity Act or as per the Group's Scheme, whichever is more beneficial.

The following table sets forth the status of the gratuity plan of the Group and the amounts recognised in the consolidated Balance Sheet and consolidated Statement of Profit and Loss:

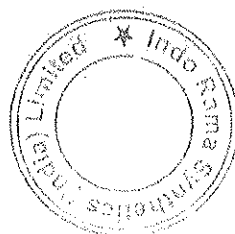


Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Changes in present value of obligation		
Present value of obligation as at the beginning of the year	13.65	12.60
Interest cost	1.10	1.05
Current service cost	0.91	0.99
Past service cost	-	-
Benefits paid	(1.34)	(0.53)
Actuarial (gain) / loss on obligation	(1.20)	(0.46)
Present value of obligation as at end of the year	<u>13.12</u>	<u>13.65</u>
- Long term	12.11	12.65
- Short term	1.01	1.00
	<u>13.12</u>	<u>13.65</u>
Expenses recognized in the Statement of Profit and Loss		
Current service cost	0.91	0.99
Past service cost	-	-
Interest cost on benefit obligation	1.10	1.05
Net actuarial (gain) / loss recognised in the year	(1.20)	(0.46)
Expenses recognised in the Statement of Profit and Loss	<u>0.81</u>	<u>1.58</u>

Experience adjustments

	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
Defined benefit obligation	13.12	13.64	12.61	12.00	11.26
Plan assets	-	-	-	-	-
Surplus / (deficit)	(13.12)	(13.64)	(12.61)	(12.00)	(11.26)
Experience adjustment on plan liabilities	(0.38)	0.81	0.59	0.22	(0.29)
Past service cost	-	-	-	-	-
Experience adjustment on plan assets	-	-	-	-	-



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

The principal assumptions used in determining gratuity for the Holding Company's plans are shown below:

Particulars	For the year ended	For the year ended 31
	31 March 2016	March 2015
Discounting rate	8.20%	8.10%
Retirement age	58 years	58 years
Salary Escalation Rate (per annum)	4%	5%
Withdrawal rates		
Age- Upto 30 years	3%	3%
31-44 years	2%	2%
Above 44 years	1%	1%
Mortality table	IALM (2006-08)	IALM (2006-08)

Discounting Rate: The discount rate is estimated based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligation.

Salary Escalation Rate: The estimates of salary increases, considered in actuarial valuation, take account of inflation, promotion and other relevant factors.

c) Other long term benefits:

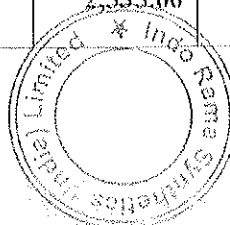
An amount of Rs. 0.92 crores (previous year Rs. 1.79 crores) pertains to expense towards compensated absences and included in "Employee benefits expenses".

34. Segment information:

(a) Information about primary business segment

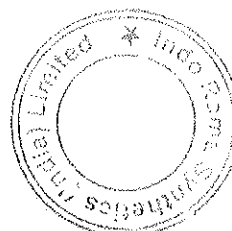
The primary reporting of the Group has been performed on the basis of business segments. The Group is organised into two business segments – (a) Polyester (b) Renewable energy. Segments have been identified and reported based on the nature of the products/services, the risks and returns, the organisation structure and the internal financial reporting system.

Particulars	Continuing Operations		Discontinuing Operations	
	Year ended		Year ended	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Revenue				
Segment revenue (net of excise)				
- Segment - Polyester	2,464.75	2,708.90	-	-
- Segment - Renewable Energy	-	-	33.61	32.51
	2,464.75	2,708.90	33.61	32.51
Other operating revenue				
- Segment - Polyester	70.90	52.48	-	-
- Segment - Renewable Energy	0.01	0.08	2.90	2.80
	70.91	52.56	2.90	2.80
Total Revenue from Operations				
- Segment - Polyester	2,535.65	2,761.38	-	-
- Segment - Renewable Energy	0.01	0.08	36.51	35.31
	2,535.66	2,761.46	36.51	35.31



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Results				
- Segment - Polyester	15.64	5.28	-	-
- Segment - Renewable Energy	(0.21)	(0.21)	19.74	19.38
	15.43	5.07	19.74	19.38
Unallocated income (other than interest income)	26.05	6.88	0.95	0.14
Profit before interest, taxation and exceptional items	41.48	11.95	20.69	19.52
Finance cost	(51.66)	(43.38)	(20.20)	(20.62)
Interest income	4.83	2.93	-	0.02
Profit / (Loss) before taxation and exceptional items	(5.35)	(28.50)	0.49	(1.08)
Exceptional items				
- Foreign exchange fluctuation (loss) / gain	(23.62)	15.02	-	-
- Loss on account of write down of inventories	(26.68)	(20.75)	-	-
- Others	(4.23)	-	-	-
Net profit before tax	(59.88)	(34.23)	0.49	(1.08)
Tax expense / (credit)	(115.66)	(12.49)	0.13	(2.13)
Net Profit after tax	55.78	(21.74)	0.36	1.05
Segment assets				
- Segment - Polyester	1,708.03	1,590.81	-	-
- Segment - Renewable Energy	5.63	7.63	196.48	203.44
- Unallocated corporate assets	12.03	72.04	11.73	14.11
	1,725.69	1,670.48	208.21	217.55
Segment liabilities				
- Segment - Polyester	871.07	629.36	-	-
- Segment - Renewable Energy	0.02	0.02	0.88	0.25
- Unallocated corporate liabilities	340.78	564.77	134.90	145.25
- Shareholder's fund	586.25	548.38	-	-
	1,798.12	1,742.53	135.78	145.50
Capital expenditure				
- Segment - Polyester	85.68	15.01	-	-
- Segment - Renewable Energy	-	0.1	-	-
	85.68	15.11		
Depreciation and amortisation				
- Segment - Polyester	77.76	117.16	-	-
- Segment - Renewable Energy	0.04	-	15.16	15.16
	77.80	117.16	15.16	15.16



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

(b) Information on secondary/ geographical segment

The Group sells polyester products to various manufacturers within the country and also exports to other companies. Further, the Group Sells renewable energy to State Government of Maharashtra. Considering the size and proportion of exports to local sales, the Group considers sales made within the country and exports as two geographical segments. Information of geographical segment is based on the geographical location of the customers.

Particulars	Continuing Operations		Discontinuing Operations	
	For the year ended		For the year ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Segment Revenue				
Domestic	2,138.46	2,145.43	36.51	35.31
Overseas	397.20	616.03	-	-
Total	2,535.66	2,761.46	36.51	35.31
Segment Receivables				
Domestic	158.96	91.36	13.10	4.77
Overseas	39.13	23.64	-	-
Total	198.09	115.00	13.10	4.77

Note: All assets of the Group are located in India except as mentioned above.

(c) Accounting policies for segment

The accounting principles consistently used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in individual segments are as set out in this schedule on significant accounting policies. In addition, the accounting policies in relation to segment accounting are as follows:

(i) Segment assets and liabilities

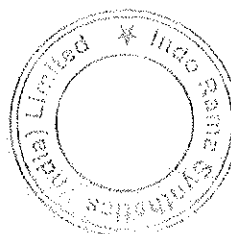
Segment assets include all operating assets used by a segment and consist principally of fixed assets, capital work in progress, current and non-current assets and long term and short term loans and advances except advance tax, MAT credit entitlement and investments. Segment liabilities include all operating liabilities in respect of a segment and consist principally of creditors and accrued liabilities. Segment liabilities do not include share capital, reserves, borrowings and corresponding interest accrued, proposed dividend, provision for tax and deferred tax liability.

(ii) Segment revenue and expenses

Segment revenue and expenses are directly attributable to the segment and have been allocated to various segments on the basis of specific identification. However, segment revenue and expenses do not include interest and other income/expense in respect of non segmental activities.

35. Related party disclosures (As per Accounting Standard -18)

(i) Related parties where control exists: Nil



Indo Rama Synthetics (India) Limited
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(All amounts in Rs. crores, unless otherwise stated)

(ii) Other related parties with whom Group had transactions:

(a)	Key management personnel and their relatives	<p><u>Holding Company:</u> Mr. Mohan Lal Lohia, Chairman Emeritus Mr. Om Prakash Lohia, Chairman cum Managing Director ('CMD') Mr. Vishal Lohia, Whole Time Director ('WTD') Mr. Anant Kishore (Executive Director) Mrs. Urmila Lohia, wife of CMD Mr. Alope Lohia Brother of CMD Mrs. Ritika Kumar, Daughter of CMD Ms. Aruna Goenka, Sister of CMD Mrs. Rimple Lohia, Wife of WTD</p>
(b)	Enterprises over which key management personnel or their relatives have significant influence	<p>Indo Rama Petrochem Limited (IRPL), Thailand T P T Petrochemicals PCL (TPT Petro), Thailand P T Indorama Petrochemicals, Indonesia Lohia Industries Pvt Ltd. Indorama Retail Holdings Pvt Ltd.</p>
(c)	Enterprises having significant influence on the Group	Brookgrange Investments Limited

(iii) Transactions with related parties for the year ended 31 March 2016:

Particulars	Key Management Personnel	Enterprises over which key management personnel or their relatives have significant influence	Enterprises having significant influence	Total
Purchases of raw material				
- Indorama Petrochem Limited		47.17 (410.83)		47.17 (410.83)
- TPT Petrochemicals Public Co. Ltd		25.16 (329.25)		25.16 (329.25)
- P T Indorama Petrochemicals		39.84 (16.94)		39.84 (16.94)
Managerial remuneration *				
- Mr. O.P. Lohia	2.82 (2.83)			2.82 (2.83)



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Particulars	Key Management Personnel	Enterprises over which key management personnel or their relatives have significant influence	Enterprises having significant influence	Total
- Mr. Vishal Lohia	2.11 (2.08)			2.11 (2.08)
- Mr. Anant Kishore	1.08 (1.06)			1.08 (1.06)
Dividend paid				
- Brookerange Investments Limited			4.33 (4.33)	4.33 (4.33)
- Mr. O.P. Lohia	3.54 (3.54)			3.54 (3.54)
- Mrs. Urmila Lohia	1.59 (1.59)			1.59 (1.59)
- Others	0.68 (0.73)			0.68 (0.73)

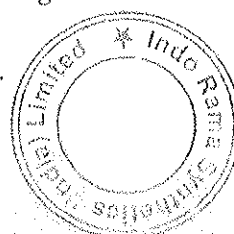
(iv) Closing Balance of related parties :

Particulars	Key Management Personnel	Enterprises over which key management personnel or their relatives have significant influence	Enterprises having significant influence	Total
Trade Payables:				
- Indorama Petrochem Limited		52.73 (61.15)		52.73 (61.15)
- TPT Petrochemicals Public Co. Ltd.		42.47 (90.80)		42.47 (90.80)
- P T Indorama Petrochemicals		- (16.95)		- (16.95)

* excludes expenditure towards gratuity and compensated absences, since the same are based on actuarial valuations for the Group as a whole.

Personal guarantee has been given by Mr. Om Prakash Lohia (CMD) and Mr, Vishal Lohia (WTD) in respect of loan taken by the Holding Company amounting to Rs. 53.12 crores (previous year Rs.65.63 crores).

Note: previous year figures have been given in brackets.



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

36. Long-term obligations in respect of operating lease

The Holding Company has taken office space on operating lease. The lease rentals charged during the year in respect of cancellable and non cancellable operating leases and maximum obligations on long term non-cancellable operating lease payable as per the rentals stated in the agreement are as follows:

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Lease rental expense	6.76	5.65

Future minimum lease rentals for non-cancellable operating lease:

Particulars	Total future minimum lease rentals payable as on 31 March 2016	Total future minimum lease rentals payable as on 31 March 2015
Within one year	1.67	1.67
Later than one year and not later than five years	2.31	3.98
Later than five years	-	-
Total	3.98	5.65

37. Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities:

- Claims against the Holding Company not acknowledged as debts.

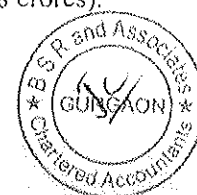
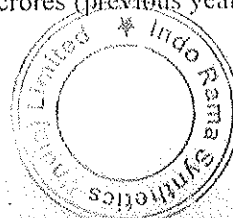
	As at 31 March 2016	As at 31 March 2015
Excise / customs / service tax matters in dispute/ under appeal	92.26	62.83
Income tax matters in dispute/ under appeal	11.88	11.88
Sales tax matters in dispute/ under appeal	12.84	11.04
Claims by ex-employees, vendors, customers and civil cases	0.95	0.84

- Customs duty claims (including penalties) against the Holding Company aggregating to Rs. 214.25 crores (previous year Rs. 214.25 crores) have not been considered contingent as favorable orders have been received, in some of the cases, by the Holding Company from the CESTAT. The Holding Company believes, that its position is strong in this regard. The matter is pending with the Honorable Supreme Court. In addition, during the previous year, the Holding Company has also received a show cause notice amounting to Rs 6.01 crores.

The Holding Company believes that the above issue, when finally settled is not likely to have any significant impact on the financial position of the Company.

• Commitments:

- Estimated amount of contracts remaining to be executed on capital account of Holding Company and not provided for (net of advances) is Rs. 17.46 crores (previous year Rs. 25.48 crores).



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

- b) IRRRL - Irrevocable and unconditional corporate guarantee against loan taken by subsidiary company, Indo Rama Renewables Jath Limited from financial institution.
- c) IRRPL - Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounts to Rs. 2.22 crores (previous year Rs. 2.22 crores).
- d) IRRRL - Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounts to Rs. 8.60 crores (previous year Rs. 8.60 crores).
- e) The Holding Company has commitments to export 191,549 MT (previous year 285,985 MT) of finished goods as per foreign trade policy pursuant to import of duty free material under advance license scheme.

38. Derivative instruments and unhedged foreign currency exposure

(a) Foreign currency forward contracts outstanding:

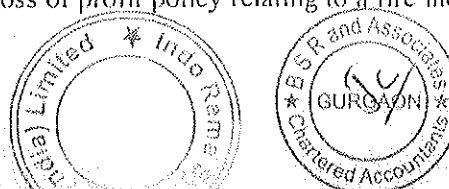
Purpose	As at 31 March 2016		As at 31 March 2015	
	USD Millions	INR crores	USD Millions	INR crores
Hedging of expected future exports (Sell)	110.21	730.27	126.40	789.93

(b) Particulars of unhedged foreign currency exposure:

Particulars	Currency	As at 31 March 2016			As at 31 March 2015		
		Amount in foreign currency (millions)	Exchange rate (in absolute rupees)	Amount (in Rs. crores)	Amount in foreign currency (millions)	Exchange rate (in absolute rupees)	Amount (in Rs. crores)
Trade payables	USD	24.95	66.26	165.32	51.31	62.505	320.73
	Euro	0.01	75.42	0.11	0.02	67.21	0.15
	JPY	107.13	0.59	6.32	79.52	0.52	4.14
	AED	5.06	18.04	9.13	4.81	17.02	8.19
Advance from customers	USD	0.35	66.26	2.34	0.70	62.505	4.36
Loans (including interest payable)	USD	22.80	66.26	151.06	32.23	62.505	201.43
	Euro	6.19	75.42	46.70	6.81	67.21	45.77
Capital Creditors	USD	1.72	66.26	11.42	-	-	-

39. Insurance claim receivables:

- (a) The Holding Company had lodged claims with its insurance company for the loss of certain assets and loss suffered due to business interruption under loss of profit policy relating to a fire incidence



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

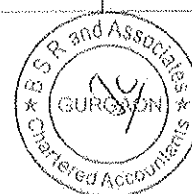
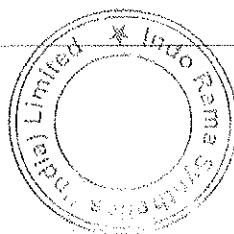
at Butibori plant in 2007-08. Since, the matter has been under dispute with the insurance company, as per the terms and conditions of the above policy, the Holding Company has, during the previous years, initiated the arbitration process for a claim of Rs. 72.94 crores for loss of business interruption and for the claim of Rs. 6.43 crores for loss of assets. While the said matter was pending conclusion by the Arbitral Tribunal, the Holding Company, on a conservative basis, carried forward insurance recoverable (recorded in the financial year ended 31 March 2008) to the extent of Rs. 33.53 crores (net of receipt/adjustment) as advances recoverable, without prejudice to its right to claims aggregating Rs. 79.37 crores. On 1 August 2012, the Arbitral Tribunal decided the matter in the favour of the Holding Company with an award of Rs. 32.45 crores (net off receipt/adjustment) and interest at 9% per annum from July 2008 till the date of payment. Pursuant to the above award, the Holding Company had during the year 2012-13 recorded the interest receivable amounting to Rs. 11.69 crores upto July 2012 (the date of order) and aligned the carrying amount of insurance claim. The Insurance Company had filed an appeal in the Delhi High Court against the same. On 20 January 2015, the Delhi High Court Single bench pronounced the order wherein the Court has remanded the matter back to Arbitral Tribunal for computation of claim on "turnover basis". Subsequently, the Holding Company had filed an appeal with the Delhi High Court double bench and an interim stay has been awarded pending disposal. Currently, the case is pending with Delhi High Court.

- (b) During the year ended 31 March 2016, the Holding Company has recognized interest income of Rs. 10.95 crore on award decided by the arbitral tribunal, for the loss of certain assets and loss suffered due to business interruption under loss of profit policy relating to fire incidence at its plant in 2007-08 under 'other operating income'.
- (c) Consequent to an incident of fire during the year 2011-12, the Holding Company had spent Rs. 7.58 crores on refurbishment of the concerned plant and machinery, which had been recognized as a receivable from the insurance company under other current assets. During the current year, the claim was rejected by insurer on grounds of insufficient premium paid. The Company has filed the writ petition on 6 May 2016 against the insurance company.

Further, the Holding Company strongly believes and is reasonably certain that the above cases do not have any significant impact on the financial position of the Holding Company and it will be able to realize the above amounts in the normal course and, therefore, all the claims have been classified as current.

40. Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

Sl. no.	Particulars	2015-16	2014-15
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
	- principal amount *	0.03	
	- interest thereon	-	-
(ii)	the amount of interest paid in terms of section 16, along with the amounts of the payment made to the suppliers beyond the appointed day:		
	-principal amount**	0.14	0.09
	-interest thereon	-	-



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

Sl. no.	Particulars	2015-16	2014-15
(iii)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act #	0.01	-
(iv)	the amount of interest accrued and remaining unpaid ##	0.02	0.01
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

* Rs. 253 thousand (previous year Rs. 24 thousand)

** Rs. 1,421 thousand (previous year Rs. 893 thousand)

Rs. 58 thousand (previous year Rs. 15 thousand)

Rs. 158 thousand (previous year Rs. 99 thousand)

41. (a) The Holding Company has internally assessed the operating margins and it's set-off against accumulated Unabsorbed Depreciation as per the income tax laws. In the absence of virtual certainty and as a matter of prudence the Company has charged off MAT Credit entitlement amounting to Rs. 57.30 crores during the year.

(b) Earlier, the Holding Company had not recorded deferred tax assets in relation to unabsorbed depreciation as the same has been subject matter of litigation. Pursuant to the changes made by Finance Act, 2015 and based on opinion of legal counsel, the Company is reasonably certain that the litigation do not have any significant impact on recoverability of Rs. 158.33 crore of unabsorbed depreciation to the extent of future reversal of deferred tax liabilities.

42. The Holding Company had made an early application, since the year 2010-11, of Accounting Standard 30 "Financial Instruments- Recognition and Measurement", issued by the Institute of Chartered Accountants of India for accounting for forward exchange contracts taken for highly probable / forecast transactions, which are not covered by Accounting Standard 11. An amount of Rs. 5.09 crores has been recognized as income (previous year an expense of Rs. 4.69 crores) in the financial statements for the year ended 31 March 2016 and included in exceptional items as an adjustment on the said application of Accounting Standard 30.

43. Exceptional items :

The Holding Company has treated following as exceptional items:

(a) Inventory losses amounting to Rs. 26.68 crore for the year ended March 31, 2016, which includes loss of Rs. 4.62 crore (previous year Rs. 20.75 crore) on account of write down of closing inventories, calculated on month on month basis, incurred by the Company due to crash in global crude oil prices and consequently impacting raw material prices, i.e., of PTA and MEG. The loss incurred has been primarily due to the timing difference in the prices at which material has been purchased and sold.

(b) Due to significant volatility in the foreign currency vis-à-vis local currency, the Company has considered the foreign exchange fluctuation as an exceptional item in the Statement of Profit and Loss.



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

(c) 'Others' includes differential excise duty (including interest thereon) amounting to Rs. 4.23 crore paid in compliance with the judgment of the Supreme Court.

44. Discontinuing Operations

Pursuant to the approval accorded by Board of Directors by its resolution dated 10 February 2016, the Group has entered into an agreement (hereinafter referred as Share Purchase agreement) with Tata Power Renewable Energy Limited (TPREL) to sell 100% shares of its wholly owned subsidiary Indo Rama Renewables Jath Limited. Indo Rama Renewables Jath Limited owns and operates 30 MW Wind Farm at Jath, in Maharashtra. The Group is in process of complying with the conditions stipulated in the Share Purchase Agreement. The subsidiary is a part of 'Renewable Energy' segment of the Group.

The results for the discontinuing operation were as under:

A) Details of Profit / (Loss) from ordinary activities

S. No.	Particulars	For the year ended	
		31 March 2016	31 March 2015
1	Income from operations		
	(a) Net sales/income from operations (Net of excise duty)	33.61	32.51
	(b) Other operating income	2.90	2.80
	Total income from operations (net)	36.51	35.31
2	Expenses		
	(a) Employee benefits expense	0.07	0.31
	(b) Other expenses	1.54	0.46
	Total expenses before depreciation and finance costs	1.61	0.77
3	Profit from operations before depreciation, other income and finance costs (1-2)	34.90	34.54
4	Depreciation expense	15.16	15.16
5	Total expenses after depreciation, before finance costs (2+4)	16.77	15.93
6	Profit from operations before other income and finance costs (1-5)	19.74	19.38
7	Other income	0.95	0.16
8	Profit from ordinary activities before finance costs (6+7)	20.69	19.54
9	Finance costs	20.20	20.62



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

10	Profit / (Loss) from ordinary activities	(8-9)	0.49	(1.08)
11	Tax expense / (credit)		0.13	(2.13)
12	Net Profit / (Loss) for the year from discontinuing operations	(10-11)	0.36	1.05

B) Assets and Liabilities (as at the balance sheet date relating to the discontinuing business to be disposed off)

S. No.	Particulars	As at 31 March 2016	As at 31 March 2015
	Carrying amount of assets	208.21	217.54
	Carrying amount of liabilities #	151.69	161.38

(includes Rs.15.90 crore (previous year Rs.15.88 crore) to be repaid to the holding Company, which has been eliminated on consolidation being within the Group)

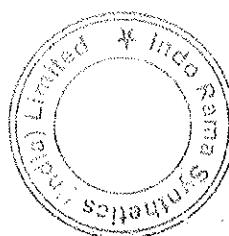
C) Net Cash Flow

S. No.	Particulars	For the year ended	
		31 March 2016	31 March 2015
	Cash flows from operating activities	25.33	41.16
	Cash flows from investing activities	3.59	(21.92)
	Cash flows from financing activities	(28.52)	(20.02)

45. CSR expenditure

- (a) Gross amount required to be spent by the Company during the year: Rs. Nil (previous year Rs. 0.36 crores).
- (b) Amount spent during current year is as follows:

Sr. No.	Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
1	Promotion of Education	0.11	0.17
2	Health Care	0.01	0.01
	Total	0.12	0.18



Indo Rama Synthetics (India) Limited
Notes to the consolidated financial statements for the year ended 31 March 2016
(All amounts in Rs. crores, unless otherwise stated)

46. The figures relating to the previous year have been regrouped and reclassified wherever necessary to confirm to the current year's classification.

As per our report attached to the balance sheet.

For B S R and Associates
Chartered Accountants
Firm Registration No.: 128901W



Jiten Chopra
Partner
Membership No. : 092894

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited



Om Prakash Lohia
Chairman & Managing Director
DIN Number: 00206807

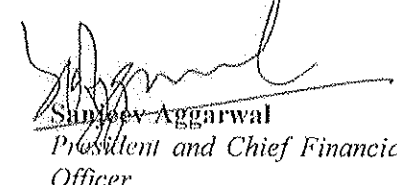


Ashok Kumar Ladha
Director
DIN Number: 00089360



Jayant K Sood
Company Secretary

ICSI Membership No.: FCS4482

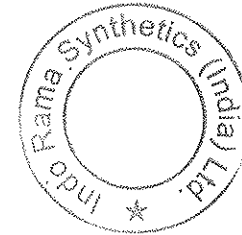


Sanjeev Aggarwal
President and Chief Financial Officer

ICAI Membership No: 089369

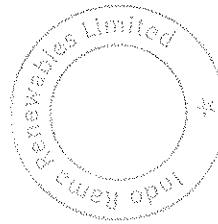
Place: Gurgaon
Date: 18 May 2016

Place: Gurgaon
Date: 18 May 2016



Indo Rama Renewables Limited

Financial Statements
Statutory Audit for the year ended
31 March 2016



B S R and Associates

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002 (India)

Telephone: + 91 124 2358 610
Fax: + 91 124 2358 613

Independent Auditors' Report

To the Members of Indo Rama Renewables Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of Indo Rama Renewables Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

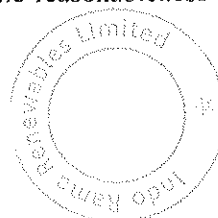
3. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates

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made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

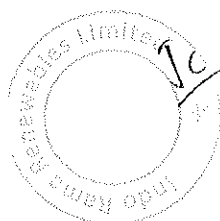
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, of its loss and its cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure I", a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
- (ii) As required by section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement, dealt with by this report, are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of the written representations received from the directors, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. with respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II";
 - g. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigation which would impact its financial position;
 - ii. the Company did not have any long term contracts, including derivative contracts outstanding as at 31 March 2016 for which there were any material foreseeable losses; and



B S R and Associates

iii. the Company did not have any dues on account of Investor Education and Protection Fund.

For B S R and Associates

Chartered Accountants

ICAI Firm registration number: 128901W



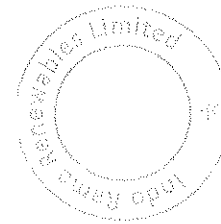
Jiten Chopra

Partner

Membership No.: 092894

Place: Gurgaon

Date: 18 May 2016

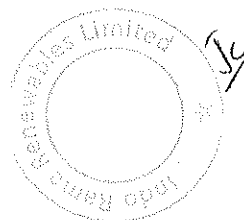


Annexure I referred to in paragraph 5 (i) of the Independent Auditors' Report to the Members of Indo Rama Renewables Limited on the financial statements for the year ended 31 March 2016.

- (i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the Company has physically verified its fixed assets during the year. In our opinion, the process of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property. Accordingly, para 3(i)(c) of the Order is not applicable.
- (ii) According to the information and explanations given to us, the Company did not hold any physical inventory as at 31 March 2016. Accordingly, para 3(ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company, during the current year, had not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, para 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans, investments, guarantees, and security where provisions of section 185 and 186 of the Act are required to be complied with. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from public during the year.
- (vi) According to the information and explanations given to us, the Company has not commenced its business operations, the provisions for maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company for the year.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues, to the extent applicable, have generally been regularly deposited with the appropriate authorities during the year by the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added tax, Cess and other material statutory dues, to the extent applicable, were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.


- (b) According to the information and explanations given to us, and on the basis of the records of the Company examined by us, there are no dues of Income-tax, Sales-tax, Service tax, Duty of Customs, Value Added Tax and Duty of Excise which have not been deposited with the appropriate authorities on account of any dispute.



B S R and Associates

- (viii) According to the information and explanations given to us, there are no loans or borrowings from financial institutions, government or banks and there are no dues to debenture holders during the year.
- (ix) According to the information and explanations given to us, the Company has not raised any moneys by way of term loans, initial public offer or further public offer. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company and on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, the Company has not paid or provided any managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For B S R and Associates
Chartered Accountants
ICAI Firm registration number: 128901W



Jiten Chopra

Partner

Membership No.: 092894

Place: Gurgaon
Date: 18 May 2016



Annexure II referred to in paragraph 5 (ii)(f) of the Independent Auditors' Report to the Members of Indo Rama Renewables Limited

Report on the Internal Financial Controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act') or the year ended 31 March 2016.

We have audited the internal financial controls over financial reporting of Indo Rama Renewables Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Jc



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.


Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' issued by the Institute of Chartered Accountants of India.

For B S R and Associates
Chartered Accountants
ICAI Firm registration number: 128901 W



Jiten Chopra
Partner
Membership No.: 092894

Place: Gurgaon
Date: 18 May 2016



Indo Rama Renewables Limited
Balance Sheet as at 31 March 2016
(All amounts in Rupees, unless otherwise stated)

Note No.	As at 31 March 2016	As at 31 March 2015
I. Equity and Liabilities		
(1) Shareholders' funds		
(a) Share capital	398,436,830	398,436,830
(b) Reserves and surplus	(14,642,654)	(12,675,431)
	<u>383,794,176</u>	<u>385,761,399</u>
(2) Non-current liabilities		
(a) Long-term borrowings		453,437,735
(b) Deferred tax liabilities (net)		
		<u>453,437,735</u>
(3) Current liabilities		
(a) Trade payables		
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises	188,086	220,839
(b) Other current liabilities		
	<u>435,703,640</u>	<u>26,827</u>
	<u>435,891,726</u>	<u>247,666</u>
TOTAL	<u>819,685,902</u>	<u>839,446,800</u>
II. Assets		
(1) Non-current assets		
(a) Fixed assets		
(i) Tangible assets	6,446,276	6,891,158
(ii) Capital work-in-progress	21,063,785	21,063,785
	<u>27,510,061</u>	<u>27,954,943</u>
(b) Non-current investments	1,000,000	604,000,000
(c) Long-term loans and advances	51,000	206,646,091
	<u>1,051,000</u>	<u>810,646,091</u>
(2) Current assets		
(a) Current investments	603,000,000	
(b) Cash and bank balances	2,395,984	159,487
(c) Short-term loans and advances	185,728,857	686,279
	<u>791,124,841</u>	<u>845,766</u>
TOTAL	<u>819,685,902</u>	<u>839,446,800</u>

Significant accounting policies

The accompanying notes (1 to 26) form an integral part of the financial statements.

As per our report attached
For BSR and Associates
Chartered Accountants
ICAI Firm registration number: 128901W

Jiten Chopra
Partner
Membership No.: 092894

For and on behalf of the Board of Directors of
Indo Rama Renewables Limited

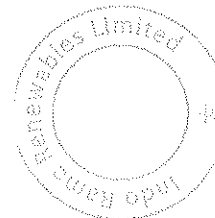
Rajendra Kumar Gupta
Director
DIN: 07529751

Madhur Singh
Company Secretary
Membership No.: ACS37302

Vikas Sehgal
Director
DIN: 07529393

Place: Gurgaon
Date: 18 May 2016

Place: Gurgaon
Date: 18 May 2016



Indo Rama Renewables Limited
Statement of Profit and Loss for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

	Note No.	For the year ended 31 March 2016	For the year ended 31 March 2015
I. Income			
Revenue from operations (net)	15	50,000	769,956
Other operating revenue		<u>50,000</u>	<u>769,956</u>
II. Expenses:			
Finance costs	16	32,488	3,401
Depreciation (net of recovery)	17	444,882	47,302
Other expenses	18	<u>1,539,853</u>	<u>2,640,808</u>
Total expenses		<u>2,017,223</u>	<u>2,691,511</u>
III. Loss before tax (I-II)			
		<u>(1,967,223)</u>	<u>(1,921,555)</u>
Tax expense			
- Current tax			
- Deferred tax			
IV. Loss after tax			
		<u>(1,967,223)</u>	<u>(1,921,555)</u>
Basic and diluted earnings per equity share (in Rs.) (Face value Rs.10 each)	19	(0.05)	(0.05)
Significant accounting policies	2		
The accompanying notes (1 to 26) form an integral part of the financial statements.			

As per our report attached
For B S R and Associates
Chartered Accountants
ICAI Firm registration number: 128901W

Jiten Chopra
Partner
Membership No: 092894

For and on behalf of the Board of Directors of
Indo Rama Renewables Limited

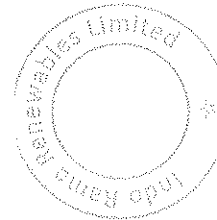
Rajendra Kumar Gupta
Rajendra Kumar Gupta
Director
DIN: 07529751

Vikas Sehgal
Vikas Sehgal
Director
DIN:07529393

Madhur Singh
Madhur Singh
Company Secretary
Membership No : ACS37302

Place: Gurgaon
Date: 18 May 2016

Place: Gurgaon
Date: 18 May 2016



Indo Rama Renewables Limited
Cash flow statement for the year ended 31 March 2016
(All amounts in Rs., unless otherwise stated)

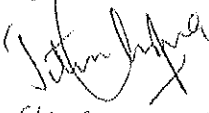
	For the year ended 31 March 2016	For the year ended 31 March 2015
A. Cash flow from operating activities		
Loss before taxation	(1,967,223)	(1,921,555)
Adjusted for:		
Depreciation	444,882	47,302
Loss or (gain) on scrap / disposal of fixed asset	-	1,430,610
Operating loss before working capital changes	(1,522,341)	(443,643)
Changes in:		
Decrease in short term loans and advances	421,950	280,946
Decreases in trade payables	(32,753)	(444,520)
Decrease in long term provisions	-	(344,011)
Decrease in other current liabilities	(21,617)	(1,199,651)
Decrease in short term provisions	-	(1,010)
Cash generated from operations	(1,154,761)	(2,151,888)
Income tax paid	-	-
Net cash flow from operating activities (A)	(1,154,761)	(2,151,888)
B. Cash flows used in investing activities		
Purchase of fixed assets/capital creditors	-	(27,920)
Proceeds from sale of fixed assets	-	2,113,832
Loans repaid by wholly owned subsidiaries (net)	21,130,563	-
Equity investments - wholly owned subsidiaries	-	(29,565,773)
Net cash used in investing activities (B)	21,130,563	(27,479,860)
C. Cash flows from financing activities		
Equity share capital issued during the year to holding company	-	28,588,520
Borrowings repaid during the year (net)	(17,739,305)	(1,111,035)
Net cash from financing activities (C)	(17,739,305)	27,477,485
Net changes in cash and cash equivalents (A+B+C)	2,236,497	(2,154,263)
Cash and cash equivalents - opening balance	159,487	2,313,750
Cash and cash equivalents - closing balance	2,395,984	159,487
Components of cash and cash equivalents (refer note 13)		
Cash in hand	44,656	77,690
With scheduled banks:		
In current accounts	2,351,328	81,797
Total	2,395,984	159,487

Notes:


The Cash Flow Statement has been prepared under the 'indirect method' as set out in Accounting Standard - 3 'Cash Flow Statements', as specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies Amendment Rules, 2014.

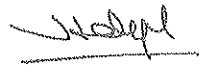
The accompanying notes (1 to 26) form an integral part of the financial statements.

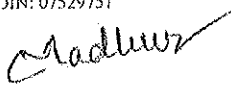
As per our report attached
For B S R and Associates
Chartered Accountants
ICAI Firm registration number: 128901W


Jiten Chopra
Partner
Membership No.: 092894

For and on behalf of the Board of Directors of
Indo Rama Renewables Limited


Rajendra Kumar Gupta
Director
DIN: 07529751


Vikas Sehgal
Director
DIN: 07529393


Madhur Singh
Company Secretary
Membership No : ACS37302

Place: Gurgaon
Date: 18 May 2016

Place: Gurgaon
Date: 18 May 2016



Indo Rama Renewables Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

1. General information

Indo Rama Renewables Limited (hereinafter referred to as 'the Company' or 'IRRL') is a 100% subsidiary of Indo Rama Synthetics (India) Limited. IRRL was incorporated on 3 May 2012 and engaged primarily in the business of generation and supply of energy from renewable resources by itself or through its subsidiaries.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared under the historical cost convention, on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP primarily comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014, and other accounting pronouncements of the Institute of Chartered Accountants of India.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the result of operations during the year. Differences between actual results and estimates are recognised in the year in which the results are known or materialised. Examples of such estimates are estimated useful life of assets, classification of assets/liabilities as current or non-current in certain circumstances, provision for doubtful receivables etc. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Current/ non-current classification

All assets and liabilities are classified as current and non-current.

Assets

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

- a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 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:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities.



Indo Rama Renewables Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company considers its operating cycle to be within a year.

2.4 Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Cost of fixed assets includes all incidental expenses and interest costs on borrowings, attributable to the acquisition of qualifying assets, upto the date of commissioning of assets.

2.5 Investments

Investments that are intended to be held for more than a year from the date of acquisition are classified as long term investments. Long-term investments are carried at cost less diminution, other than temporary in value.

Current investments are carried at the lower of cost and fair value, which is computed category wise. Moreover, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as 'current portion of long term investments' in consonance with the current/non-current classification scheme of Schedule-III.

2.6 Depreciation

Depreciation on fixed assets is provided using the straight line method at the rates based on useful lives of assets estimated by the management, which are equal to or lower than the lives prescribed under Schedule II to the Companies Act, 2013. The management's estimates of the useful life of Plant and Equipment (which comprises the significant portion of fixed assets) is 18 years.

The useful life is arrived at, based on the internal technical evaluation of the management. As per this evaluation, the useful life of assets does not require a change from the previous estimates.

2.7 Impairment

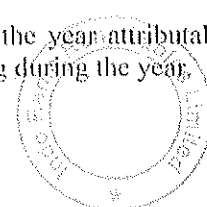
The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the cash generating unit's recoverable amount is estimated as higher of its net selling price and value in use. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (Cash Generating Unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed 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, had no impairment loss been recognised

2.8 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.



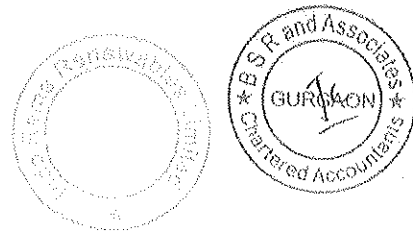
Indo Rama Renewables Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

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

2.9 Taxation

Income tax expense comprises current tax, deferred tax charge or credit. Current tax provision is made based on the tax liability computed after considering tax allowances and exemptions under the Income tax Act, 1961. The deferred tax charge or credit and the corresponding deferred tax liability and assets are recognised using the tax rates that have been enacted or substantively enacted on the balance sheet date.

Deferred tax assets arising from unabsorbed depreciation or carry forward losses are recognised only if there is virtual certainty of realisation of such amounts. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets are reviewed at each balance sheet date to reassess their realisability.



Indo Rama Renewables Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

Note 3: Share capital

	As at 31 March 2016	As at 31 March 2015
Authorised		
50,000,000 (previous year 50,000,000) equity shares of Rs.10 each	500,000,000	500,000,000
Issued, subscribed and fully paid-up		
39,843,683 (previous year 39,843,683) equity shares of Rs.10 each fully paid-up	398,436,830	398,436,830
	398,436,830	398,436,830

Foot notes :

1. During the current year the Company has issued Nil shares (previous year 2,858,852 of Rs. 10 each) in favour of its holding company Indo Rama Synthetics (India) Limited.
2. The Company has only one class of equity shares, having a par value of Rs. 10 per share. Each shareholder is eligible to one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

3. Reconciliation of number of shares and amount outstanding at beginning and at the end of the year :

	As at 31 March 2016		As at 31 March 2015	
	Number of shares	Amount	Number of shares	Amount
At the beginning of year	39,843,683	398,436,830	36,984,831	369,848,310
Add: - Issued during the year	-	-	2,858,852	28,588,520
At the closing of year	39,843,683	398,436,830	39,843,683	398,436,830

4. Shares held by holding company and shareholding of more than 5% Shares by each of shareholders are as under :-

	As at 31 March 2016		As at 31 March 2015	
	No. of Shares	% of shares held	No. of Shares	% of shares held
Equity shares of Rs. 10 each fully paid up (Indo Rama Synthetics (India) Limited (including 6 shares held through nominee shareholders))	39,843,683	100	39,843,683	100

Note 4: Reserves and surplus

	As at 31 March 2016	As at 31 March 2015
Deficit in the Statement of Profit and Loss		
Opening balance	(12,675,431)	(10,753,876)
Loss for the year	(1,967,223)	(1,921,555)
Net deficit in the Statement of Profit and Loss	(14,642,654)	(12,675,431)

Note 5 : Long-term borrowings

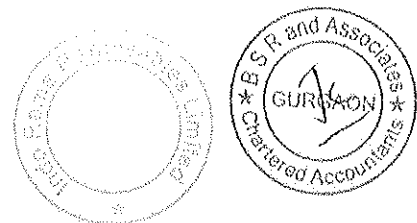
	As at 31 March 2016	As at 31 March 2015
Unsecured		
From a related party:		
Indo Rama Synthetics (India) Limited, the holding Company #	-	453,437,735
	-	453,437,735

The interest free loan taken from the holding Company was to be converted, on mutual agreement, into equity, quasi equity or debentures or repayable by 31 March 2017.

Note 6: Deferred tax liabilities (net)*

	As at 31 March 2016	As at 31 March 2015
Deferred tax liability on account of :		
- Fixed assets	750,120	631,376
	750,120	631,376
Deferred tax assets on account of:		
- Current period losses/ unabsorbed depreciation	6,273,892	5,387,850
	6,273,892	5,387,850
Net deferred tax asset	5,523,772	4,756,474
Net deferred tax liabilities recognized	-	-

*In view of carried forward tax losses and unabsorbed depreciation allowance and in the absence of certainty of realisation, deferred tax assets are recognised only to the extent of deferred tax liability.



Indo Rama Renewables Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

Note 7: Trade payables

	As at 31 March 2016	As at 31 March 2015
Trade payables		
Total outstanding dues of micro enterprises and small enterprises #	188,086	220,839
Total outstanding dues of creditors other than micro enterprises and small enterprises	188,086	220,839

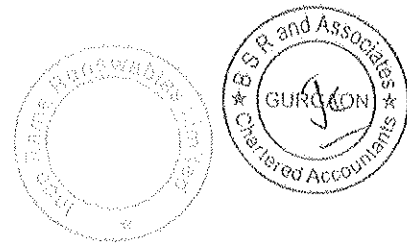
There are no amounts payable to micro and small enterprises under the Micro, Small and Medium Enterprise Development Act, 2006, as at 31 March 2016 (Previous year- Nil). This has been identified on the basis of information available with the Company regarding the status of the suppliers and has been relied upon by the auditors.

Note 8: Other current liabilities

	As at 31 March 2016	As at 31 March 2015
Current maturities of long-term borrowings (Unsecured)		
From a related party:		
Indo Rama Synthetics (India) Limited, the holding Company #	435,698,430	
Other payables :		
Statutory dues payable*		
- Tax deducted at source	5,210	26,827
	435,703,640	26,827

The interest free loan taken from the holding Company is to be converted, on mutual agreement, into equity, quasi equity or debentures or repayable by 31 March 2017.

* There are no outstanding dues to be paid to Investor Education and Protection Fund



Indo Ramz Renewables Limited
Notes to financial statements as on 31 March 2016
(All amounts in Rupees, unless otherwise stated)

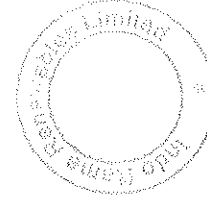
Note 9: Fixed assets-Tangible assets

As at 31 March 2016

Asset description	Gross block		Depreciation			Net block As at 31 March 2016		
	As at 31 March 2015	Additions	Disposals/ adjustments	As at 31 March 2016	Upto 31 March 2015		Depreciation for the year	In respect of disposals/ adjustments
Plant and equipment	7,516,633	-	-	7,516,633	833,207	397,936	-	1,231,143
Office equipment	339,711	-	-	339,711	131,979	46,946	-	178,925
Total	7,856,344	-	-	7,856,344	965,186	444,882	-	1,410,068

As at 31 March 2015

Asset description	Gross block		Depreciation			Net block As at 31 March 2015		
	As at 31 March 2014	Additions	Disposals/ adjustments	As at 31 March 2015	Upto 31 March 2014		Depreciation for the year	In respect of disposals/ adjustments
Plant and equipment	11,432,557	-	3,915,924.33	7,516,633	700,436	518,314	385,543	833,207
Office equipment	354,711	-	15,000	339,711	85,616	47,302	939	131,979
Total	11,787,268	-	3,930,924	7,856,344	786,052	565,616	386,482	965,186



Indo Rama Renewables Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

Note 10: Capital work in progress

	As at 31 March 2016	As at 31 March 2015
Expenses directly attributable to the project:		
-Salaries, wages and bonus	3,102,580	3,102,580
-Legal and professional charges	10,771,563	10,771,563
-Project consultations charges	6,417,986	6,417,986
-Travelling expenses	234,669	234,669
-Rates and taxes	8,309	8,309
-Miscellaneous expenses	528,678	528,678
	<u>21,063,785</u>	<u>21,063,785</u>

Note 11.1 : Non-current investments

	Nos.		As at 31 March 2016	As at 31 March 2015
	(As at 31 March 2016)	(As at 31 March 2015)		
Trade Investments (in wholly owned subsidiaries)				
Equity shares - Unquoted				
Equity shares of Rs. 10 each, fully paid up				
Indo Rama Renewables Porbandar Limited	50,000	50,000	500,000	500,000
Indo Rama Renewables Ramgarh Limited	50,000	50,000	500,000	500,000
Indo Rama Renewables Jath Limited #	-	60,300,000	-	603,000,000
			<u>1,000,000</u>	<u>604,000,000</u>

Note 11.2 : Current investments

	Nos.		As at 31 March 2016	As at 31 March 2015
	(As at 31 March 2016)	(As at 31 March 2015)		
Trade investments (in wholly owned subsidiaries)				
Equity shares - Unquoted				
Equity shares of Rs. 10 each, fully paid up				
Indo Rama Renewables Jath Limited # (refer note 25)	60,300,000	-	603,000,000	-
			<u>603,000,000</u>	<u>603,000,000</u>

Charge created/to be created by way of pledge of 76% of the paid up capital in favour of the lender in terms of loan sanctioned to a subsidiary company.

Note 12 : Long-term loans and advances (Unsecured considered good)

	As at 31 March 2016	As at 31 March 2015
To parties other than related		
Capital advances	31,000	31,000
Security deposits	20,000	20,000
	<u>51,000</u>	<u>51,000</u>
Loans to wholly owned subsidiaries		
Indo Rama Renewables Porbandar Limited	-	24,539,267
Indo Rama Renewables Ramgarh Limited	-	23,260,069
Indo Rama Renewables Jath Limited	-	158,795,755
	<u>51,000</u>	<u>206,646,091</u>

Note 13: Cash and bank balances

	As at 31 March 2016	As at 31 March 2015
Cash and cash equivalents		
Cash on hand	44,656	77,690
Balances with banks:		
- Current accounts	2,351,328	81,797
	<u>2,395,984</u>	<u>159,487</u>

Note 14 : Short-term loans and advances (Unsecured considered good)

	As at 31 March 2016	As at 31 March 2015
Prepaid expenses	-	127
Advances to employees	96,595	96,595
Loans recoverable from wholly owned subsidiaries		
Indo Rama Renewables Porbandar Limited	10,019,617	-
Indo Rama Renewables Ramgarh Limited	16,649,156	-
Indo Rama Renewables Jath Limited	158,795,755	-
Advances recoverable from wholly owned subsidiaries		
Indo Rama Renewables Porbandar Limited	-	315,413
Indo Rama Renewables Ramgarh Limited	-	274,144
Indo Rama Renewables Jath Limited	167,734	-
	<u>185,728,857</u>	<u>686,279</u>



Indo Rama Renewables Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

Note 15: Revenue from operations

	For the year ended 31 March 2016	For the year ended 31 March 2015
Other operating revenue		
Excess liability written back	50,000	769,956
Revenue from operations (net)	<u>50,000</u>	<u>769,956</u>

Note 16: Finance costs

	For the year ended 31 March 2016	For the year ended 31 March 2015
Bank charges	32,488	3,401
	<u>32,488</u>	<u>3,401</u>

Note 17: Depreciation and amortisation expense

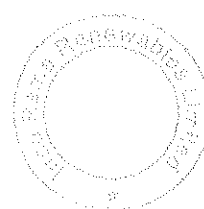
	For the year ended 31 March 2016	For the year ended 31 March 2015
Depreciation for the year (refer note 9)	444,882	565,616
Less: recovered from subsidiaries	-	(307,024)
Less: depreciation transferred to capital work-in-progress	-	(211,200)
	<u>444,882</u>	<u>47,392</u>

Note 18: Other expenses

	For the year ended 31 March 2016	For the year ended 31 March 2015
Legal and professional charges	1,309,284	500,896
Rates and taxes	33,034	38,638
Miscellaneous balances w/off	-	463,957
Repairs and maintenance:		
- plant and machinery	-	56,519
- others	-	12,526
Auditors' remuneration (including service tax thereon):		
- for audit	57,250	114,000
- for reimbursement of out of pocket expenses	14,410	10,720
Loss on discard / disposal of fixed assets	-	1,430,610
Miscellaneous expenses	125,875	12,942
	<u>1,539,853</u>	<u>2,640,809</u>

Note 19: Earnings per equity share (EPS)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Net loss as per Statement of Profit and Loss	(1,967,223)	(1,921,555)
Number of equity shares of Rs.10 each at the beginning	39,843,683	36,984,831
Number of equity shares of Rs.10 each at the end	39,843,683	39,843,683
Weighted average number of equity shares of Rs. 10 each at the end of the year/period for calculation of basic and diluted EPS	39,843,683	39,162,258
Basic and diluted loss per share (in Rs.) (Per share of Rs 10 each)	(0.05)	(0.05)



Indo Rama Renewables Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

20. Segment reporting

In the opinion of the management, there is only one reportable segment, i.e. Wind energy, as envisaged by Accounting Standard 17 "Segment Reporting". Accordingly, no disclosure for segment reporting has been made in the financial statements.

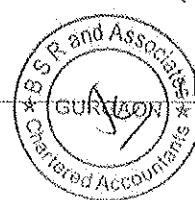
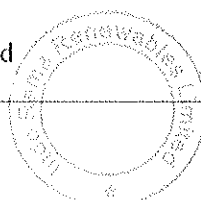
21. Related party disclosures

(i) Related parties where control exists:

Holding company	Indo Rama Synthetics (India) Limited
Wholly owned subsidiaries	Indorama Renewables Porbandar Limited Indo Rama Renewables Ramgarh Limited Indo Rama Renewables Jath Limited

(ii) Transactions with related parties.

Particulars	Holding company	Wholly owned subsidiaries	Total
Investment made in the equity shares			
Indo Rama Renewables Jath Limited		- (35,164,590)	- (35,164,590)
Expenses repaid by the subsidiaries during the year			
Indo Rama Renewables Jath Limited		- (3,527,897)	- (3,527,897)
Indo Rama Renewables Porbandar Limited		64,937 (-)	64,937 (-)
Indo Rama Renewables Ramgarh Limited		64,943 (-)	64,943 (-)
Equity shares issued during the year	(-) (28,588,520)		(-) (28,588,520)
Repayment of loans received from			
Indo Rama Renewables Ramgarh Limited		6,610,913 (-)	6,610,913 (-)
Indo Rama Renewables Porbandar Limited		14,519,650 (-)	14,519,650 (-)
Loans repaid during the year (net)			
Indo Rama Synthetics (India) Limited	17,739,305 (1,111,037)		17,739,305 (1,111,037)
Charges allocated to subsidiaries			
Indo Rama Renewables Porbandar Limited		337 (222,460)	337 (222,460)
Indo Rama Renewables Ramgarh Limited		337 (56,192)	337 (156,192)

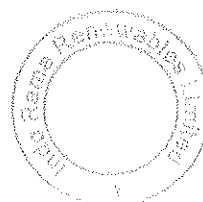


Indo Rama Renewables Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

Particulars	Holding company	Wholly owned subsidiaries	Total
Indo Rama Renewables Jath Limited		32,684 (35,27,897)	32,684 (35,27,897)
Expenses paid on behalf of subsidiaries			
Indo Rama Renewables Porbandar Limited		64,600 (92,953)	64,600 (92,953)
Indo Rama Renewables Ramgarh Limited		64,606 (117,952)	64,606 (117,952)
Indo Rama Renewables Jath Limited		135,050 (-)	135,050 (-)

(iii) Balances outstanding as at the end of the year

Particulars	Holding company	Wholly owned subsidiaries	Total
Loans outstanding at the end of the year			
Indo Rama Renewables Porbandar Limited		10,019,617 (24,539,267)	10,019,617 (24,539,267)
Indo Rama Renewables Ramgarh Limited		16,649,156 (23,260,069)	16,649,156 (23,260,069)
Indo Rama Renewables Jath Limited		158,795,755 (158,795,755)	158,795,755 (158,795,755)
Advances outstanding at the end of the year			
Indo Rama Renewables Porbandar Limited		- (315,413)	- (315,413)
Indo Rama Renewables Ramgarh Limited		- (274,144)	- (274,144)
Indo Rama Renewables Jath Limited		167,734 (-)	167,734 (-)
Borrowings at the end of the year			
Indo Rama Synthetics (India) Limited	435,698,430 (453,437,735)		435,698,430 (453,437,735)



Indo Rama Renewables Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

22. Contingent liabilities and commitments (to the extent not provided for)

The Company does not have any pending litigations which may impact its financial position.

Commitments:

Irrevocable and unconditional corporate guarantee against loan taken by subsidiary company, Indo Rama Renewables Jath Limited from financial institution.

23. The Company shares its infrastructure and employees with the wholly owned subsidiaries (Indo Rama Renewables Jath Limited, Indo Rama Renewables Ramgarh Limited and Indo Rama Renewables Porabandar Limited) for carrying out their operations and allocates common costs on account of employee costs, travel costs, legal and secretarial services, miscellaneous expenses etc. to the wholly owned subsidiary companies on a suitable basis as mutually agreed between the two companies.

During the current year, costs amounting to Rs. 33,358 (previous year Rs. 3,906,549) have been charged by the Company to its wholly owned subsidiaries on account of the above.

24. The Company does not have any long term contracts, including any derivative contracts, with any material foreseeable losses.
25. Pursuant to the approval accorded by Board of Directors by its resolution dated 10 February 2016, the Company has entered into an agreement with Tata Power Renewable Energy Limited to sell 100% shares of its subsidiary Indo Rama Renewables Jath Limited. Indo Rama Renewables Jath Limited operates 30 MW Wind Farm at Jath, in Maharashtra. The Company is in the process of complying with the conditions stipulated in the agreement and expect to close the process by 30 June 2016.
26. The figures relating to the previous year have been regrouped and reclassified wherever necessary to confirm to the current year's classification.

As per our report attached to the balance sheet.

For B S R and Associates

Chartered Accountants

ICAI Firm Registration No.: 128901W



Jiten Chopra
Partner

Membership No.: 092894

For and on behalf of the Board of Directors of
Indo Rama Renewables Limited



Rajendra Kumar Gupta
Director
DIN: 07529751



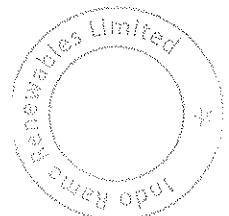
Vikas Sehgal
Director
DIN :07529393



Madhur Singh
Company Secretary
Membership No : ACS 37302

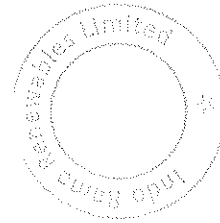
Place: Gurgaon
Date: 18 May 2016

Place: Gurgaon
Date: 18 May 2016



Indo Rama Renewables Ramgarh Limited

Financial Statements
**Statutory Audit for the year ended
31 March 2016**



B S R and Associates

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002 (India)

Telephone: + 91 124 2358 610
Fax: + 91 124 2358 613

Independent Auditors' Report

To the Members of Indo Rama Renewables Ramgarh Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of Indo Rama Renewables Ramgarh Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

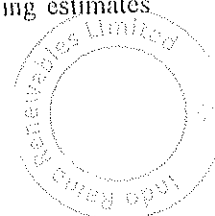
3. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates

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made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, of its loss and its cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure I", a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
- (ii) As required by section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement, dealt with by this report, are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. with respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II";
 - g. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigation which would impact its financial position;
 - ii. the Company did not have any long term contracts, including derivative contracts outstanding as at 31 March 2016 for which there were any material foreseeable losses; and

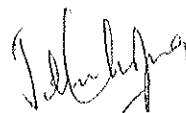
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B S R and Associates

iii. the Company did not have any dues on account of Investor Education and Protection Fund.

For B S R and Associates
Chartered Accountants
ICAI Firm registration number: 128901W



Jiten Chopra
Partner
Membership No.: 092894

Place: Gurgaon
Date: 18 May 2016



Annexure I referred to in paragraph 5 (i) of the Independent Auditors' Report to the Members of Indo Rama Renewables Ramgarh Limited on the financial statements for the year ended 31 March 2016.

- (i) According to the information and explanations given to us, fixed assets comprising capital work in progress consists of directly attributable pre-operative expenses only. Accordingly, paragraph 3(i) of the Order is not applicable.
- (ii) According to the information and explanations given to us, the Company did not hold any physical inventory as at 31 March 2016. Accordingly, para 3(ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company, during the previous year, had not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, para 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans, investments, guarantees, and security where provisions of section 185 and 186 of the Act are required to be complied with. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from public during the year.
- (vi) According to the information and explanations given to us, the Company has not commenced its business operations, the provisions for maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company for the year.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues, to the extent applicable, have generally been regularly deposited with the appropriate authorities during the year by the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added tax, Cess and other material statutory dues, to the extent applicable, were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, and on the basis of the records of the Company examined by us, there are no dues of Income-tax, Sales-tax, Service tax, Duty of Customs, Value Added Tax and Duty of Excise which have not been deposited with the appropriate authorities on account of any dispute.



B S R and Associates

- (viii) According to the information and explanations given to us, there are no loans or borrowings from financial institutions, government or banks and there are no dues to debenture holders during the year.
- (ix) According to the information and explanations given to us, the Company has not raised any moneys by way of term loans, initial public offer or further public offer. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company and on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, the Company has not paid or provided any managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For B S R and Associates

Chartered Accountants

ICAI Firm registration number: 128901W



Jiten Chopra

Partner

Membership No.: 092894

Place: Gurgaon

Date: 18 May 2016



Annexure II referred to in paragraph 5 (ii)(f) of the Independent Auditors' Report to the Members of Indo Rama Renewables Ramgarh Limited

Report on the Internal Financial Controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act') for the year ended 31 March 2016.

We have audited the internal financial controls over financial reporting of **Indo Rama Renewables Ramgarh Limited** ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

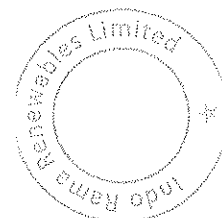
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

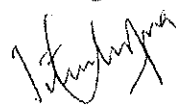
Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' issued by the Institute of Chartered Accountants of India.

For B S R and Associates
Chartered Accountants
ICAI Firm registration number: 128901W


Jiten Chopra
Partner
Membership No.: 092894

Place: Gurgaon
Date: 18 May 2016



Indo Rama Renewables Ramgarh Limited
Balance Sheet as at 31 March 2016
(All amounts in Rupees, unless otherwise stated)

	Note No.	As at 31 March 2016	As at 31 March 2015
I. Equity and liabilities			
(1) Shareholders' funds			
(a) Share capital	3	500,000	500,000
(b) Reserves and surplus	4	(896,149)	(804,715)
		(396,149)	(304,715)
(2) Non-current liabilities			
(a) Long-term borrowings	5		23,260,070
(3) Current liabilities			
(a) Trade payables	6		
Total outstanding dues of micro enterprises and small enterprises			
Total outstanding dues of creditors other than micro enterprises and small enterprises		52,250	45,000
(b) Other current liabilities	7	16,654,406	279,144
		16,706,656	324,144
TOTAL		16,310,507	23,279,499
II. Assets			
(1) Non-current assets			
(a) Capital work-in-progress	8	8,087,033	8,087,033
(b) Long-term loans and advances	9	8,168,600	15,168,600
		16,255,633	23,255,633
(2) Current assets			
(a) Cash and bank balances	10	54,874	23,866
TOTAL		16,310,507	23,279,499

Significant accounting policies 2
The accompanying notes (1 to 19) form an integral part of the financial statements.

As per our report attached
For BSR and Associates
Chartered Accountants
ICAI Firm registration number: 128901W

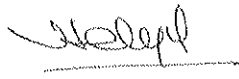

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurgaon
Date: 18 May 2016

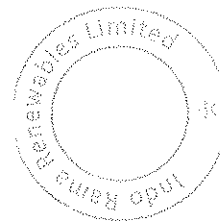
For and on behalf of the Board of Directors of
Indo Rama Renewables Ramgarh Limited


Rajendra Kumar Gupta
Director
DIN: 07529751

Place: Gurgaon
Date: 18 May 2016


Vikas Sehgal
Director
DIN: 07529393

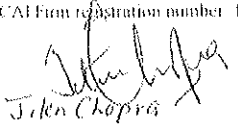
Place: Gurgaon
Date: 18 May 2016



Indo Rama Renewables Ramgarh Limited
Statement of Profit and Loss for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

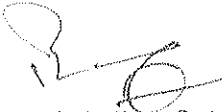

	Note No.	For the year	For the year
		ended 31 March 2016	ended 31 March 2015
Expenses :			
Other expenses	11	91,434	150,233
Total Expenses		91,434	150,233
Loss before tax		(91,434)	(150,233)
Tax expense			
-Current tax			
-Deferred tax			
Loss after tax		(91,434)	(150,233)
Basic and diluted earnings per equity share (in Rs.) [Face value Rs.10 each]	12	(1.83)	(3.00)
Significant accounting policies	2		
The accompanying notes (1 to 19) form an integral part of the financial statements.			

As per our report attached
For BSR and Associates
Chartered Accountants
ICAI Firm registration number 128901W


Jiten Chopra
Partner
Membership No.: 092894

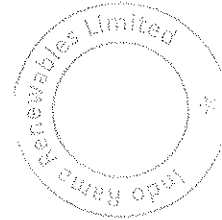
Place: Gurgaon
Date: 18 May 2016

For and on behalf of the Board of Directors of
Indo Rama Renewables Ramgarh Limited

 
Rajendra Kumar Gupta Vikas Sehgal
Director Director
DIN: 07529751 DIN:07529393

Place: Gurgaon
Date: 18 May 2016

Place: Gurgaon
Date: 18 May 2016



Indo Rama Renewables Ramgarh Limited
Cash flow statement for the year ended 31 March 2016
(All amounts in Rs., unless otherwise stated)

	For the year ended 31 March 2016	For the year ended 31 March 2015
A. Cash flow from operating activities		
Loss before taxation	(91,434)	(150,233)
Operating loss before working capital changes	(91,434)	(150,233)
Changes in:		
Increase in trade payables	7,250	
(Increase) / decrease in other current liabilities	(273,894)	125,846
Cash generated from operations	(358,078)	(24,387)
Income tax paid		
Net cash flow from operating activities (A)	(358,078)	(24,387)
B. Cash flows used in investing activities		
Decrease in capital advance	7,000,000	
Net cash used in investing activities (B)	7,000,000	
C. Cash flows from financing activities		
Repayment of borrowings	(6,610,914)	
Net cash from financing activities (C)	(6,610,914)	
Net increase in cash and cash equivalents (A+B+C)	31,008	(24,387)
Cash and cash equivalents at beginning of the year	23,866	48,253
Cash and cash equivalents at end of the year	54,874	23,866
Components of cash and cash equivalents (refer note 10)		
Cash in hand	9,483	19,966
With scheduled banks:		
In current accounts	45,391	3,900
Total	54,874	23,866


Notes:

The Cash Flow Statement has been prepared under the 'indirect method' as set out in Accounting Standard - 3 'Cash Flow Statements', as specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies Amendment Rules, 2014.

The accompanying notes (1 to 19) form an integral part of the financial statements.


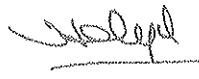
As per our report attached

For **BSR and Associates**
Chartered Accountants
ICAI Firm registration number: 128901W


Jiten Chandra
Partner
Membership No.: 092094

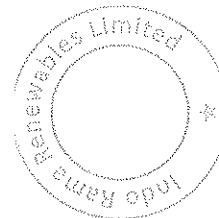
Place: Gurgaon
Date: 18 May 2016

For and on behalf of the Board of Directors of
Indo Rama Renewables Ramgarh Limited

 
Rajendra Kumar Gupta **Vikas Sehgal**
Director Director
DIN: 07529751 DIN: 07529393

Place: Gurgaon
Date: 18 May 2016

Place: Gurgaon
Date: 18 May 2016



Indo Rama Renewables Ramgarh Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

1. General information

Indo Rama Renewables Ramgarh Limited (hereinafter referred to as 'the Company') was incorporated on 25 May 2012 and is engaged primarily in the business of generation and supply of energy from wind turbines.

The Company is wholly owned subsidiary of Indo Rama Renewables Limited. Indo Rama Synthetics (India) Limited is the ultimate holding company of the Company.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP primarily comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014, and other accounting pronouncements of the Institute of Chartered Accountants of India.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the result of operations during the year. Differences between actual results and estimates are recognised in the year in which the results are known or materialised. Examples of such estimates are estimated useful life of assets, classification of assets/liabilities as current or non-current in certain circumstances, provision for doubtful receivables etc. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Current/ non-current classification

All assets and liabilities are classified as current and non-current.

Assets

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

- a. it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realized within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 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:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities.



Indo Rama Renewables Ramgarh Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company considers its operating cycle to be within a year.

2.4 Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Cost of fixed assets includes all incidental expenses and interest costs on borrowings, attributable to the acquisition of qualifying assets, upto the date of commissioning of assets.

2.5 Earnings per share

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

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

2.6 Taxation

Income tax expense comprises current tax, deferred tax charge or credit. Current tax provision is made based on the tax liability computed after considering tax allowances and exemptions under the Income tax Act, 1961. The deferred tax charge or credit and the corresponding deferred tax liability and assets are recognised using the tax rates that have been enacted or substantively enacted on the balance sheet date.

Deferred tax assets arising from unabsorbed depreciation or carry forward losses are recognised only if there is virtual certainty of realisation of such amounts. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets are reviewed at each balance sheet date to reassess their realisability.

2.7 Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to be put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.



Indo Rama Renewables Ramgarh Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

Note 3: Share capital

	As at 31 March 2016	As at 31 March 2015
Authorised		
50,000(previous year 50,000) equity shares of Rs. 10 each	500,000	500,000
Issued, subscribed and fully paid-up		
50,000 (previous year 50,000) equity shares of Rs 10 each fully paid-up	500,000	500,000
	500,000	500,000

Foot notes :

1. During the current year and in the previous year, there have been no movement in the number of outstanding shares.
2. The Company has only one class of equity shares, having a par value of Rs. 10 per share. Each shareholder is eligible to one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
3. Shares held by holding company and shareholding of more than 5% shares by each of the shareholders are as under :-

	As at 31 March 2016		As at 31 March 2015	
	No. of Shares	% of shares held	No. of Shares	% of shares held
Equity Shares of Rs. 10 each fully paid up				
(Indo Rama Renewables Limited, including 6 shares held through nominee shareholders. [the ultimate holding company is Indo rama Synthetics (India) Limited, which does not hold any shares directly])	50,000	100	50,000	100

Note 4: Reserves and surplus

	As at 31 March 2016	As at 31 March 2015
Deficit in the Statement of Profit and Loss		
Opening balance	(804,715)	(654,482)
Loss for the year	(91,434)	(150,233)
Net deficit in the Statement of Profit and Loss	(896,149)	(804,715)

Note 5 : Long-term borrowings

	As at 31 March 2016	As at 31 March 2015
Unsecured:		
Loans		
- From a related party:		
Indo Rama Renewables Limited, the holding Company #	-	23,260,070
	-	23,260,070

The interest free loan taken from the holding Company was to be converted, on mutual agreement, into equity, quasi equity or debentures or repayable by 31 March 2017



Indo Rama Renewables Ramgarh Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

Note 6 : Trade payables

	As at 31 March 2016	As at 31 March 2015
Trade payables		
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises	52,250	45,000
	<u>52,250</u>	<u>45,000</u>

There are no amounts payable to micro and small enterprises under the Micro, Small and Medium Enterprise Development Act, 2006, as at 31 March 2016 (previous year Rs.Nil) This has been identified on the basis of information available with the Company regarding the status of the suppliers and has been relied upon by the auditors.

Note 7 : Other current liabilities

	As at 31 March 2016	As at 31 March 2015
Current maturities of long-term borrowings (Unsecured)		
From a related party:		
Indo Rama Renewables Limited, the holding Company (#)	16,649,156	-
Other payables :		
Statutory dues payable*		
-Tax deducted at source	5,250	5,000
Indo Rama Renewables Limited, the holding company		
-Capital creditors		148,298
-Others		125,846
	<u>16,654,406</u>	<u>279,144</u>

The interest free loan taken from the holding Company is to be converted, on mutual agreement, into equity, quasi equity or debentures or repayable by 31 March 2017.

* There are no outstanding dues to be paid to Investor Education and Protection Fund

Note 8 : Capital work-in-progress

	As at 31 March 2016	As at 31 March 2015
Expenses directly attributable to the project:		
-Salaries, wages and bonus	1,611,034	1,611,034
-Legal and professional charges	154,996	154,996
-Travelling expenses	117,336	117,336
-Rates and taxes	5,784,332	5,784,332
-Miscellaneous expenses	419,335	419,335
	<u>8,087,033</u>	<u>8,087,033</u>

Note 9: Long-term loans and advances (Unsecured, considered good)

	As at 31 March 2016	As at 31 March 2015
Capital advances	8,168,600	15,168,600
	<u>8,168,600</u>	<u>15,168,600</u>

Note 10: Cash and bank balances

	As at 31 March 2016	As at 31 March 2015
Cash and cash equivalents		
Cash on hand	9,483	19,966
Balances with banks:		
-Current accounts	45,391	3,900
	<u>54,874</u>	<u>23,866</u>



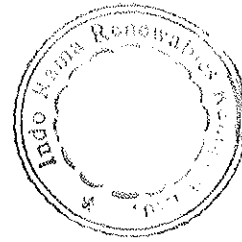
Indo Rama Renewables Rangarh Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

Note 11: Other expenses

	For the year ended 31 March 2016	For the year ended 31 March 2015
Legal and professional charges	3,400	2,562
Auditors' remuneration (including service tax thereon):		
- for audit	57,250	57,000
- for reimbursement of out of pocket expenses	14,410	12,102
Rent and hire charges	-	55,000
Rates and taxes	10,483	15,675
Miscellaneous expenses	5,891	7,894
	91,434	150,233

Note 12: Earnings per equity share (EPS)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Net loss as per the Statement of Profit and Loss	(91,434)	(150,233)
Number of equity shares of Rs.10 each at the beginning	50,000	50,000
Number of equity shares of Rs.10 each at the end	50,000	50,000
Weighted average number of equity shares of Rs.10 each at the end of the year for calculation of basic and diluted EPS	50,000	50,000
Basic and diluted loss per share (in Rs.) (Per share of Rs 10 each)	(1.83)	(3.00)



Indo Rama Renewables Ramgarh Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

13. Segment reporting

In the opinion of the management, there is only one reportable segment, i.e. Wind energy, as envisaged by Accounting Standard 17 "Segment Reporting". Accordingly, no disclosure for segment reporting has been made in the financial statements.

14. Related party disclosures

Related parties where control exists:

Ultimate holding company	Indo Rama Synthetics (India) Limited
Holding company	Indo Rama Renewables Limited ('IRRL')

Transactions with the Holding company:

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Transactions		
Expenses repaid during the year		
Indo Rama Renewables Limited	64,943	-
Expenses paid on behalf subsidiaries:		
Indo Rama Renewables Limited	64,606	117,952
Expenses incurred by IRRL on behalf of the Company (allocable to capital work-in-progress):		
-Salaries, wages and bonus	-	27,920
-Others	-	120,378
	-	148,298
Miscellaneous expenses	337	7,894
	337	7,894
Repayment of loan	6,610,914	-
	As at 31 March 2016	As at 31 March 2015
Balances outstanding at the end of the year		
Indo Rama Renewables Limited		
Towards borrowings	16,649,156	23,260,070
Towards capital creditors	-	148,298
Towards others	-	125,846



Indo Rama Renewables Ramgarh Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

15. Commitments (to the extent not provided for)
- a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounts to Rs. 85,955,400 (previous year Rs. 85,955,400).
 - b) The Company does not have any pending litigations which may impact its financial positions.
16. The Company does not have any separate infrastructure or employees for carrying out its operations and uses the infrastructure and facilities of the holding Company. The holding Company allocates common costs on account of employee costs, travel costs, legal and secretarial services, miscellaneous expenses etc. to the Company on a suitable basis as mutually agreed between the two companies. During the current year, costs amounting to Rs. 337 (previous year Rs. 156,192) has been charged by the holding company to the Company on account of the above.
17. The Company is in the process of setting up a wind power project in Rajasthan under the self-development route. The Company is currently collecting and analysing the wind data from the wind masts set up at two locations on the site as part of the implementation process along with other developmental activities which are much needed to set up a greenfield wind power plant. The aforesaid process would take upto two to three years post which the Company shall set up the wind turbines which is most suitable for the site.
18. The Company does not have any long term contracts, including any derivative contracts, with any material foreseeable losses.
19. The figures relating to the previous year have been regrouped and reclassified wherever necessary to conform to the current year's classification.

As per our report attached to the balance sheet

For B S R and Associates
Chartered Accountants
ICAI Firm Registration No.: 128901W



Jiten Chopra
Partner
Membership No. : 092894

Place: Gurgaon
Date: 18 May 2016

For and on behalf of the Board of Directors of
Indo Rama Renewables Ramgarh Limited



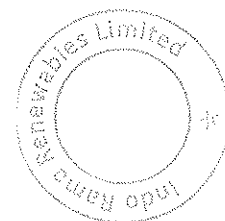
Rajendra Kumar Gupta
Director
DIN: 07529751

Place: Gurgaon
Date: 18 May 2016



Vikas Sehgal
Director
DIN: 07529393

Place: Gurgaon
Date: 18 May 2016



Indo Rama Renewables Porbandar Limited

Financial Statements
Statutory Audit for the year ended
31 March 2016



B S R and Associates

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002 (India)

Telephone: + 91 124 2358 610
Fax: + 91 124 2358 613

Independent Auditors' Report

To the Members of Indo Rama Renewables Porbandar Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of Indo Rama Renewables Porbandar Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

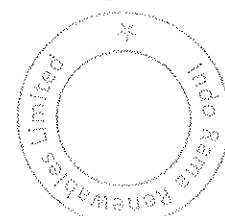
3. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates

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made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

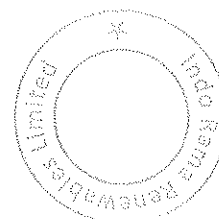
4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, of its loss and its cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure I", a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
- (ii) As required by section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement, dealt with by this report, are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. with respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II";
 - g. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigation which would impact its financial position;
 - ii. the Company did not have any long term contracts, including derivative contracts outstanding as at 31 March 2016 for which there were any material foreseeable losses; and

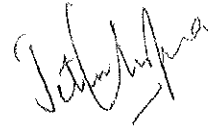
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B S R and Associates

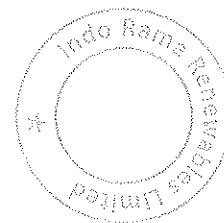
iii. the Company did not have any dues on account of Investor Education and Protection Fund.

For B S R and Associates
Chartered Accountants
ICAI Firm registration number: 128901W



Jiten Chopra
Partner
Membership No.: 092894

Place: Gurgaon
Date: 18 May 2016



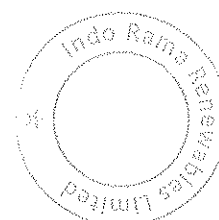
Annexure I referred to in paragraph 5 (i) of the Independent Auditors' Report to the Members of Indo Rama Renewables Porbandar Limited on the financial statements for the year ended 31 March 2016.

- (i) According to the information and explanations given to us, fixed assets comprising capital work in progress consists of directly attributable pre-operative expenses only. Accordingly, paragraph 3(i) of the Order is not applicable.
- (ii) According to the information and explanations given to us, the Company did not hold any physical inventory as at 31 March 2016. Accordingly, para 3(ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company, during the previous year, had not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, para 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans, investments, guarantees, and security where provisions of section 185 and 186 of the Act are required to be complied with. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from public during the year.
- (vi) According to the information and explanations given to us, the Company has not commenced its business operations, the provisions for maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company for the year.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues, to the extent applicable, have generally been regularly deposited with the appropriate authorities during the year by the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added tax, Cess and other material statutory dues, to the extent applicable, were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, and on the basis of the records of the Company examined by us, there are no dues of Income-tax, Sales-tax, Service tax, Duty of Customs, Value Added Tax and Duty of Excise which have not been deposited with the appropriate authorities on account of any dispute.

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B S R and Associates

- (viii) According to the information and explanations given to us, there are no loans or borrowings from financial institutions, government or banks and there are no dues to debenture holders during the year.
- (ix) According to the information and explanations given to us, the Company has not raised any moneys by way of term loans, initial public offer or further public offer. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company and on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, the Company has not paid or provided any managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For B S R and Associates

Chartered Accountants

ICAI Firm registration number: 128901W



Jiten Chopra

Partner

Membership No.: 092894

Place: Gurgaon
Date: 18 May 2016



Annexure II referred to in paragraph 5 (ii)(f) of the Independent Auditors' Report to the Members of Indo Rama Renewables Porbandar Limited

Report on the Internal Financial Controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act') for the year ended 31 March 2016.

We have audited the internal financial controls over financial reporting of **Indo Rama Renewables Porbandar Limited** ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

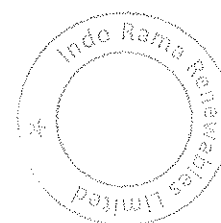
Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Handwritten signature



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

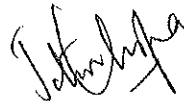
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' issued by the Institute of Chartered Accountants of India.

For B S R and Associates

Chartered Accountants

ICAI Firm registration number: 128901W



Jiten Chopra

Partner

Membership No.: 092894

Place: Gurgaon

Date: 18 May 2016



Indo Rama Renewables Porbandar Limited
Balance Sheet as at 31 March 2016
(All amounts in Rupees, unless otherwise stated)

	Note No.	As at 31 March 2016	As at 31 March 2015
I. Equity and liabilities			
(1) Shareholders' funds			
(a) Share capital	3	500,000	500,000
(b) Reserves and surplus	4	(634,266)	(543,386)
		<u>(134,266)</u>	<u>(43,386)</u>
(2) Non-current liabilities			
(a) Long-term borrowings	5		24,539,268
(3) Current liabilities			
(a) Trade payables	6		
- Total outstanding dues of micro enterprises and small enterprises			
- Total outstanding dues of creditors other than micro enterprises and small enterprises		52,250	45,000
(b) Other current liabilities	7	10,024,867	320,413
		<u>10,077,117</u>	<u>365,413</u>
TOTAL		<u><u>9,942,851</u></u>	<u><u>24,861,295</u></u>
II. Assets			
(1) Non-current assets			
(a) Capital work-in-progress	8	2,280,404	2,280,404
(b) Long-term loans and advances	9	1,744,370	22,244,370
		<u>4,024,774</u>	<u>24,524,774</u>
(2) Current assets			
(a) Cash and bank balances	10	5,918,077	336,521
TOTAL		<u><u>9,942,851</u></u>	<u><u>24,861,295</u></u>

Significant accounting policies 2
The accompanying notes (1 to 19) form an integral part of the financial statements.

As per our report attached
For B S R and Associates
Chartered Accountants
ICAI Firm registration number: 128901W

For and on behalf of the Board of Directors of
Indo Rama Renewables Porbandar Limited


Jiten Chopra
Partner
Membership No.: 092894

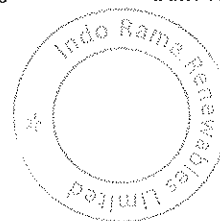
Place: Gurgaon
Date: 18 May 2016


Rajendra Kumar Gupta
Director
DIN: 07529751

Place: Gurgaon
Date: 18 May 2016


Vikas Sehgal
Director
DIN: 07529393

Place: Gurgaon
Date: 18 May 2016




Indo Rama Renewables Porbandar Limited
Statement of Profit and Loss for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

	Note No.	For the year ended 31 March 2016	For the year ended 31 March 2015
Expenses			
Other expenses	11	90,880	125,324
Total Expenses		90,880	125,324
Loss before tax		(90,880)	(125,324)
Tax expense			
-Current tax		-	-
-Deferred tax		-	-
Loss after tax		(90,880)	(125,324)
Basic and diluted earnings per equity share (in Rs.) [Face value Rs.10 each]	12	(1.82)	(2.51)

Significant accounting policies 2
The accompanying notes (1 to 19) form an integral part of the financial statements.

As per our report attached
For BSR and Associates
Chartered Accountants
ICAI Firm registration number: 128901W

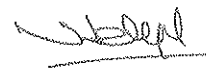
For and on behalf of the Board of Directors of
Indo Rama Renewables Porbandar Limited



Jiten Chopra
Partner
Membership No.: 092694



Rajendra Kumar Gupta
Director
DIN: 07529751

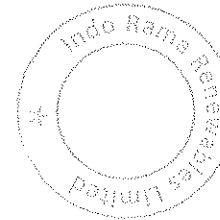


Vikas Sehgal
Director
DIN:07529393

Place: Gurgaon
Date: 18 May 2016

Place: Gurgaon
Date: 18 May 2016

Place: Gurgaon
Date: 18 May 2016



Indo Rama Renewables Porbandar Limited
Cash flow statement for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

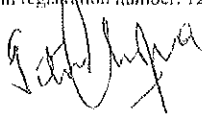
	For the year ended 31 March 2016	For the year ended 31 March 2015
A. Cash flow from operating activities		
Loss before taxation	(90,880)	(125,324)
Operating loss before working capital changes	(90,880)	(125,324)
Changes in:		
Increase in trade payables	7,250	-
(Decrease) / Increase in other current liabilities	(315,163)	100,847
Cash generated from operations	(398,793)	(24,477)
Income tax paid	-	-
Net cash flow from operating activities (A)	(398,793)	(24,477)
B. Cash flows used in investing activities		
Decrease in capital advance	20,500,000	-
Net cash used in investing activities (B)	20,500,000	-
C. Cash flows from financing activities		
Repayment of borrowings	(14,519,651)	-
Net cash from financing activities (C)	(14,519,651)	-
Net changes in cash and cash equivalents (A+B+C)	5,581,556	(24,477)
Cash and cash equivalents at beginning of the year	336,521	360,998
Cash and cash equivalents at end of the year	5,918,077	336,521
Components of cash and cash equivalents (refer note 10)		
Cash in hand	9,392	19,876
With scheduled banks:		
In current accounts	5,908,685	316,645
Total	5,918,077	336,521

Notes:

The Cash Flow Statement has been prepared under the 'indirect method' as set out in Accounting Standard - 3 'Cash Flow Statements', as specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies Amendment Rules, 2014.

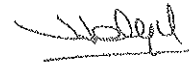
The accompanying notes (1 to 19) form an integral part of the financial statements.

As per our report attached
For B S R and Associates
Chartered Accountants
ICAI Firm registration number: 128901W


Jiten Chopra
Partner
Membership No.: 092894

For and on behalf of the Board of Directors of
Indo Rama Renewables Porbandar Limited

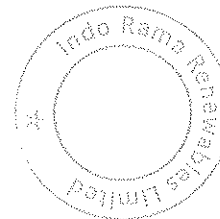

Rajendra Kumar Gupta
Director
DIN: 07529751


Vikas Sehgal
Director
DIN: 07529393

Place: Gurgaon
Date: 18 May 2016

Place: Gurgaon
Date: 18 May 2016

Place: Gurgaon
Date: 18 May 2016



Indo Rama Renewables Porbandar Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

1. General information

Indo Rama Renewables Porbandar Limited (hereinafter referred to as 'the Company') was incorporated on 23 May 2012 and is engaged primarily in the business of generation and supply of energy from wind turbines.

The Company is a wholly owned subsidiary of Indo Rama Renewables Limited, Indo Rama Synthetics (India) Limited is the ultimate holding company of the Company.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP primarily comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014, and other accounting pronouncements of the Institute of Chartered Accountants of India.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the result of operations during the year. Differences between actual results and estimates are recognised in the year in which the results are known or materialised. Examples of such estimates are estimated useful life of assets, classification of assets/liabilities as current or non-current in certain circumstances, provision for doubtful receivables etc. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Current/ non-current classification

All assets and liabilities are classified as current and non-current.

Assets

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

- a. it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realized within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

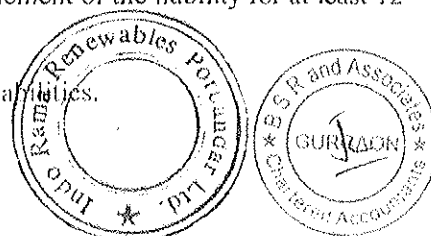
All other assets are classified as non-current.

Liabilities

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

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities.



Indo Rama Renewables Porbandar Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company considers its operating cycle to be within a year.

2.4 Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Cost of fixed assets includes all incidental expenses and interest costs on borrowings, attributable to the acquisition of qualifying assets, upto the date of commissioning of assets.

2.5 Earnings per share

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

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

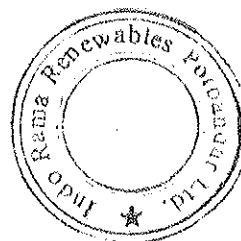
2.6 Taxation

Income tax expense comprises current tax, deferred tax charge or credit. Current tax provision is made based on the tax liability computed after considering tax allowances and exemptions under the Income tax Act, 1961. The deferred tax charge or credit and the corresponding deferred tax liability and assets are recognised using the tax rates that have been enacted or substantively enacted on the balance sheet date.

Deferred tax assets arising from unabsorbed depreciation or carry forward losses are recognised only if there is virtual certainty of realisation of such amounts. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets are reviewed at each balance sheet date to reassess their realisability.

2.7 Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to be put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.



Indo Rama Renewables Porbandar Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

Note 3: Share capital

	As at 31 March 2016	As at 31 March 2015
Authorised		
50,000 (previous year 50,000) equity shares of Rs.10 each	500,000	500,000
Issued, subscribed and fully paid-up		
50,000 (previous year 50,000) equity shares of Rs.10 each fully paid-up	500,000	500,000
	500,000	500,000

Foot notes :

1. During the current year and in the previous year, there have been no movement in the number of outstanding shares.
2. The Company has only one class of equity shares, having a par value of Rs. 10 per share. Each shareholder is eligible to one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
3. Shares held by holding company and shareholding of more than 5% shares by each of the shareholders are as under :-

	As at 31 March 2016		As at 31 March 2015	
	No. of Shares	% of shares held	No. of Shares	% of shares held
Equity Shares of Rs: 10 each fully paid up				
(Indo Rama Renewables Limited, including 6 shares held through nominee shareholders.)	50,000	100	50,000	100
[the ultimate holding company is Indo Rama Synthetics (India) Limited, which does not hold any shares directly]				

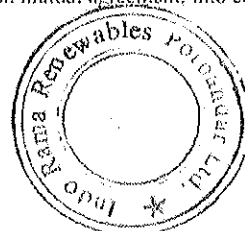
Note 4: Reserves and surplus

	As at 31 March 2016	As at 31 March 2015
Deficit in the Statement of Profit and Loss		
Opening balance	(543,386)	(418,062)
Loss for the year	(90,880)	(125,324)
Net deficit in the Statement of Profit and Loss	(634,266)	(543,386)

Note 5 : Long-term borrowings

	As at 31 March 2016	As at 31 March 2015
Unsecured:		
Loans		
- From a related party:		
Indo Rama Renewables Limited, the holding Company #	-	24,539,268
	-	24,539,268

The interest free loan taken from the holding Company was to be converted, on mutual agreement, into equity, quasi equity or debentures or repayable by 31 March 2017.



Indo Rama Renewables Porbandar Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

Note 6 : Trade payables

	As at 31 March 2016	As at 31 March 2015
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	52,250	45,000
	52,250	45,000

There are no amounts payable to micro and small enterprises under the Micro, Small and Medium Enterprise Development Act, 2006, as at 31 March 2016 (previous year Rs.Nil). This has been identified on the basis of information available with the Company regarding the status of the suppliers and has been relied upon by the auditors.

Note 7 : Other current liabilities

	As at 31 March 2016	As at 31 March 2015
Current maturities of long-term borrowings (Unsecured)		
From a related party:		
Indo Rama Renewables Limited, the holding Company (#)	10,019,617	-
Other payable :		
Statutory dues payable		
-Tax deducted at source	5,250	5,000
Indo Rama Renewables Limited, the holding company	-	214,566
-Capital creditors	-	100,847
-Others	-	-
	10,024,867	320,413

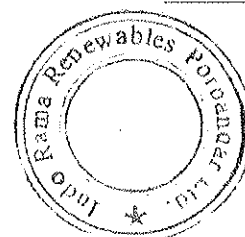
The interest free loan taken from the holding Company is to be converted, on mutual agreement, into equity, quasi equity or debentures or repayable by 31 March 2017.

Note 8 : Capital work-in-progress

	As at 31 March 2016	As at 31 March 2015
Expenses directly attributable to the project:		
- Salaries, wages and bonus	1,611,034	1,611,034
- Legal and professional charges	29,966	29,966
- Travelling expenses	123,639	123,639
- Rates and taxes	97,500	97,500
- Miscellaneous expenses	418,265	418,265
	2,280,404	2,280,404

Note 9 : Long-term loans and advances (Unsecured, considered good)

	As at 31 March 2016	As at 31 March 2015
Capital advances	1,744,370	22,244,370
	1,744,370	22,244,370



Indo Rama Renewables Forbandar Limited
Notes to financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

Note 10: Cash and bank balances

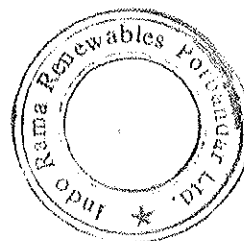
	As at 31 March 2016	As at 31 March 2015
Cash and cash equivalents		
Cash on hand	9,392	19,876
Balances with banks:		
- Current accounts	5,908,685	316,645
	<u>5,918,077</u>	<u>336,521</u>

Note 11: Other expenses

	For the year ended 31 March 2016	For the year ended 31 March 2015
Auditors' remuneration (including service tax thereon):		
- for audit	57,250	57,000
- for reimbursement of out of pocket expenses	14,410	12,102
Rent and hire charges	-	30,000
Rates and taxes	10,484	15,765
Miscellaneous expenses	8,736	10,457
	<u>90,880</u>	<u>125,324</u>

Note 12: Earnings per equity share (EPS)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Net loss as per the Statement of Profit and Loss	(90,880)	(125,324)
Number of equity shares of Rs.10 each at the beginning	50,000	50,000
Number of equity shares of Rs.10 each at the end	50,000	50,000
Weighted average number of equity shares of Rs.10 each at the end of the year for calculation of basic and diluted EPS	50,000	50,000
Basic and diluted loss per share (in Rs.) (Per share of Rs 10 each)	(1.82)	(2.51)



Indo Rama Renewables Porbandar Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

13. Segment reporting

In the opinion of the management, there is only one reportable segment, i.e., Wind energy, as envisaged by Accounting Standard 17 "Segment Reporting". Accordingly, no disclosure for segment reporting has been made in the financial statements.

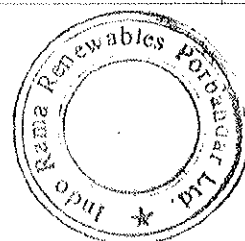
14. Related party disclosures

Related parties where control exists:

Ultimate Holding company:	Indo Rama Synthetics (India) Limited
Holding company:	Indo Rama Renewables Limited ('IRRL')

Transactions with the Holding company:

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Transactions		
Expenses repaid during the year		
Indo Rama Renewables Limited	64,937	-
Expenses paid on behalf subsidiaries:		
Indo Rama Renewables Limited	64,600	92,953
Expenses incurred by IRRL on behalf of the Company (allocable to capital work-in-progress):		
-Salaries, wages and bonus	-	27,920
-Others	-	186,646
	-	214,566
Miscellaneous expenses	337	7,894
	337	7,894
Repayment of loan	14,519,651	-
	As at	As at
	31 March 2016	31 March 2015
Balances outstanding at the end of the year:		
Indo Rama Renewables Limited (Borrowings)	10,019,617	24,539,268
Indo Rama Renewables Limited (Capital Creditors)	-	214,566
Indo Rama Renewables Limited (Others)	-	100,847



Indo Rama Renewables Porbandar Limited
Notes to the financial statements for the year ended 31 March 2016
(All amounts in Rupees, unless otherwise stated)

15. Commitments (to the extent not provided for)

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounts to Rs. 22,275,370 (previous year Rs. 22,275,370).
- b) The Company does not have any pending litigations which may impact its financial position.
16. The Company does not have any separate infrastructure or employees for carrying out its operations and uses the infrastructure and facilities of the holding Company. The holding Company allocates common costs on account of employee costs, travel costs, legal and secretarial services, miscellaneous expenses etc. to the Company on an appropriate basis as mutually agreed between the two companies. During the current year, costs amounting to Rs. 337 (previous year Rs. 222,460) has been charged by the holding company to the Company on account of the above.
17. The Company is in the process of setting up a wind power project in Gujarat under the self-development route. The Company is currently collecting and analysing the wind data from wind masts set up at two locations on the site as part of the implementation process along with other developmental activities which are needed to set up a greenfield wind power plant. The aforesaid process is likely to take upto two to three years post which the Company shall set up the wind turbines which is most suitable for the site.
18. The Company does not have any long term contracts, including any derivative contracts, with any material foreseeable losses.
19. The figures relating to the previous year have been regrouped and reclassified wherever necessary to conform to the current year's classification.

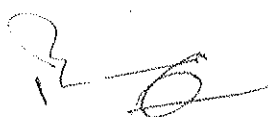
As per our report attached
For B S R and Associates
Chartered Accountants
ICAI Firm registration number: 128901W

For and on behalf of the Board of Directors of
Indo Rama Renewables Porbandar Limited




Jiten Chopra
Partner
Membership No. : 092894

Place: Gurgaon
Date: 18 May 2016



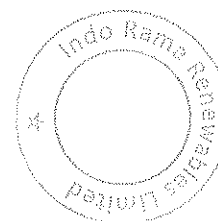
Rajendra Kumar Gupta
Director
DIN: 07529751

Place: Gurgaon
Date: 18 May 2016



Vikas Sehgal
Director
DIN: 07529393

Place: Gurgaon
Date: 18 May 2016



ANNEXURE NO- R

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https://corporate.hdfcbank.com/ | Corporate Internet Banking

HDFC BANK

Corporate Internet Banking

Account Services | Administration | **Statements Center** | Help

Balance
Statements
View Statements
Consolidated Debit Card
Search
Statements Terms
Cheque Status Enquiry

Statements >> View >> Transaction Details

Account No.	Statement Cycle	Statement Date	Current Balance	Open Balance	Interest Paid
60620212004681	60620212004681	06/09/2016	210,666.90	06/09/2016	0

FT-066202005155-05E LIMITED

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Services

Yesterday, September 02, 2016

Adani Ports 270.05 2.48 (0.90%) | Asian Paints 1200.70 35.63 (2.97%) | Axis Bank 405.93 26.68 (6.58%) | Bajaj Auto 2005.63 6.89 (0.34%) | Bharati Airtel 522.63 2.70 (0.52%) | Cipla 528.55 0.25 (0.05%) | Coal India 328.00 3.70 (1.13%) | Dr Reddy's 3177.57

javascript:callLink(06/09/2016,'FT-066202005155-05E LIMITED','22200000','06/09/2016','O X G MARG');

18:39 06-09-2016

