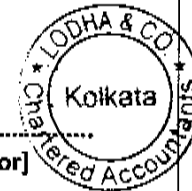


**FORM A****[Unqualified/ Matter of Emphasis Report]**

[Format of covering letter of the Annual Audit Report to be filed with the Stock Exchanges under Clause 31 (a) of the Listing Agreement with Stock Exchange as per SEBI Circular No. CIR/ CFD/ DIL/7 /2012 Dated 13th August, 2012]

1	Name of Company	INTERNATIONAL CONVEYORS LIMITED [CIN- L21300WB1973PLC028854]
2	Annual Financial Statement for the Year ended	March 31, 2014
3	Type of Audit observation	UN-QUALIFIED REPORT
4	Frequency of observation	N.A.
5	To be signed by –	
	• CEO/ Managing Director	INTERNATIONAL CONVEYORS LTD. <i>Rajendra Kumar Dabriwala</i> ..... Mg. Director [RAJENDRA KUMAR DABRIWALA- Managing Director] [DIN : 00086658] Place : Kolkata, Dated : 03/09/2014
	• Auditor of the Company	<i>H.K. Verma</i> ..... [ H.K. Verma- Statutory Auditor] Partner of M/s. Lodha & Co. [ Firm Regd. No. 301051E & Membership No. 055104] Place: Kolkata, Dated: 03/09/2014
	• Audit Committee Chairman	<i>J.S. Vanzara</i> ..... [J.S. Vanzara- Chairman of the Audit Committee] [DIN: 00239574] Place: Kolkata, Dated: 03/09/2014





International Conveyors Limited

**Annual Report**  
2013-14

## FORWARD-LOOKING STATEMENT

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## Sneak-Peak into ICL

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# Corporate Information

**Directors**

Mr. M. P. Jhunjhunwala  
Mr. L. K. Tibrawalla  
Mr. A. Hussain (upto 14.02.2014)  
Mr. J. S. Vanzara  
Mr. K. T. Reddy  
Mr. Sunit Mehra (from 17.01.2014)

**Managing Director**

Mr. R. K. Dabriwala

**Company Secretary**

Ms. Mohita Agrawal

**Auditors**

M/s. Lodha & Co.  
Chartered Accountants  
14, Government Place East  
Kolkata - 700 069

**Bankers**

State Bank of India

**Registered Office & Works I**

Falta SEZ, Sector-II, Near Pump House No. 3  
Village & Mouza - Akalmegh  
Dist. South 24 Parganas, West Bengal - 743 504  
CIN : L21300WB1973PLC028854  
E-Mail : icltd@iclbeltng.com

**Works-II**

E-39 and H-19, MIDC Industrial Area  
Chikalthana  
Aurangabad - 431 006  
(Maharashtra)

**Corporate Office**

10, Middleton Row  
Kolkata - 700 071  
E-Mail : investors@iclbeltng.com

**Registrar & Share Transfer Agents**

Maheshwari Datamatics Pvt. Ltd.  
6, Mangoe Lane, 2nd Floor  
Kolkata - 700 001

# Directors Report

*Dear members*

Your Directors take pleasure in presenting the Forty First Annual Report of the Company with Audited Accounts for the year ended March 31, 2014.

## FINANCIAL RESULTS

(Amount in ₹)

Particulars	31.03.2014	31.03.2013
Profit before depreciation and taxation	186,427,534	193,105,017
Less: Depreciation	60,031,859	48,290,580
	126,395,675	144,814,437
Less : Provisions for Taxation	42,675,380	42,493,450
Profit after taxes	83,720,295	102,320,987
Add : Profit brought from last year	38,561,148	55,983,068
Profit available for appropriation	122,281,443	158,304,055
Balance appropriated as under :		
Transfer to General Reserve	60,000,000	100,000,000
Proposed Dividend	16,875,000	16,875,000
Tax on Dividend	2,867,907	2,867,907
Balance Carried to Balance Sheet	42,538,536	38,561,148
	122,281,443	158,304,055

## DIVIDEND

Your Directors are pleased to recommend dividend of ₹0.25 per share on Equity Share of ₹ 1/- each or 25 % on paid up capital (Previous year ₹ 0.25 per share on Equity Share of ₹1/- each), the consequent outflow will be ₹197.43 lacs including dividend tax (Previous year ₹ 197.43 lacs including dividend tax).

## RESULT OF OPERATIONS

Your Company's operation during the year was satisfactory. The turnover of the Company including the excise duty for the year amounted to ₹13,860 lacs (Previous year ₹ 12,016 lacs).

## SUBSIDIARY

In view of growing business needs and to explore opportunities for its products in the Australian, Chinese and Russian

## Directors' Report

market your Company has acquired on 25th April, 2013, 100% equity shares of a newly incorporated entity under the laws of the Republic of the Singapore, Conveyor Holdings Pte. Limited ("CHPL").

CHPL owns 100% shareholding of International Conveyors Australia Pty. Limited ("ICAL"), another newly incorporated entity under the laws of Australia.

Subsequently to the acquisition, CHPL and ICAPL have become a wholly owned subsidiary of the Company.

### CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of subsidiaries and joint-ventures have been prepared in accordance with Accounting Standard 21 of The Institute of Chartered Accountants of India which forms part of the Annual Report and are reflected in the Consolidated Accounts of the Company. The consolidated financial results include the operations of its wholly owned Subsidiary Companies viz. M/s International Belting Limited, M/s Conveyor Holdings Pte. Limited and International Conveyors Australia Pty. Limited.

In terms of section 212 of the Companies Act, 1956, your Company is required to attach the Directors Report, Balance Sheet, Statement of Profit and Loss of its subsidiary Companies to its Annual Report. However, the Ministry of Corporate Affairs (MCA), Government of India, New Delhi vide its Circular No. 2/2011, dated: 08-02-2011 has granted a general exemption to all the Companies for not attaching the above documents of subsidiaries with the Annual Report of the Holding Company, subject to compliance of the conditions specified therein. As required under the said general circular, the Board of Directors of your Company at its Meeting held on May 30, 2014 gave its specific consent for not attaching the Balance Sheet of its subsidiary, as they would be made available to its members at the Company's website.

In terms of the said notification of the MCA, a summary of the financial information of the subsidiary of your Company is provided in the Accounts portion of this Annual Report. Any member intends to have a certified copy of the Balance Sheet and other financial statements of the subsidiary may write to the Company Secretary. Accordingly, this Annual Report does not contain the reports and other statements of the subsidiary Company. These documents will also be available for inspection during the business hours at the Registered Office of the Company and also at the Registered Office of the subsidiary Company.

### LISTING

The Securities of your Company are listed with the BSE Ltd. and the Calcutta Stock Exchange Limited, and pursuant to Clause 38 of the Listing Agreement, the Annual Listing Fees for the year 2014-2015 have been paid to them well before the due date i.e. April 30, 2014. The Company has also paid the annual custodian fees to NSDL and CDSL for the Securities of the Company held in dematerialized mode with them for the year 2014-2015.

### INSIDER TRADING REGULATIONS

Based on the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, the Code of Conduct for the Prevention of Insider Trading and the Code of Conduct for Directors and Senior Management Personnel continue to be in operation in your Company.

### DIRECTORS

Mr. Anver Hussain (DIN: 00568329), Non Executive Independent Director of the Company (since 31st January, 2001), resigned from the Board of Directors of the Company with effect from 14th February, 2014. The Board places on record its appreciation of the contributions made by him during his tenure on the Company's Board as Directors of the Company.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Sunit Mehra (DIN: 00359482) was appointed as an Additional Director w.e.f. January 17, 2014 and he shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing Mr. Sunit Mehra for appointment as a Director of the Company.

In terms of the Articles of Association of the Company, Mr. Mahadeo Prasad Jhunjhunwala (DIN: 00567070) and Mr. Lakshmikant Tibrawalla (DIN: 00423521), Directors are liable to retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment. In terms of Sections 149, 150, 152 and all other applicable provisions, if any, of

## Directors' Report

the Companies Act, 2013, Mr. Mahadeo Prasad Jhunjhunwala (DIN: 00567070) and Mr. Lakshmikant Tibrawalla (DIN: 00423521) being eligible and offering themselves for re-appointment, are proposed to be re-appointed as Independent Directors of the Company for a term of five consecutive years from the date of this AGM. They shall not, henceforth, be liable to determination by retirement of Directors by rotation.

Pursuant to the provision of Section 196 of the Companies Act, 2013 and subject to the approval of the members in the General Meeting, the Board of Directors re-appointed Mr. Rajendra Kumar Dabriwala (DIN: 00086658) as Managing Director effective from October 1, 2014 for a period of 1 year as per the terms specified in the draft agreement to be placed before the ensuing AGM.

As per provisions of Sections 149, 150, 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Jinesh Suryakant Vanzara (DIN: 00239574) and Mr. Kunchala Thirupal Reddy (DIN: 03330182), who were appointed as Directors on the Board of International Conveyors Limited w.e.f. April 28, 2008 and February 14, 2012 respectively and are continuing as Independent Directors and who meet the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, are proposed to be formally appointed as Independent Directors on the Board of the Company not liable to retire by rotation and shall hold office for a term of 5 consecutive years from the date of this AGM.

None of the Directors of the Company is disqualified under Section 274(1)(g) of the Companies Act, 1956. As required by law, this position is also reflected in the Auditors' Report.

In accordance with provisions of Section 149 of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges, Mr. Mahadeo Prasad Jhunjhunwala, Mr. Lakshmikant Tibrawalla, Mr. Jinesh Suryakant Vanzara and Mr. Kunchala Thirupal Reddy have given a declaration to the Company that they meet the criteria of Independence as mentioned in Section 149(6) of the Companies Act, 2013 read with Clause 49 (1) (A) (iii) of the Listing Agreement.

### COMMITTEES OF THE BOARD

During the year, in accordance with the Companies Act, 2013, the Board re-constituted some of its Committees and also formed a Corporate Social Responsibility Committee. There are currently four Committees of the Board, as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder Relationship Committee
- Corporate Social Responsibility Committee

Details of all the Committees along with their charters, composition and meetings held during the year, is provided in the "Report on Corporate Governance", a part of this Annual Report.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the Provisions of Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of the annual accounts for the year ended March 31, 2014, the applicable accounting standards read with the requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the Profit of the Company for the year ended on that date;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

## Directors' Report

### AUDITORS

M/s. Lodha & Co., Chartered Accountants, Statutory Auditors of the Company holds office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint M/s. Lodha and Co., Chartered Accountants as Statutory Auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the forty-fourth AGM to be held in the year 2017, subject to ratification of their appointment at every AGM.

The Company has received letters from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment. They have furnished to the Company a Certificate regarding eligibility for their re-appointment.

### COST AUDITORS

The Company had appointed M/s. M. R. Pandit & Co., Cost Accountants as the Cost Auditor of the Company for the financial year 2013-14 to conduct the Audit of the cost records of the Company.

As per Section 148 read with the Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 the Board of Directors of the Company has appointed M/s. M.R. Pandit & Co., Cost Accountants as the Cost Auditor of the Company for the financial year 2014-15 on the recommendations made by the Audit Committee. The remuneration proposed to be paid to the Cost Auditors, subject to the ratification by the members at the ensuing Annual General Meeting, would be ₹ 1,50,000 (Rupees One Lack Fifty Thousand only).

The Cost Audit Report for the financial year 2012-13 was filed within due date. The due date for submission of the Cost Audit Report for the year 2013-14 is within 180 days from 31st March, 2014.

### PARTICULARS OF EMPLOYEES

The information required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, is set out in the Annexure to the Directors Report. Having regard to the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the report and accounts are being sent to the shareholders excluding the aforesaid annexure. Any shareholder interested in obtaining copy of the same may write to the Company Secretary.

### CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement executed with the Stock Exchanges, a Management Discussion and Analysis Report, Corporate Governance Report, Managing Director's and Auditor's Certificate regarding compliance of conditions of Corporate Governance is made a part of the Annual Report.

The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid clause 49, is attached to the Report on Corporate Governance.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

Inclusive growth and sustainable development are strong pillars of your Company's responsible corporate citizenship and are a part of the core values and driving force for many of its initiatives. The Company believes that responsible investments in this regard will generate long term value for all the stakeholders.

The Companies Act, 2013 has prescribed provisions with regard to Corporate Social Responsibility. We, at International Conveyors Limited, have mapped our status with the requirements of the Act and are working towards full-fledged compliance with the law. Pursuant to the provision of Section 135 of the Companies Act, 2013, your Directors have constituted the Corporate Social Responsibility Committee comprising Mr. Mahadeo Prasad Jhunjunwala as the Chairman and Mr. Jinesh Suryakant Vanzara and Mr. Rajendra Kumar Dabriwala as other members.

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.



## Directors' Report

### ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are provided in Annexure, which is attached to and form part of this report.

### TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Sections 205A (5) and 205C of the Companies Act, 1956, relevant amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 4, 2013 (date of last Annual General Meeting) on the Ministry of Corporate Affairs' website.

### ACKNOWLEDGEMENTS

Your Directors would like to express their deep and sincere appreciation for the continued co-operation and support extended to the Company by the Government authorities, Company's Bankers, Vendors, Customers and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation to all employees for the diligence and contribution to the growth of the Company.

For and on behalf of the Board of Directors

May 30, 2014

**R. K. Dabriwala**  
Managing Director

**M. P. Jhunjunwala**  
Director

## Annexure to the Directors' Report

Particulars pursuant to Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988

### A. CONSERVATION OF ENERGY

The Company has always been a frontrunner in continually improving its operational performance in all areas, like production, yield, plant utilisation and others, while reducing the consumption of fuel, power, stores and others. Continuous efforts are being made to reduce energy consumption in KWH per meter in our both factories located at E-39, M.I.D.C. Area, Chikalthana, Auragabad – 431 006, Maharashtra (India) and Falta SEZ, Sector-II, Near Pump House No. 3, Village and Mouza - Akalmegh, Dist.: 24 Parganas(S), West Bengal-743504. The following steps were taken towards our objective during the year under review :

#### At Aurangabad, Maharashtra

- All 250 watt mercury vapour lamps are replaced with 32 watt, CFL.
- Old ACs have been replaced with, energy efficient ACs.
- All computer CRT monitors are being replaced with LED, monitors
- 3 BIG looms have been modified and all worn out gear boxes and motors have been removed.
- Rain water harvesting has been introduced.
- Roof top turbo ventilators have been installed to save electricity.
- Natural cooling tower has been designed and installed, to save electricity.
- At Aurangabad Plant the power factor is being monitored constantly and maintained at less than 1, thereby availing 7% rebate on MSEDCL power tariff every year. GTL Limited has been appointed as franchise of MSEDCL and power distribution and revenue are being managed by this private sector franchise on behalf of MSEDCL.
- Spare capacitor bank has been fitted with main power connection to improve power factor.

#### At Falta SEZ

- All lamp posts have been fitted with low watt CFL.
- Staggering connections have been made to control consumption.
- Fitted capacitor on individual loom to improve power utilization.
- PLC system has been introduced to reduce electricity consumption.
- Natural spray cooling tower has been installed.

#### Consumption per unit of production for the year 2013-14 :

Particulars	(KWH)	(₹)
Purchased Units from Electricity Board	4,192,891	31,574,115
Units generated (DG)	15,928	390,328
Total	4,208,819	31,964,443
Rate per unit	-	7.59
Consumption per meter of manufacture	9.99	-

- Major price changes took place under various heads during the year under review:
  1. Diesel Rate has been increased to ₹ 63.01 per litre from ₹ 52.76 per litre.

## Annexure to the Directors' Report

- Due to price escalation, the cost of diesel consumption for running DG sets has increased from ₹ 2.23 lacs in 2012-13 to ₹3.90 lacs in 2013-14.
- Power Charges Tariff has been decreased by GTL from ₹ 7.01 in 2012-2013 to ₹ 7.00 per unit in 2013-2014.
- The power cost has been increased from 7.26 in 2012-2013 to 7.59 in 2013-2014. The net cost impact has been ₹.0.33 per Unit.

The Company presently has in total 5 Wind Mills. All these Wind Mills are generating green energy in the states of Karnataka, Maharashtra, Gujarat and in Andhra Pradesh and the same is supplied to respective state consumers through state grids.

Sl. No.	Product Name	Unit of Capacity / production	Installed Capacity in 'KWH'	Quantity produced in 'KWH'	Capacity utilised (%)	Value of Production (₹ Lakh)
1	Wind Mill at Chitradurga Dist., Karnatka	KWH	1400000.00	1277223.00	91.23	15.20
2	Wind Mill at Panchpatta Dist., Mahrashtra	KWH	1600000.00	1673672.00	104.60	21.91
3	Wind Mill at kutch Dist., Gujarat	KWH	4700000.00	2212439.00	47.07	73.63
4	Wind Mill at Kurnool Dist., Phase - 1, Andhra Pradesh	KWH	1700000.00	1750576.00	102.98	100.56
5	Wind Mill at Kurnool Dist., Phase - 2, Andhra Pradesh	KWH	1700000.00	1695453.00	99.73	100.54

### B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company continues to use the latest technologies for improving the productive and quality of its services and products.

### C. FOREIGN EXCHANGE EARNING AND OUTGO

(Amount in ₹)

	2013-14	2012-13
<b>1. Foreign Exchange Earned</b>		
a. Sale of Beltings	1,043,756,028	829,086,670
<b>2. Foreign Exchange Outgo</b>		
a. C.I.F. Value of Imports		
i. Raw Materials	317,576,134	283,538,560
ii. Components and Spare Parts	2,652,783	1,673,453
iii. Trading Goods	10,720,036	14,105,453
b. i. Traveling and Hotel Boarding Expenses	2,976,318	2,597,937
ii. Rent	-	959,130
iii. Commission	40,125,725	29,687,750
iv. Freight	62,661,788	61,563,910
v. Interest on PCFC, FCNRB-DL and Buyers Credit	4,758,926	8,669,228
vi. Other Expenses	10,207,797	11,653,114

For and on behalf of the Board of Directors

**R. K. Dabriwala**  
Managing Director

**M. P. Jhunjhunwala**  
Director

May 30, 2014

# Management Discussion And Analysis Report

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## OVERVIEW

The following operating and financial review is intended to convey the management's perspective on the financial condition and on the operating performance of the Company as at the end of the Financial Year 2013-2014. The following discussion of the Company's financial condition and result of operations should be read in conjunction with the Company's financial statements, the schedules and notes thereto and the other information included elsewhere in the Annual Report. The Company's financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India.

## INDUSTRY STRUCTURE AND DEVELOPMENTS

International Conveyors Limited is one of the largest manufacturers of PVC Fire Resistant Antistatic Solid Woven Coal Conveyor Belt with an annual production of 422,017 meters. It is also in wind power generation with a capacity of 4.65 MW, with locations spread across Andhra Pradesh, Gujarat, Karnataka and Maharashtra.

We are well positioned to serve customers globally from our facilities. We serve underground potash and coal mines and also various bulk materials handling in surface applications, including grain.

Coal and potash are the primary products mined through underground mechanized mining method. Coal is used as fuel for infrastructure industry the world over, be it thermal power generation or steel or cement making. Potash is the largest input for fertilizer industry.

Due to the uniqueness of the product, only a handful of manufacturers have found success in manufacturing and marketing this product although every major country having underground mines use FRAS PVC Conveyor Belting – USA, Canada, Australia, China, South Africa, India, Russia, Poland, Ukraine, etc.

## OPPORTUNITIES AND THREATS

Global steelmakers continued to witness supply growth outpacing demand, with capacity utilization rates remaining consistently below 80%. Subdued steel prices and a slowdown in demand growth from China continued to weigh on the global steel sector in the past years, which is impacting demand for coal and consequently PVC Belting.

Outlook for thermal (steam) generating coal is to be expected with price projections revised downward by 5% for 2014 due to supply growing faster than demand. Besides, the exceptions are China and India would continue to support global coking coal demand due to limited domestic availability.

Challenging fertilizer market conditions impacted our performance. However, being a lifeline to infrastructure (coal) and agricultural (potash) industry, there is endless opportunity for growth in demand of the product.

## Management Discussion and Analysis Report

Market demand has remained sluggish so far in 2014 amidst weak activity and poor sentiment; however, activity is expected to accelerate modestly in the coming months. While unexpected events and market uncertainty undermined confidence in recent months, we are encouraged by the current trends in global fertilizer markets. There remains a tremendous nutrient requirement in soils around the world and farmer economics continue to be supportive to addressing this need. We are confident in our ability to meet customers' requirements and remain focused on enhancing our competitive position. As a company, we are committed to delivering improved results to our stakeholders. With global population rising and diets improving in developing countries, this nutrient offer a responsible and practical solution to meeting the long term demand for food.

We at International Conveyors Limited treat threats in demand or competitive pricing as temporary. The macro industry in which we operate has high demand and growth potential. Lower pricing is temporary as no quality manufacturer can sustain at non-remunerative prices for long. We treat every threat as opportunity which helps us to evolve suitably for future.

### SEGMENT-WISE AND PRODUCT-WISE PERFORMANCE

The segment-wise and product-wise performances of the Company are given in the notes to accounts for the year ended March 31, 2014.

### OUTLOOK

Positive prospects for India's underground mining Conveyor Belt Business. At the moment 19% coal is coming from underground mining. Because of environmental concerns Government is asking miners to extract more & more coal from underground mining.

Market forecasts show the long term outlook and trends for Belt Manufacturing. Future market potential of Conveyor Belts is linked to new projects likely to be set up or expansion of the existing projects. The market for Conveyor Belt is expected to increase at the rate of 5-10% per annum including the replacement market. Accordingly, the market potential for Conveyor Belts estimated to increase.

TechNavio's analysts forecast the Conveyor Belt market in India to grow at a CAGR of 6.03 percent over the period 2012-2016. One of the key factors contributing to this market growth is the growing importance of coal in the power production in India. The Conveyor Belt market in India has also been witnessing the increasing importance of the Conveyor Belt Services segment.

The Conveyor Belt Services segment includes activities such as installation of Conveyor Belts, maintenance of and technical support for Conveyor Belts, and replacement of the parts of Conveyor Belts. Since there has been an increase in the adoption of Conveyor Belt products across various industries in India, there has been increased need for the Conveyor Belt servicing activities. The typical lifespan of a Conveyor Belt product varies from two to five years; after this there is need for replacement of or repair work on the Conveyor Belt or part of the Conveyor Belt.

According to the report, the growth in production in the coal mining industry in India, which is a major end-user of Conveyor Belts, is expected to drive higher demand for Conveyor Belts during the period 2012-2016.

### RISKS AND CONCERNS

Risks are evaluated based on the probability and impact of each risk. Risk owners prepare their risk plans which include responsibilities and timeliness. These are periodically updated for the actions taken. In the normal course of business, the Company is exposed to certain financial risks, principally payment risk, competitor risk, foreign exchange risk, risk associated with compliance, environment risk, industry risk, industrial relation risk, reputation risk etc. These risks are managed through risk management policies that are designed to minimize the potential adverse effects of these risks on financial performance. The policies are reviewed and approved by the Board.

The Risk Management framework of the Company ensures, amongst others, compliance with the requirements of Clause 49 of the Listing Agreement. The framework establishes risk management across all service areas and functions

## Management Discussion and Analysis Report

of the Company, and has in place procedures to inform the Board Members about the risk assessment and minimization process. These processes are periodically reviewed to ensure that the management of the Company controls risks through a defined framework.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems to monitor internal business process, financial reporting and compliance with applicable laws. The company periodically reviews the adequacy and effectiveness of the control systems.

The Audit Committee at their meetings regularly reviews the significant observations of the compliance and other monitoring reports. The heads of various monitoring/operating cells and Statutory Auditors are invited to attend the Audit Committee Meetings.

### ENVIRONMENT, HEALTH AND SAFETY

Environment, Health and Safety (EHS) is one of the primary focus areas for the Company. Our goals are: no accidents, no harm to people and no damage to environment. The manufacturing divisions have instituted internationally accepted Environmental Management System based on ISO 9001:2008. Minimization of water consumption, effluents generation and hazardous waste through reduction at source has been a key focus area in all the factories of our Company. The Company is committed to provide a safe workplace to its employees and contractors, and safety to the community where it operates. ICL believes that continuous learning and upgrading of systems and processes are indispensable as we move ahead with our visions of achieving best-in-industry status with respect to safety system and culture.

### FINANCIAL PERFORMANCE

During the year 2013-2014 the Company recorded net sales of ₹ 13,498.81 lacs as compared to net sales of ₹ 11,622.81 lacs in 2012-13. The Company derived 31.32% of its sales from within India and balance 68.68% of its sales derived from Exports. Profit before tax were at ₹ 1,263.96 lacs and Profit after tax were at ₹ 837.20 lacs for the year ended March 31, 2014 as compared to ₹ 1,448.14 lacs and ₹ 1,023.21 lacs for the financial year ended March 31, 2013 respectively. The total cost of materials has increased from ₹ 6918.32 lacs in 2012- 2013 to ₹ 6919.51 lacs in 2013-2014.

### MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Employer – employee relations continued to remain cordial during the year. Training and development of employees continued to be an area of prime importance. The devotion and commitment of our employees has enabled the Company to fulfill its targets and deadlines in time. The total number of people employed in the Company as on 31st March, 2014 was 118.

### CAUTIONARY STATEMENT

Statements in the Management Discussion & Analysis describing the Company's focal objectives, expectations or anticipations may be forward-looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from the expectations. Important factors that could influence the Company's operations include global and domestic demand & supply conditions affecting selling prices of products, inputs availability and prices, changes in Government regulations/ tax laws, economic developments within the country and factors such as litigation and industrial relations.

May 30, 2014

For and on behalf of the Board of Directors

**R. K. Dabriwala**  
Managing Director

**M. P. Jhunjunwala**  
Director

# Corporate Governance Report

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Corporate Governance is the system of rules, practices and processes by which a Company is directed and controlled. It essentially involves balancing the interests of the many stakeholders in a Company - these include its Shareholders, Management, Customers, Suppliers, Financiers, Government and the Community. Since Corporate Governance also provides the framework for attaining a Company's objectives, it encompasses practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosure.

## **INVESTOPEDIA EXPLAINS 'CORPORATE GOVERNANCE'**

Corporate Governance became a pressing issue following the 2002 introduction of the Sarbanes-Oxley Act in the U.S., which was ushered in to restore public confidence in Companies and markets after accounting fraud bankrupted high-profile Companies such as Enron and WorldCom.

Most Companies strive to have a high level of Corporate Governance. These days, it is not enough for a Company to merely be profitable; it also needs to demonstrate good Corporate Citizenship through environmental awareness, ethical behavior and sound Corporate Governance practices.

## **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

We believe that sound Corporate Governance is critical to enhancing and retaining investor trust. Accordingly, we always seek to ensure that we attain our performance goals with integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

Our Corporate Governance philosophy is based on the following principles:

1. Satisfy the spirit of the law and not just the letter of the law. Corporate Governance standards should go beyond the law.
2. Be transparent and maintain a high degree of disclosure levels.
3. Make a clear distinction between personal conveniences and corporate resources.
4. Communicate externally, in a truthful manner, about how the Company is run internally.
5. Comply with the laws in all the countries in which we operate.
6. Have a simple and transparent corporate structure driven solely by business needs.
7. Management is the trustee of the shareholders' capital and not the owner.

## Corporate Governance Report

Some aspects of Corporate Governance related to the year 2013-2014 are appended below :

### (A) BOARD OF DIRECTORS

The Board of Directors ('the Board') is at the core of our Corporate Governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance.

#### (i) Composition

The Board of Directors comprises of 6 (Six) Directors. All the Directors of the Company, except the Managing Director are Non-Executive Directors. The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors during the period under review.

The composition of the Board of Directors with their shareholdings as on 31st March, 2014 and their attendance at the Board Meetings held during the year and also at the last Annual General Meeting along with the number of other Directorship and Committee Membership, as required under Clause 49 of the Listing Agreement are given below :

Sl. No.	Name of Directors	Category	No. of Board Meetings attended	Attendance at last AGM	No. of Other Directorship/ Partnership	Membership of other Committees of the Company		Shares held (Nos.)
						Member	Chairman	
1	Shri R. K. Dabriwala	Executive Director	6	Yes	4	1	-	54,12,620
2	Shri M. P. Jhunjhunwala	Non-Executive Independent Director	5	Yes	-	3	1 (Remuneration Committee)	200
3	Shri L. K. Tibrawalla	Non-Executive Independent Director	6	Yes	12	3	1 (Shareholders Committee)	36,000
4	**Shri A. Hussain	Non-Executive Independent Director	3	Yes	NA	-	-	-
5	Shri J. S. Vanzara	Non-Executive Independent Director	4	Yes	12 (includes partnership in one firm)	2	1 (Audit Committee)	-
6	Shri K. T. Reddy	Non-Executive Independent Director	2	No	1	-	-	-
7	*Shri S. Mehra	Non-Executive Independent Director	1	NA	5	-	-	-

\* Inducted on the Board w.e.f. 17.01.2014,

\*\* Resigned from Directorship w.e.f. 14.02.2014.

The number of Directorships and the positions held on Board Committees by the Directors are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Companies Act, 1956 and the Listing Agreement as on 31st March, 2014.

#### (ii) Meetings of the Board of Directors

During the period between 01.04.2013 to 31.03.2014 6 (Six) Meetings of the Board took place. The first four Meetings of the Board held on 30.05.2013, 10.08.2013, 04.09.2013, 09.11.2013 at the Registered Office of the Company at 10, Middleton Row, Kolkata – 700 071. Thereafter, the Registered Office of the Company shifted



## Corporate Governance Report

to Falta SEZ, Sector-II, Near Pump House No. 3, Village and Mouza- Akalmegh, Dist. 24 Parganas (S), West Bengal-743 504 on 06.01.2014. Fifth Meeting of the Board was held on 17.01.2014 at its Corporate Office at 10, Middleton Row, Kolkata – 700 071 and sixth was held on 14.02.2014 at its works at E-39, MIDC Industrial Area, Chikalthana, Aurangabad- 431 006.

The Agenda for every meeting is prepared and the same is circulated in advance to every Director. The Board meets at least once in every quarter to review the quarterly results and other items on the Agenda. The details as required under Annexure 1A to Clause 49 of the Listing Agreement are made available periodically to the Board. Details of Directors seeking re-appointment in the 41st Annual General Meeting are being circulated with the Notice convening the Annual General Meeting. The Board periodically reviews the compliance reports of various laws applicable to the Company and takes steps to rectify instances of non-compliance, if any. Copies of Minutes of the Board Meetings are circulated among the members of the Board for their comments, if any.

In terms of General Circular No. 28/2011 dated 20.05.2011 issued by the Ministry of Corporate Affairs, Government of India, every Director of the Company has personally attended at least one Board/Committee of Directors' Meeting in the financial year 2013-2014.

Certificates have also been obtained from the Independent Directors confirming their position as Independent Directors on the Board of the Company in accordance with Section 149 of the Companies Act, 2013, read with Clause 49 of the Listing Agreement.

### **(B) COMMITTEES OF THE BOARD OF DIRECTORS**

Committees are a means of improving Board effectiveness in areas where more focused, specialized and extensive discussions are required. Some of the Board functions are performed through specially constituted Board Committees consisting of Executive and Non-Executive / Independent Directors, which then report to the Board.

The Board's Committees include Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

The Chairman of each committee fulfills an important leadership role similar to that of the Chairman of the Board, particularly in creating an environment for effective contribution of each Committee member. The Company Secretary, in consultation with the Board Chairman and Committee Chairman, prepares the agenda for each meeting. The minutes of each Committee's Meeting are submitted to the Board for information and appropriate action.

#### **(i) STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Board of Directors in order to align with the Companies Act, 2013, decided to rename "Shareholder Committee" to "Stakeholder Relationship Committee", in their meeting held in May, 2014.

##### **Terms of Reference/ Charter of Stakeholders Relationship Committee**

The Stakeholder Relationship Committee of the Board is constituted with powers and responsibilities including, but not limited to :

- To supervise and ensure efficient share transfers, share transmission, transposition, etc;
- To approve allotment, transfer, transmission, transposition, consolidation, split, name deletion and issue of duplicate share certificate of equity shares of the Company;
- To redress shareholders and depositor complaints like non receipt of Balance Sheet, non receipt of declared dividends etc;
- To review service standards and investor service initiatives undertaken by the Company.
- To address all matters pertaining to Registrar and Transfer Agent including appointment of new Registrar and Transfer Agent in place of existing one;

## Corporate Governance Report

- To address all matters pertaining to Depositories for dematerialization of shares of the Company and other matters connected therewith; and
- To attend to any other responsibility as may be entrusted by the Board to investigate any activity within terms of its charter.

### Composition and Meetings

The Committee comprises of Mr. R. K. Dabriwala, Mg. Director and 2 (Two) Non-Executive Independent Directors viz. Mr. L. K. Tibrawalla and Mr. M. P. Jhunjunwala. Mr. L. K. Tibrawalla is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Committee. During the year under review the Committee met on 30.05.2013. Each member had attended the Committee Meeting held on the date mentioned above.

During the year 2013-14, 11 letters received from the shareholders regarding revalidation of Dividend Warrants which were responded to and at the end of the year no investor grievance(s) remained pending.

### (ii) REMUNERATION AND NOMINATION COMMITTEE

In accordance with Section 178(1) of the provisions of the Companies Act, 2013, the Board of Directors decided to rename “Remuneration Committee” to “Remuneration and Nomination Committee”, in their Meeting held in May, 2014.

#### Terms of Reference/ Charter of Remuneration and Nomination Committee :

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.
- To carry out evaluation of every Director’s performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.
- To recommend/ review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

### Composition and Meetings

The Remuneration Committee comprises of 3 (Three) Non-executive Independent Directors viz. Mr. M. P. Jhunjunwala, Mr. L. K. Tibrawalla and Mr. J. S. Vanzara. Mr. M. P. Jhunjunwala is the chairman of the Committee. The Remuneration Committee Meeting is being held to recommend / determine the remuneration package of the Managing Director or senior officers just below the Board level based on performance and defined criteria in consonance with the existing industrial practice. During the year under review the Committee met on 30.05.2013. Each member had attended Committee Meeting held at the above mentioned date except Mr. J. S. Vanzara.

### (iii) AUDIT COMMITTEE

The broad terms and reference of Audit Committee are to oversee the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible and to review the remuneration of Internal Auditors and Statutory Auditors.

# Corporate Governance Report

## Composition and Meetings

The Audit Committee has been constituted following the provisions of section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreements with the Stock Exchanges. The Audit Committee of the Company consists of 3 (Three) Non-Executive Independent Directors, Mr. M. P. Jhunjhunwala, Mr. L. K. Tibrawalla and Mr. J. S. Vanzara. Mr. J. S. Vanzara is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Committee. The Statutory Auditor and the Internal Auditor of the Company are permanent invitees at the Meetings of the Committee. During the year under review, the Committee met on 30.05.2013, 10.08.2013, 09.11.2013 and 14.02.2014. Each member had attended all Committee Meetings held at the above mentioned dates except Mr. J. S. Vanzara who was not present in two Meetings held on 30.05.2013 and 10.08.2013 and Mr. M. P. Jhunjhunwala who was not present in one Meeting held on 14.02.2014.

The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors and the Board of Directors. The terms of reference of the Audit Committee include those specified under Clause 49 of the Listing Agreement as well as under Section 292A of the Companies Act, 1956 such as:

- The adequacies of the Internal Audit function and follow up with the observation of the Internal Auditors.
- Compliance with Accounting Standards.
- Compliance with the Listing Agreement and other legal requirements concerning financial statements and related party transactions.
- The appointment and removal of Internal Auditors, fixation of Audit fees and also approval of payment for any other services.
- Quarterly / half yearly results and the audited financial results before they are submitted to the Board.
- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Disclosure of contingent liability, if any.

## (iv) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee was constituted by the Board on May 30, 2014 considering requirements of the Companies Act, 2013. The Board also empowered the Committee to look into matters related to sustainability and overall governance. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility Policy', observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary.

### Terms of Reference of the Committee, inter alia, includes the following :

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of the framework of the CSR Policy.
- To approve the Corporate Sustainability Report and oversee the implementation of sustainability activities.
- To observe Corporate Governance practices at all levels and to suggest remedial measures wherever necessary.
- To ensure compliance with Corporate Governance norms prescribed under Listing Agreements with Stock Exchanges, the Companies Act and other statutes or any modification or re-enactment thereof.

## Corporate Governance Report

- To review and assess the adequacy of the Company's Code of Business Conduct and Ethics for Directors and Management Personnel, Code of Ethics and other internal policies and guidelines, and monitor that principles described therein are being incorporated into the Company's culture and business practices.
- To formulate / approve codes and / or policies for better Governance.
- To provide correct inputs to the media so as to preserve and protect the Company's image and standing.
- To disseminate factually correct information to investors, institutions and the public at large.
- To establish oversight on important corporate communication on behalf of the Company with the assistance of consultants / advisors, if necessary.
- To ensure institution of standardised channels of internal communications across the Company to facilitate a high level of disciplined participation.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

### (C) DETAILS OF DIRECTORS' REMUNERATION FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

Name	Salary	Perquisites	Sitting Fees	Total
<b>i) Executive Director :</b>				
Mr. R. K. Dabriwala Managing Director	42,00,000	24,55,180	-	66,55,180
<b>ii) Non-Executive Directors :</b>				
Mr. M. P. Jhunhunwala	-	-	62,500	
Mr. L. K. Tibrawalla	-	-	75,000	
Mr. A. Hussain	-	-	-	
Mr. J. S. Vanzara	-	-	45,000	
Mr. K. T. Reddy	-	-	20,000	
Mr. S. Mehra	-	-	10,000	2,12,500

### (D) GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as under :

Financial year	Date	Time	Location	No. of Special Resolution(s) Passed
2012-13	04.09.2013	2.00 P.M.	10, Middleton Row, Kolkata – 700 071	1
2011-12	25.07.2012	3.30 P.M.	10, Middleton Row, Kolkata – 700 071	1
2010-11	28.09.2011	3.30 P.M.	10, Middleton Row, Kolkata – 700 071	2

### (E) POSTAL BALLOT

During the financial year ended March 31, 2014, a Special Resolution for shifting of the Registered Office of the Company from 10, Middleton Row, Kolkata-700071 to Falta SEZ, Sector-II, Near Pump House No. 3, Village and Mouza- Akalmegh, Dist.: South 24 Parganas. West Bengal-743 504, were passed through Postal Ballot under

## Corporate Governance Report

provisions of Section 192A of the Companies Act, 1956 and the Companies (Passing of the resolution by Postal Ballot) Rules 2011. Mr. K. C. Dhanuka, a Practising Company Secretary was appointed as the Scrutinizer to conduct the said Postal Ballot process.

The Postal Ballot Notice and accompanying documents were dispatched to shareholders under certificate of posting. A calendar of events was submitted to the Registrar of Companies, West Bengal.

After scrutinizing all the ballot forms received, the Scrutinizer reported that shareholders representing 99.99% of the total votes casted voted in favour of the resolutions, based on which the results were declared and the resolutions were carried by the requisite majority.

### (F) DISCLOSURES

#### (i) Disclosure by Key Managerial Persons about Related Party Transactions

All related party transactions have been entered into in the ordinary course of business and are placed periodically before the Audit Committee in summary form. There are no significant related party transactions that would have potential conflict with the interests of the Company at large. Details of related party transactions are given in the Notes to Accounts (Note) of the Annual Report.

#### (ii) Disclosure of Accounting Treatment

The applicable accounting standards as specified in the Companies (Accounting Standards) Rules, 2006 have been followed in preparation of the financial statements of the Company.

#### (iii) Board Disclosures – Risk Management

During the year ended 31st March 2014, the Company continues to follow the established risk assessment / minimization procedure. The procedures for risk assessment and minimization are being updated/formalized at regular intervals.

#### (iv) Matters related to Capital Market

The Company has complied with all the requirements of the Listing Agreement of the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties/ strictures have been imposed on the Company by SEBI, Stock Exchanges or any other Statutory Authority on any matter relating to capital markets during the last three years.

The Company complies with all the requirements of the listing agreement including the mandatory requirements of Clause 49.

#### (v) Management Discussion and Analysis Report

The Management Discussion and Analysis Report is attached and forms part of the Directors' Report.

#### (vi) Code of Conduct

The Company has adopted a Code of Conduct for its Board of Directors and Senior Management Personnel and the same has been posted on the Company's website, [www.iclbelting.com](http://www.iclbelting.com). All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct during the year 2013-2014. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

#### (vii) Whistle Blower Policy

The Board of Directors of the Company has adopted a Whistle Blower Policy for establishing a mechanism for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy, the said policy has been posted on the Company's website. The Company affirms that no employee has been denied access to the Audit Committee.

## Corporate Governance Report

### (viii) Status of Non-Mandatory Requirements

The Company continues to follow the following non-mandatory requirements on Corporate Governance recommended under clause 49 of the listing agreement :

- The Company has a Remuneration Committee comprising of three Non-executive Independent Directors.
- The Company is moving towards the regime of unqualified financial statements.

Other non-mandatory requirements viz. shareholder rights, training of Board Members and tenure of Independent Directors, mechanism for performance evaluation of Non-Executive Board Members will be implemented by the Company when required and/or deemed necessary by the Board.

### (ix) CEO/CFO Certification

The CEO of the Company has given a certificate to the Board of Directors as per Clause 49(V) of the Listing Agreement for the year ended 31st March 2014.

### (x) Means of Communication

The Company's quarterly/yearly financial results are published in widely circulated national and local dailies like The Financial Express, Business Standard and Kaalantar (Regional).The Company's results and official news releases were displayed on the Company's website.

## (G) GENERAL SHAREHOLDERS' INFORMATION :

(i)	<b>Annual General Meeting</b>	
	<b>41st Annual General Meeting</b>	
	Date	Friday, 26h September, 2014
	Time	2:00 P.M.
	Venue	Falta SEZ, Sector-II, Near Pump House No. 3, Village and Mouza - Akalmegh, Dist. 24 Parganas (s), West Bengal-743504
(ii)	<b>Financial Calendar Year</b>	April 1, 2014 to March 31, 2015
(iii)	<b>For Adoption of Quarterly Results</b>	<b>Expected Date</b>
	- Quarter ending 30th June, 2014	2nd Week of August, 2014
	- Quarter ending 30th September, 2014	2nd Week of November, 2014
	- Quarter ending 31st December, 2014	2nd Week of February, 2015
	- Year and quarter ending 31st March, 2015	Last week of May, 2015
(iv)	<b>Book Closure</b>	22nd September, 2014 to 26th September, 2014 (both days inclusive)
(v)	<b>Expected Dividend Payment Date</b>	29th September, 2014
(vi)	<b>Listing on Stock Exchange</b>	The Company's shares are listed at :
		(i) <b>The Calcutta Stock Exchange Ltd.</b> 7, Lyons Range, Kolkata - 700 001
		(ii) <b>BSE Ltd.</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001
		Listing fees for the year 2014-2015 have been paid to all the aforesaid Stock Exchanges.
(vii)	<b>Stock Codes</b>	10019039 (CSE) 509709 (BSE)

**(viii) Stock Market Price Data for the year 2013-2014**

Month	BSE			SENSEX (BSE)	
	High (₹)	Low (₹)	Volume (BSE)	High	Low
April 2013	12.98	10.73	1,979	19,622.68	18,144.22
May 2013	13.6	11.41	408	20,443.62	19,451.26
June 2013	12.82	11.39	1,579	19,860.19	18,467.16
July 2013	12.04	10.55	2,481	20,351.06	19,126.82
August 2013	11.18	8.91	5,886	19,569.20	17,448.71
September 2013	10.55	9.37	5,848	20,739.69	18,166.17
October 2013	10.30	8.25	8,601	21,205.44	19,264.72
November 2013	10.41	7.47	4,520	21,321.53	20,137.67
December 2013	10.00	7.78	3,012	21,483.74	20,568.70
January 2014	12.73	8.79	3,979	21,409.66	20,343.78
February 2014	13.97	10.31	8,027	21,140.51	19,963.12
March 2014	12.05	9.31	11,258	22,467.21	20,920.98

**(ix) Registrar and Share Transfer Agent**

The Company has engaged Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, Kolkata – 700001 (MDPL), a SEBI registered Share Transfer Agent for processing transfer, sub-division, consolidation, splitting of securities, etc. Since the trading of Company's shares can be done only in the dematerialized form, requests for dematerialization of shares should be sent directly to MDPL who after processing, give confirmation to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL).

**(x) Unclaimed Dividend/ Shares**

Pursuant to Sections 205A and 205C of the Companies Act, 1956, the Company is required to transfer the amount of dividend remained unclaimed for a period of seven years from the date of transfer to the Investor Education and Protection Fund (IEPF).

Ministry of Corporate Affairs has issued a Circular notifying the Rule "Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012". As per this Rule, Companies have to identify and upload details of unclaimed dividend on their website.

Accordingly detailed information in respect of the relevant financial years is provided for the benefit of the Company's Investors.

Financial Year	Type	Date of Declaration	Dividend Paid	Unclaimed Dividend as on 31.03.2014		Due date for transfer to IEPF
				(₹)	%	
2006-2007	Final	27.09.2007	48,00,000	50,321.00	1.05	26.10.2014
2007-2008	Final	22.09.2007	48,00,000	37,049.79	0.77	21.10.2015
2008-2009	Final	17.09.2007	48,65,918	31,588.00	0.65	16.10.2016
2009-2010	Interim	21.10.2009	33,75,000	19,014.00	0.56	19.11.2016
2009-2010	Final	27.09.2010	1,01,25,000	60,238.20	0.59	26.10.2017
2010-2011	Final	28.09.2011	1,01,25,000	74,000.55	0.73	27.10.2018
2011-2012	Final	25.07.2012	1,68,75,000	1,10,803.25	0.66	23.08.2019
2012-2013	Final	04.09.2013	1,68,75,000	1,22,636.00	0.73	03.10.2020

**(xi) Share Transfer System**

Share transfers are registered and the certificates are returned within a period of 15 days from the date of lodgment if the documents are complete in all respects. As per directives issued by the SEBI, it is compulsory to trade in the Company's equity shares in dematerialized form. The Company offers the facility of transfer cum dematerialization to its shareholders.

**(xii) Distribution of Share holding as on 31st March, 2014**

No. of Shares	No. of Shareholders	No. of Shares held	% of holding to total Shares
1-500	1145	197712	0.2929
501-1000	200	176149	0.2610
1001-2000	132	218632	0.3239
2001-3000	49	127119	0.1883
3001-4000	28	101839	0.1509
4001-5000	14	66135	0.0980
5001-10000	49	359628	0.5328
10001 and above	102	66252786	98.1523
<b>Total</b>	<b>1719</b>	<b>67500000</b>	<b>100.0000</b>

**(xiii) Pattern of Shareholding as on 31st March, 2014**

Sl. No.	Category	No. of Shareholders	Total No. of Shares	Percentage of Shareholdings
<b>1</b>	<b>Promoters Group</b>			
	Individuals / HUF (Indian)	7	12941086	19.172
	Individuals (NRI / Foreign Individuals)	2	14383900	21.3095
	Bodies Corporate (Indian)	4	8571320	12.6983
	<b>Total shareholding of promoter and promoter group</b>	<b>13</b>	<b>35896306</b>	<b>53.1798</b>
<b>2</b>	<b>Non - Promoter Group</b>			
	Indian - Bodies Corporate	70	874794	1.296
	Indian - Individual holding nominal share capital up to ₹ 1 Lakh	1,601	3106100	4.6016
	Indian - Individual holding nominal share capital in excess of ₹ 1 Lakh	4	1380878	2.0457
	Foreign Institutional Investors	5	26202400	38.8184
	Non-Resident Individuals	21	38522	.0571
	Clearing Member	5	1000	.0015
	<b>Total Public Shareholding</b>	<b>1,706</b>	<b>31603694</b>	<b>46.8203</b>

**(xiv) Dematerialisation of Shares**

99.374% of the Company's total shares representing 67077760 shares were held in dematerialized form as on 31st March, 2014 and the balance 0.626% representing 422240 shares were in physical form.

**(xv) Demat ISIN Number in NSDL & CDSL**

INE575C01027



**(xvi) Number of Employees**

Location wise break-up of the number of employees of the Company as on 31st March, 2014 :

Location	No. of employees
1) Corporate Office	16
2) Aurangabad Works	89
3) Falta Works and Registered Office	13
<b>Total</b>	<b>118</b>

**(xvii) Factory Locations**

- (a) E-39, M.I.D.C. Area, Chikalthana, Aurangabad – 431 006, Maharashtra (India).
- (b) Falta SEZ, Sector-II, Near Pump House No. 3, Village and Mouza - Akalmegh, Dist. : 24 Parganas(S), West Bengal-743504.

**(xviii) Shareholders' Correspondence**

For transfer/dematerialization of shares and any other query relating to the shares of the Company, please contact :

**Maheshwari Datamatics Pvt Ltd.**

(Registrar and Share Transfer Agent of our Company)

6, Mangoe Lane, Kolkata – 700001

Tele Nos. 033 2243 5809 / 5029

E-mail : mdpldc@yahoo.com

**(xix) Reconciliation of Share Capital and Audit Report**

As stipulated by SEBI, a qualified Practising Company Secretary carried out the reconciliation of share capital and prepares his Audit Report to reconcile the total admitted share capital with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and the total issued and listed capital on quarterly basis. The report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total issued / paid-up capital is in agreement with total number of shares in physical forms and total number of dematerialized shares held with NSDL and CDSL.

**(xx) Service of documents through electronic mode**

As a part of Green Initiative, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agent, M/s Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, Kolkata - 700001.

**(xxi) Outstanding GDR/ADR Warrants or Convertible Bonds**

The Company has not issued any of the securities mentioned above.

For any query on Annual Report etc. please contact :

**International Conveyors Limited**

10, Middleton Row, Kolkata – 700 071

Telephone : 033- 2229 6033

Fax : 033-2217 2269

Designated e-mail ID for Investor Services: investors@iclbelting.com

Website : www.iclbelting.com

For and on behalf of the Board of Directors

**R. K. Dabriwala**  
Managing Director

**M. P. Jhunjunwala**  
Director

May 30, 2014

## DECLARATION BY THE MANAGING DIRECTOR ON THE CODE OF CONDUCT

A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under the provisions of sub-clause I (D) (ii) of Clause 49 of the Listing Agreement with stock exchanges, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the financial year ended March 31, 2014.

Place : Kolkata

Date : May 30, 2014

For and on behalf of the Board of Directors

**R. K. Dabriwala**

Managing Director

## AUDITORS CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNENCE

**To the Members of  
International Conveyors Limited**

We have examined the compliance of conditions of Corporate Governance by International Conveyors Limited for the year ended March 31, 2014 as stipulated in clause 49 of the Listing Agreement entered into by Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement. The Company has established risk assessment / minimization and internal control procedures which are being updated / formalised.

We state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For LODHA & CO.**

*Chartered Accountants*

Firm's ICAI registration No. 301051E

**H. K. Verma**

*Partner*

Membership No. 055104

Place : Kolkata

Date : May 30, 2014

## **Standalone Accounts**

## Independent Auditors' Report

### To The Members of International Conveyors Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of International Conveyors Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for 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 Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 (“the Act”) read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 :

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ('the order') issued by the Central Government in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

## Independent Auditors' Report

2. As required by Section 227(3) of the Act, we report that:
- (a) We have 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 appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 to the extent applicable;
  - (e) On the basis of written representations received from the Directors as on March 31, 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014, from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

**For LODHA & CO.**

*Chartered Accountants*

Firm's ICAI Registration No. 301051E

**H. K. Verma**

*Partner*

Membership No. 055104

Place : Kolkata  
Date : May 30, 2014

## Annexure to the Independent Auditors' Report

(Referred to in Paragraph 1 of our Report of even date)

- i. Fixed Assets
  - a. The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets;
  - b. The management during the year has physically verified all fixed assets. According to the information and explanations given to us, there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. As explained, no material discrepancies have been noticed on such verification;
  - c. The Company has not disposed off substantial part of the fixed assets during the year, which could affect the going concern status of the Company.
- ii. Inventory
  - a. As informed, the inventory except stock in transit and stock lying with third parties, have been physically verified during the year by the management at reasonable intervals.
  - b. In our opinion and according to information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company is maintaining proper records of inventory and according to the information and explanations given to us, the discrepancies noticed on physical verification was not material.
- iii. Loans, secured or unsecured, granted or taken by the Company to/from Companies, firms or other parties covered in the register maintained under Section 301 of the Act:
  - a. The Company has granted unsecured loans to three Companies which are covered in the register maintained under Section 301 of the Act. The maximum amount outstanding at any time during the year in respect of such loans granted was ₹ 209,121,847 and the year end balance ₹ 84,588,718 from three Companies.
  - b. In our opinion, the rate of interest and other terms and conditions on which the unsecured loans and mentioned in (a) above are prima facie not prejudicial to the interest of the Company.
  - c. In respect of the loans granted by the Company, there were no stipulations with respect to repayment of principal amounts. As such, we are unable to comment on the regularity or otherwise of repayment of such loans. However, the Company is regular in receiving the interest on such loans.
  - d. As informed to us, having regard to the terms and conditions of the loans as mentioned above, there are no overdue amount outstanding in respect of such loans and interest thereon.
  - e. The Company has taken unsecured loan from one Company which are covered in the register maintained under Section 301 of the Act. The maximum amount outstanding at any time during the year in respect of such loan taken were ₹ 3,900,000 and the year-end balance was ₹ Nil.
  - f. In our opinion, the rate of interest and other terms and conditions on which loan have been taken from Companies, firms or other parties listed in the register maintained under section 301 of the Act are not, prima facie, prejudicial to the interest of the Company.

## Annexure to the Independent Auditors' Report

- g. The Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of the interest. The Company have repaid the principal amounts as stipulated and have been regular in the payment of the interest.
- iv. In our opinion and according to information and having regard to the explanations given to us that certain items of raw materials are of special nature and comparative alternative quotations are not obtained, in our opinion the internal control procedures of the Company relating to purchase of inventory, fixed assets and for the sale of the goods are commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v. Transaction covered under Section 301 of the Act :
- a. According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under the Section.
- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. According to the information and explanations given to us, the Company has not accepted any deposits from the public covered under Sections 58A, 58AA or any other relevant provision of the Act and rules framed there under.
- vii. The Company has appointed a firm of Chartered Accountants for carrying out the internal audit periodically and the same is commensurate with the size and nature of its business in respect of the area covered during the year.
- viii. We have broadly reviewed the books of accounts maintained by the Company pursuant to the order made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether these are accurate or complete.
- ix. Statutory Dues
- a. According to the information and explanations given to us, undisputed statutory dues including, Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it have generally been regularly deposited in time during the year with the appropriate authorities and there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March, 2014.
- b. According to the information and explanations given to us, the details of Income Tax, Wealth Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty and Cess, not deposited on account of any dispute are as follows :

Name of the Statute	Nature of the Dues	Relating to the year	Amount (₹)	Forum where dispute is Pending
Income Tax Act, 1961	Income Tax	2003-2004 to 2009-2010	5,579,647	Commissioner of Income Tax (Appeals)

## Annexure to the Independent Auditors' Report

- x. The Company does not have any accumulated losses. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi. In our opinion and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of any dues to financial institutions or banks.
- xii. According to the information and explanations given based on documents and records produced to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The Company is not a chit fund or a nidhi mutual benefit fund / society. Therefore, the provision of the clause 4(xiii) of the Order are not applicable to the Company.
- xiv. The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4 (xiv) Order are not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the terms and conditions of the corporate guarantees given to bank by the Company for bodies corporate for ₹ 145,000,000 are, prima facie, not prejudicial to the interest of the Company.
- xvi. According to the information and explanations given to us, the term loans have been applied for the purposes for which the loans were obtained.
- xvii. According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company, we report that, there are no funds raised on short-term basis which have been used for long-term investments.
- xviii. The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Act.
- xix. According to information and explanations given to us, the Company has not issued any debentures during the year.
- xx. The Company has not raised monies by public issues during the year.
- xxi. During the course of our examination of books of account carried out in accordance with Generally Accepted Auditing Practices in India, we have neither come across any incidence of fraud on or by the Company nor have we been informed of any such case by the management.

**For LODHA & CO.**

*Chartered Accountants*

Firm's ICAI Registration No. 301051E

**H. K. Verma**

*Partner*

Membership No. 055104

Place : Kolkata

Date : May 30, 2014



## Balance Sheet as at March 31, 2014

(Amount in ₹)

Particulars	Note No.	As at March 31, 2014	As at March 31, 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Fund</b>			
(a) Share capital	2	67,500,250	67,500,250
(b) Reserves and surplus	3	745,030,536	681,053,148
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	4	37,819,169	22,352,241
(b) Deferred tax liabilities (Net)	5	1,936,892	6,310,183
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	6	456,142,552	405,134,095
(b) Trade payables	7	150,607,855	170,268,746
(c) Other current liabilities	8	68,701,489	24,618,297
(d) Short-term provisions	9	21,785,268	21,712,816
<b>TOTAL</b>		<b>1,549,524,010</b>	<b>1,398,949,776</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	10	279,317,837	142,073,306
(ii) Intangible assets	10	1,551,526	240,349
(iii) Capital work-in-progress		24,919,122	2,822,128
(b) Non-current investments	11	422,102,453	391,696,554
(c) Long-term loans and advances	12	73,970,549	24,829,025
(d) Other non-current assets	13	25,001,200	7,335,300
<b>(2) Current assets</b>			
(a) Inventories	14	186,952,065	237,016,939
(b) Trade receivables	15	255,300,714	309,281,099
(c) Cash and Bank balances	16	46,683,715	32,132,696
(d) Short-term loans and advances	17	219,503,272	240,262,402
(e) Other current assets	18	14,221,557	11,259,978
<b>TOTAL</b>		<b>1,549,524,010</b>	<b>1,398,949,776</b>

Summary of significant accounting policies

1

Notes to financial statements

2-27

The notes are an integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board

**For LODHA & CO.**

Chartered Accountants

**H. K. Verma**

Partner

**R. K. Dabriwala**

Managing Director

**M. P. Jhunjunwala**

Director

Place : Kolkata

Date : May 30, 2014

**Mohita Agrawal**  
Company Secretary

**Statement of Profit and Loss** for the year ended March 31, 2014

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
<b>REVENUE</b>			
Revenue from Operations	19	1,349,881,114	1,162,280,844
Other Income	20	21,106,000	34,588,097
<b>Total Revenue</b>		<b>1,370,987,114</b>	<b>1,196,868,941</b>
<b>EXPENSES</b>			
Cost of Materials consumed	21	691,950,655	691,832,029
Purchase of Stock in Trade	22	15,347,908	19,311,894
Changes in Inventories of Finished Goods, Work in Progress & Stock in Trade	23	71,350,205	(105,069,294)
Employee Benefits Expense	24	81,192,866	71,840,017
Finance Costs	25	46,766,501	40,560,907
Depreciation and Amortization Expense	10	60,031,859	48,290,580
Other Expenses	26	277,951,445	285,288,371
<b>Total Expenses</b>		<b>1,244,591,439</b>	<b>1,052,054,504</b>
<b>Profit before tax</b>		<b>126,395,675</b>	<b>144,814,437</b>
<b>Tax Expenses</b>			
Current		44,500,000	53,000,000
MAT Credit reversal related to earlier years		2,548,671	-
Less : Mat Credit		-	(3,019,081)
Deferred Tax Charge/(Credit)		(4,373,291)	(7,487,469)
		<b>42,675,380</b>	<b>42,493,450</b>
<b>Profit after tax</b>		<b>83,720,295</b>	<b>102,320,987</b>
Earning per Equity Share			
- Basic		1.24	1.52
- Diluted		1.24	1.52

Summary of significant accounting policies

1

Notes to financial statements

2-27

The notes are an integral part of the Financial Statements

As per our report of even date

**For LODHA & CO.**

Chartered Accountants

**H. K. Verma**

Partner

Place : Kolkata

Date : May 30, 2014

For and on behalf of the Board

**R. K. Dabriwala**  
Managing Director**M. P. Jhunjunwala**  
Director**Mohita Agrawal**  
Company Secretary

## Cash Flow Statement for the year ended March 31, 2014

(Amount in ₹)

	Year ended March 31, 2014	Year ended March 31, 2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	126,395,675	144,814,437
<b>Adjustment for</b>		
Depreciation	60,031,859	48,290,580
(Profit)/Loss on sale of Fixed Assets (Net)	(54,698)	865
Liquidated Damages / Rebate & discount	2,460,964	570,739
Dividend from Long Term Investment	(105,791)	(92,651)
Finance Costs	46,766,501	40,560,907
Interest Income	(20,815,751)	(29,426,882)
Liability/Provision for doubtful deposit written off/ (back) (Net)	(648,573)	(241,812)
<b>Operating profit before working capital changes</b>	<b>214,030,186</b>	<b>204,476,183</b>
<b>Adjustment for</b>		
Trade and other receivables	27,989,258	16,106,001
Inventories	50,064,874	(98,624,237)
Trade and other payables	(12,478,825)	11,502,750
	<b>65,575,307</b>	<b>(71,015,486)</b>
Cash generated from Operation	<b>279,605,493</b>	<b>133,460,697</b>
Direct Taxes (Paid)/Refund received	(45,401,836)	(53,976,394)
<b>Net Cash from/(used in) Operating Activities</b>	<b>234,203,657</b>	<b>79,484,303</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(221,515,089)	(6,228,572)
Sale of Fixed Assets	885,227	495,519
(Purchase)/Sale of Investments	-	(300,000,000)
Investments in subsidiary	(30,405,899)	-
Advance against Capital Assets/Investments	1,105,625	296,974,657
Received/(Receivables) against Capital Sale from Subsidiary	-	4,384,543
Loans Given	(97,734,656)	126,157,694
Loans Given to Subsidiary	94,096,210	(65,200,000)
Dividend received	105,791	92,651
Deposits with bank (original maturity more than 3 months)	(6,446,800)	(10,066,098)
Interest received	13,987,927	15,766,887
<b>Net Cash from/(used in) Investing Activities</b>	<b>(245,921,664)</b>	<b>62,377,281</b>

## Cash Flow Statement for the year ended March 31, 2014

(Amount in ₹)

	Year ended March 31, 2014	Year ended March 31, 2013
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayments) from Borrowings	103,641,051	(79,818,885)
Dividend Paid (Including Corporate Dividend Tax thereon)	(19,660,409)	(19,440,264)
Interest paid	(46,492,515)	(41,755,490)
<b>Net cash from/(used in) Financing Activities</b>	<b>37,488,127</b>	<b>(141,014,639)</b>
Net increase/(Decrease) in Cash and Cash Equivalents	25,770,120	846,945
Cash and Cash Equivalents at the beginning of the year	6,927,596	6,080,651
<b>Cash and Cash Equivalents at the end of the year (Refer Note 16)</b>	<b>32,697,716</b>	<b>6,927,596</b>

### Note :

Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 : “Cash Flow Statements” as specified in the Companies (Accounting Standards) Rules, 2006.

As per our report of even date

**For LODHA & CO.**

*Chartered Accountants*

**H. K. Verma**

*Partner*

Place : Kolkata

Date : May 30, 2014

For and on behalf of the Board

**R. K. Dabriwala**

*Managing Director*

**M. P. Jhunjunwala**

*Director*

**Mohita Agrawal**

*Company Secretary*

# Notes Forming Part of the Financial Statements as at March 31, 2014

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 1.1. General

The financial statements have been prepared under the historical cost convention in accordance with the provision of the Companies Act, 1956 and mandatory Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006, prescribed by the Central Government. Accounting policies unless specifically stated to be otherwise, are consistent and are in consonance with Generally Accepted Accounting Principle.

### 1.2. Use of Estimates

The preparation of financial statements require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities and assets as at the Balance Sheet date and the reported amount of revenues and expenses during the year. Difference between the actual results and the estimates are recognized in the year in which the results are known/materialized.

### 1.3. Fixed Assets, depreciation and amortization

#### 1.3.1 Tangible Assets

##### a) Gross Block

Tangible Assets are stated at cost of acquisition with subsequent improvements thereto. Cost of acquisition includes taxes, duties, inward freight and installation expenses.

Expenditure incurred on improvements/ modifications of fixed assets that increases the future benefits from the existing asset beyond its previously assessed standard of performance, e.g., increase in capacity / efficiency, are capitalized.

##### b) Depreciation is provided on written down value method as per Schedule XIV of the Companies Act, 1956. However assets costing ₹ 5,000/- or less are depreciated fully in the year of addition. Leasehold land is amortized over the period of lease.

Additions on account of improvements/ modifications, which becomes an integral part of the existing asset and either do not have separate identity and/or are not capable of being used after the existing asset is disposed off, are depreciated over the remaining useful lives of the assets (improved /modified) they are attached with.

#### 1.3.2 Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortization. Computer Software packages are amortized over a period of five year on straight line basis.

### 1.4. Investments

Non-Current investments are stated at cost less provision for diminution other than temporary in nature. Current investments are carried at lower of cost and fair value.

### 1.5. Inventories

##### a) Inventories are valued at lower of the cost and net realizable value. The cost in respect of raw materials and stores and spares is determined on FIFO basis and in respect of finished goods and stock in process is determined on average basis. Cost of raw materials and stores and spares include the taxes and duties other than those recoverable from taxing authorities and expenses incidental to the procurement of the same. Cost in case of stock-in-process and finished goods represent prime cost and appropriate portion of overheads.

##### b) Custom duty on bonded materials and excise duty on finished goods at factory are accounted for and included in cost of inventory.

### 1.6. Impairments

Fixed Assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amounts of fixed assets is determined. An impairment loss is recognized, whenever the carrying amount of assets belonging to the Cash Generating Unit (CGU) exceeds recoverable amount. The recoverable amount is the greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flows from the use of assets are discounted to their present value as appropriate. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets, which in case of CGU, are allocated to its assets on a prorate basis.

### 1.7. Foreign Currency Transaction

Transactions in Foreign Currencies are accounted for at the exchange rate prevailing as on the date of the

## Notes Forming Part of the Financial Statements as at March 31, 2014

transaction. Foreign Currency monetary assets and liabilities at the year end are translated using closing rates whereas non monetary assets are translated at the rate on the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transaction during the year are recognized as revenue or expenses in the Statement of Profit and Loss.

### 1.8. Revenue Recognition

- a) All expenses and revenue to the extent considered payable and receivable respectively, unless specifically stated to be otherwise, are accounted for on mercantile basis.
- b) Insurance and other claims are accounted for as and when admitted or realized.
- c) Dividend is recognized when the right to receive is established.

### 1.9. Sales

Revenue from sale of goods is recognized at the point of dispatch to the customers. Gross sales include Excise Duty and rebate, discounts, claims, returns, Central Sales Tax (CST) / Value Added Tax (VAT) etc., are excluded there from.

Sale of Electricity is accounted for on delivery of Electricity to grid in terms of agreement with the Electricity Board.

### 1.10. Expenses

Expenses under primary heads such as salary, wages, consumption of stores etc., are being shown under respective heads and have not been functionally reclassified.

### 1.11. Employee Benefits

Short term employee benefits are recognized as an expenses at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

The Company has Defined Contribution Plan for its employees retirement benefits comprising of Provident Fund and Pension Fund. The Company makes regular contribution to Provident Fund, which are fully funded and administered by the Government. Contributions are recognized in Statement of Profit and Loss on accrual basis.

The Company has Defined Benefit Plan comprising of Gratuity and Leave Encashment Schemes. The Company contributes to the Gratuity Fund under the Group Gratuity Cash Accumulation Scheme with Life Insurance Corporation (LIC) for future payment of gratuity liability to its employees. Consequent to the adoption of Accounting Standard 15 (AS 15 Revised) on "Employee Benefits", the liability for the Gratuity and Leave Encashment as at the year end has been determined on the basis of an independent actuarial valuation in accordance with the method stated in AS 15 Revised and such liability has been adjusted/provided in these financial statements.

The actuarial gain and losses comprise experience judgment and are recognized in the Statement of Profit and Loss in the year in which they arise.

### 1.12. Grants

- a) Government Grants including subsidy are accounted for as and when realized.
- b) Grants, other than those related to specific assets which are adjusted there against, are treated either under capital or revenue account depending upon the nature of the same.

### 1.13. Borrowing Cost

Borrowing Cost incurred in relation to acquisition or construction of fixed assets are allocated to the fixed assets. Other borrowing cost are recognized as finance cost in the year in which they are incurred.

### 1.14. Income Tax

Provision for Tax is made for current tax and deferred tax. Current tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and/or liabilities arising on account of timing difference, which are capable of reversal in subsequent periods are recognized using tax rates and tax laws, which has been enacted or substantively enacted. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. In case of carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is "virtual certainty" that such deferred tax assets can be realized against future taxable profits.

### 1.15. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statement. Contingent Liabilities, if material, are disclosed by way of notes.

## Notes Forming Part of the Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014	As at March 31, 2013
<b>2 SHARE CAPITAL</b>			
<b>Authorised Shares</b>			
98,000,000 (98,000,000) Equity Shares of ₹ 1/- each		98,000,000	98,000,000
20,000 (20,000) Preference Shares of ₹ 100/- each		2,000,000	2,000,000
		<b>100,000,000</b>	<b>100,000,000</b>
<b>Issued, Subscribed and Fully Paid-up Shares</b>			
67,500,000 (67,500,000) Equity Shares of ₹ 1/- each (Out of the above, 33,750,000 equity shares of ₹ 1/- each were allotted as fully paid-up bonus shares during the financial year ended on 2009-2010.)		67,500,000	67,500,000
<b>Forfeited Shares</b>		250	250
		<b>67,500,250</b>	<b>67,500,250</b>

- 2.1 Out of the above issued shares, the company has only one class of equity shares having a par value of ₹ 1/- each. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing General Meeting. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion of their shareholding. The Board of Directors has approved dividend of Re.0.25 per share (25%), Subject to approval of shareholders in the ensuing Annual General Meeting.
- 2.2 There is no movement in the number of shares outstanding at the beginning and at the end of the reporting period.
- 2.3 Details of the shareholders holding more than 5% shares of the total number of equity shares issued by the Company :

Name of the Shareholder	No. of Shares held as at March 31, 2014	No. of Shares held as at March 31, 2013
Rajendra Kumar Dabriwala	5,412,620	5,412,620
Surbhit Dabriwala	7,974,000	7,974,000
Yamini Dabriwala	6,409,900	6,409,900
Elara India Opportunities Fund Limited	6,500,000	6,500,000
Cresta Fund Limited	6,500,000	6,500,000
Ipro Funds Limited	6,500,000	6,500,000
Lotus Global Investments Limited	4,299,400	4,299,400
IGE (India) Private Limited*	4,143,800	1,143,800

\*3,000,000 no. of shares acquired during the year.



## Notes Forming Part of the Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014	As at March 31, 2013
<b>3 RESERVES AND SURPLUS</b>			
<b>Capital Reserve</b>			
As per last Balance Sheet (Central Subsidy)		3,942,000	3,942,000
		<b>3,942,000</b>	<b>3,942,000</b>
<b>General Reserve</b>			
As per last Balance Sheet		450,000,000	350,000,000
Add : Transferred from Surplus		60,000,000	100,000,000
		<b>510,000,000</b>	<b>450,000,000</b>
<b>Securities Premium Account</b>			
As per last Balance Sheet		188,550,000	188,550,000
		<b>188,550,000</b>	<b>188,550,000</b>
<b>Surplus</b>			
As per last Balance Sheet		38,561,148	55,983,068
Add : Net Profit After Tax transferred from Statement of Profit and Loss		83,720,295	102,320,987
Amount available for appropriation		<b>122,281,443</b>	<b>158,304,055</b>
Less : Appropriations			
- Transferred to General Reserve		60,000,000	100,000,000
- Proposed Equity Dividend		16,875,000	16,875,000
- Tax on Equity Dividend		2,867,907	2,867,907
		<b>79,742,907</b>	<b>119,742,907</b>
Net Surplus		<b>42,538,536</b>	<b>38,561,148</b>
<b>Total Reserves and Surplus</b>		<b>745,030,536</b>	<b>681,053,148</b>

Particulars	Reference Note No.	As at March 31, 2014		As at March 31, 2013	
		Non-Current	Current	Non-Current	Current
<b>4 LONG TERM BORROWINGS</b>					
<b>SECURED LOAN</b>					
<b>Term Loan</b>					
From bank	4.1	32,904,522	51,400,000	17,620,000	14,320,000
<b>Vehicle Finance Loan</b>					
From banks	4.2	2,178,479	798,961	883,694	792,467
		<b>35,083,001</b>	<b>52,198,961</b>	<b>18,503,694</b>	<b>15,112,467</b>
<b>UNSECURED LOAN</b>					
Sales Tax Deferment Loan	4.3	2,736,168	1,112,379	3,848,547	1,033,207
		<b>2,736,168</b>	<b>1,112,379</b>	<b>3,848,547</b>	<b>1,033,207</b>
		<b>37,819,169</b>	<b>53,311,340</b>	<b>22,352,241</b>	<b>16,145,674</b>



## Notes Forming Part of the Financial Statements as at March 31, 2014

### 4.1 Term loan referred above to the extent of:

- a) ₹ 21,200,000 is secured by first charge on Wind Mill acquired and installed in Andhra Pradesh, Current Assets of the Company, both present and future and extension of equitable mortgage of the leasehold industrial plot at Maharashtra Industrial Development Corporation, Aurangabad. The loan carries interest at 4.25% above base rate + Term Premium of 0.50% and is repayable as follows :

Year	Amount in ₹
2015-16	3,300,000

- b) ₹ 63,104,522 is secured by first charge on all fixed assets pertaining to Falta SEZ division of the company, both present & future, second charge on entire current assets of the said division of the Company both present & future, and is also secured by personal guarantee of one of the Directors and corporate guarantee and is repayable in 21 quarterly installment commencing from June, 2011. Last installment due in June, 2016, rate of interest as per State Bank Advance Rate (SBAR).

Year	Amount in ₹
2015-16	26,800,000
2016-17	2,804,522

- 4.2 Vehicle Finance Loan from banks is secured by hypothecation of Vehicles acquired against the said loan and is repayable as follows :

(Amount in ₹)

Rate of Interest	2015-16	2016-17	2017-18	2018-19
10.50%	243,652	270,505	300,316	218,308
11.71%	194,320	218,329	245,305	227,414
12.26%	128,228	132,102		

- 4.3 Sales Tax Deferment Loan is interest free and is payable as per the repayment schedule as follows :

Year	Amount in ₹
2015-2016	1,082,759
2016-2017	773,379
2017-2018	533,687
2018-2019	318,097
2019-2020	28,246

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014	As at March 31, 2013
<b>5 DEFERRED TAX LIABILITIES (NET)</b>			
<b>Deferred Tax Liability:</b>			
On account of depreciation difference as per Income tax and books of account.		2,187,043	7,044,976
<b>Gross Deferred Tax Liability</b>		<b>2,187,043</b>	<b>7,044,976</b>
<b>Deferred Tax Assets:</b>			
Employee Benefits		(729,905)	(279,253)
Provision for doubtful debt and deposit		980,056	1,014,046
<b>Gross Deferred Tax Asset</b>		<b>250,151</b>	<b>734,793</b>
<b>Net Deferred Tax Liability</b>		<b>1,936,892</b>	<b>6,310,183</b>

## Notes Forming Part of the Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014	As at March 31, 2013
<b>6 SHORT TERM BORROWINGS</b>			
<b>SECURED LOAN</b>			
Working Capital Facility From Bank	6.1		
Repayable on demand		86,674,750	81,173,473
Others		339,467,802	323,960,622
		<b>426,142,552</b>	<b>405,134,095</b>
<b>UNSECURED LOAN</b>			
Inter Corporate Deposits		30,000,000	-
		<b>30,000,000</b>	-
		<b>456,142,552</b>	<b>405,134,095</b>

6.1 Working Capital facility from Bank are secured by hypothecation of Company's entire stock, book debts and other current assets both present and future and also secured by first charge on fixed assets of the Company, equitable mortgage of Leasehold industrial plot of Chikalthana Industrial Area (MIDC). This is further secured by personal guarantee by one of the Directors of the Company.

<b>7 TRADE PAYABLES</b>			
Payables for Goods and Services	7.1 and 7.2	150,607,855	170,268,746
		<b>150,607,855</b>	<b>170,268,746</b>
7.1 Payables for Goods and Services include			
Acceptances		61,387,707	72,654,873
Creditors for raw materials/stores purchases		36,420,612	33,937,304

7.2 Disclosure of Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" (the Act). There are no delays in payment made to such suppliers. There is no overdue amount outstanding as at the Balance Sheet date.

<b>8 OTHER CURRENT LIABILITIES</b>			
Current Maturities of Long-term borrowings	4	51,400,000	14,320,000
Current Maturities of Vehicle Finance Loan	4	798,961	792,467
Current Maturities of Sales Tax Deferment Loan	4	1,112,379	1,033,207
Interest accrued but not due on borrowings		476,552	51,552
Interest accrued and due on borrowings		240,114	391,128
Other Payables			
Unpaid Dividends	8.1	496,734	414,236
Other Payables	8.2	14,176,749	7,615,707
		<b>68,701,489</b>	<b>24,618,297</b>

8.1 This is not due for payment to Investor Education And Protection Fund.

8.2 Includes statutory dues (CST, PF, ESI, TDS, Entry Tax etc.)

<b>9 SHORT TERM PROVISIONS</b>			
Provision for employee benefits		2,042,361	1,969,909
Proposed Dividend		16,875,000	16,875,000
Tax on Proposed Dividend		2,867,907	2,867,907
		<b>21,785,268</b>	<b>21,712,816</b>

## Notes Forming Part of the Financial Statements as at March 31, 2014

Particulars	(Amount in ₹)										
	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK				
	As on 01.04.2013	Additions	Other Addition	Adjustments/ Deduction	As on 31.03.2014	Upto 31.03.2013	For the Year	Adjustments/ Deduction	Upto 31.03.2014	As on 31.03.2014	As on 31.03.2013
<b>TANGIBLE ASSETS</b>											
(a) Land(Leasehold)	1,120,489	-	-	-	1,120,489	170,314	18,285	-	188,599	931,890	950,175
(b) Buildings	19,125,751	136,585	44,765,992	-	64,028,328	9,883,748	5,072,973	-	14,956,721	49,071,607	9,242,003
(c) Plant & Equipment	166,896,105	5,755,608	138,185,576	421,804	310,415,485	121,429,847	30,168,590	169,995	151,428,442	158,987,043	45,466,258
(d) Wind Mill	267,143,526	-	-	-	267,143,526	189,832,995	21,507,790	-	211,340,785	55,802,741	77,310,531
(e) Electrical Installation	3,477,955	-	3,058,786	-	6,536,741	2,204,784	581,593	-	2,786,377	3,750,364	1,273,171
(f) Office Equipment	5,837,581	1,980,003	210,952	200,686	7,827,850	3,992,993	819,170	92,629	4,719,534	3,108,316	1,844,588
(g) Furniture & Fixtures	7,466,922	309,284	50,349	-	7,826,555	4,832,145	563,847	-	5,395,992	2,430,563	2,634,777
(h) Vehicles	7,389,386	3,101,366	359,393	2,586,455	8,263,690	4,037,583	1,106,586	2,115,792	3,028,377	5,235,313	3,351,803
<b>TOTAL TANGIBLE ASSETS</b>	<b>478,457,715</b>	<b>11,282,846</b>	<b>186,631,048</b>	<b>3,208,945</b>	<b>673,162,664</b>	<b>336,384,409</b>	<b>59,838,834</b>	<b>2,378,416</b>	<b>393,844,827</b>	<b>279,317,837</b>	<b>142,073,306</b>
Previous Year Tangible Assets	471,792,402	9,649,392	-	2,984,079	478,457,715	290,632,022	48,240,082	2,487,695	336,384,409	142,073,306	181,160,380
<b>INTANGIBLE ASSETS</b>											
Computer Software	846,309	1,346,439	157,763	-	2,350,511	605,960	193,025	-	798,985	1,551,526	240,349
<b>TOTAL INTANGIBLE ASSETS</b>	<b>846,309</b>	<b>1,346,439</b>	<b>157,763</b>	<b>-</b>	<b>2,350,511</b>	<b>605,960</b>	<b>193,025</b>	<b>-</b>	<b>798,985</b>	<b>1,551,526</b>	<b>240,349</b>
Previous Year Intangible Assets	719,474	126,835	-	-	846,309	555,462	50,498	-	605,960	240,349	164,012
<b>TOTAL</b>	<b>479,304,024</b>	<b>12,629,285</b>	<b>186,788,811</b>	<b>3,208,945</b>	<b>675,513,175</b>	<b>336,990,369</b>	<b>60,031,859</b>	<b>2,378,416</b>	<b>394,643,812</b>	<b>280,869,363</b>	<b>142,313,655</b>
Previous Year	472,511,876	9,776,227	2,984,079	479,304,024	291,187,484	48,290,580	2,487,695	336,990,369	142,313,655	181,324,392	

10.1 Refer Note 4.1 and 4.2.

10.2 Pursuant to agreement with its wholly owned subsidiary, International Belting Limited, the company has acquired all assets and liabilities of the said subsidiary and accordingly the fixed assets have been acquired and included in other addition above.



## Notes Forming Part of the Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014		As at March 31, 2013	
		No. of Shares	Value	No. of Shares	Value
<b>11 NON CURRENT INVESTMENTS</b> (Valued at cost unless stated otherwise)					
<b>Investment in Equity Shares</b> (Fully paid-up unless otherwise stated)					
<b>Trade</b>					
<b>In Equity Shares of subsidiary Company</b>					
<b>Un-quoted :</b>					
International Belting Limited (Face Value of Share ₹10/- each)		750,000	72,900,000	750,000	72,900,000
Conveyor Holdings Pte. Limited (Face Value of Share \$1/- each)		500,100	30,405,899	-	-
		<b>1,250,100</b>	<b>103,305,899</b>	<b>750,000</b>	<b>72,900,000</b>
<b>Others</b>					
<b>In Equity Shares of Other bodies corporate :</b>					
<b>Un-quoted :</b>					
I.G.E. (India) Pvt. Limited (Face Value of Share ₹ 10/- each)		775	7,543	775	7,543
Pure Coke Limited (Face Value of Share ₹ 10/- each)		154,560	1,767,989	154,560	1,767,989
Dabri Properties and Trading Company Limited (Face Value of Share ₹ 10/- each)		60	600	60	600
		<b>155,395</b>	<b>1,776,132</b>	<b>155,395</b>	<b>1,776,132</b>
<b>Quoted :</b>					
Uco Bank (Face Value of Share ₹ 10/- each)		200	2,400	200	2,400
Dunlop India Limited (Face Value of Share ₹ 10/- each)		25	631	25	631
Garware-Wall Ropes Limited (Face Value of Share ₹ 10/- each)		350	28,465	350	28,465
Radaan Media Works (I) Limited (Face Value of Share ₹ 2/- each)		73,190	815,753	73,190	815,753
Oil Country Tubular Limited (Face Value of Share ₹ 10/- each)		6,000	782,853	6,000	782,853
Tide Water Oil (India) Limited (Face Value of Share ₹ 10/- each)		434	2,170,391	434	2,170,391
Elpro International Limited (Face Value of Share ₹ 10/- each)		347,058	13,056,947	347,058	13,056,947
R.C.A.Limited (Face Value of Share ₹ 10/- each)		13,548	162,982	13,548	162,982
		<b>440,805</b>	<b>17,020,422</b>	<b>440,805</b>	<b>17,020,422</b>
<b>Others</b>					
<b>In 12 % Non-Convertible Preference Shares of Other body corporate:</b>					
Elpro International Limited (Face Value of Share ₹ 10/- each)	11.4	1,500,000	300,000,000	1,500,000	300,000,000
		<b>1,500,000</b>	<b>300,000,000</b>	<b>1,500,000</b>	<b>300,000,000</b>
			<b>422,102,453</b>		<b>391,696,554</b>
11.1 Aggregate Market value of Quoted Investments			113,399,034		122,306,350
11.2 Aggregate amount of Quoted Investments			17,020,422		17,020,422
11.3 Aggregate amount of Un-Quoted Investments			405,082,031		374,676,132

11.4 These preference shares will have the maximum term of 15 years from the date of allotment. However, these shares can be redeemed earlier at the option of the Company. The dividend on these preference shares will be cumulative and will be payable at the rate of 12% p.a.

## Notes Forming Part of the Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014	As at March 31, 2013
<b>12 LONG TERM LOANS AND ADVANCES (Unsecured Considered Good)</b>			
Capital Advances		3,856,277	4,961,902
Security Deposits	12.1	55,073,179	3,179,195
Advance Income Tax (net of provision)		14,420,151	13,518,315
MAT Credit Entitlement		470,410	3,019,081
Advance Fringe Benefit Tax (net of provision)		125,532	125,532
Others		25,000	25,000
		<b>73,970,549</b>	<b>24,829,025</b>
12.1 During the year, the Company, as a promoter, along with other promoters of the Elpro International Limited, has made a voluntary open offer to the public shareholders of Elpro International Limited, to acquire the shares of the said Company. As such, the amount of ₹ 50,000,000/- has been transferred in a EIL-Open Offer Escrow A/c as required by SEBI guidelines and has been shown as deposit pending acquisition of the shares in terms of open offer.			
<b>13 OTHER NON CURRENT ASSETS</b>			
Balance With Bank			
In Fixed Deposits (having original maturity more than 12 months)	13.1	25,001,200	7,335,300
		<b>25,001,200</b>	<b>7,335,300</b>
13.1 Kept as lien against Letter of Credit and Bank Guarantee.			
<b>14 INVENTORIES (Valued at lower of cost and net realisable value) (As valued, taken and certified by the management)</b>			
Raw Materials		66,017,474	33,865,724
Raw Materials in Transit		-	5,194,378
Work-in-process		46,673,308	71,856,185
Finished Goods		5,703,937	12,642,282
Finished Goods in Transit		60,596,939	99,102,947
Stock in Trade		2,358,562	6,453,562
Stock in Trade in Transit		747,698	1,415,775
Stores and Spares		4,840,002	6,382,261
Loose Tools		14,145	103,825
		<b>186,952,065</b>	<b>237,016,939</b>
14.1 Refer Note 6.1			

**Notes Forming Part of the Financial Statements** as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014	As at March 31, 2013
<b>15 TRADE RECEIVABLES</b>			
<b>Unsecured</b>			
Trade receivables outstanding for a period exceeding six months from the date they are due for payment :			
Considered Good		30,465,462	29,294,912
Considered Doubtful		1,213,845	1,213,845
Less : Provision for Doubtful debt		(1,213,845)	(1,213,845)
		<b>30,465,462</b>	<b>29,294,912</b>
<b>Others</b>			
Considered Good		224,835,252	279,986,187
		<b>255,300,714</b>	<b>309,281,099</b>
<b>16 CASH AND BANK BALANCES</b>			
<b>Cash and Cash Equivalents</b>			
<b>(i) Balances With Banks</b>			
In Current Accounts		24,274,652	4,839,919
In Unpaid Dividend Accounts	8.1	505,651	431,588
Fixed Deposit With Bank (With Original Maturity of less than 3 Months)	16.1	7,104,609	1,232,000
<b>(ii) Cash on Hand</b>		812,804	424,089
		<b>32,697,716</b>	<b>6,927,596</b>
<b>Other Bank Balances</b>			
Fixed Deposit With Bank (With Original Maturity of more than 3 months but less than 12 months)	16.1	13,986,000	25,205,100
		<b>13,986,000</b>	<b>25,205,100</b>
		<b>46,683,716</b>	<b>32,132,696</b>
16.1 Kept as lien against Letter of Credit and Bank Guarantee			
<b>17 SHORT TERM LOANS AND ADVANCES (Unsecured Considered Good)</b>			
Loans and advances to related parties	17.1 & 27.7	84,693,291	172,986,263
Security Deposits		2,665,799	207,333
Income Tax (Refundable)		214,174	214,174
Balance with Government authorities		10,305,870	36,073,111
Advances for supply of goods and services		3,857,434	18,285,513
Others		17,766,704	12,496,008
		<b>119,503,272</b>	<b>240,262,402</b>
<b>(Unsecured Considered doubtful)</b>			
Deposit to other body corporate		101,669,521	1,769,521
Less: Provision for doubtful deposit		(1,669,521)	(1,769,521)
		<b>100,000,000</b>	-
		<b>219,503,272</b>	<b>240,262,402</b>

## Notes Forming Part of the Financial Statements as at March 31, 2014

17.1 Disclosure of Loans and Advances as per the requirement of clause 32 of the Listing agreement with the Stock Exchanges in India.

(Amount in ₹)

	Amount Outstanding at the year end 2013-14	Maximum Amount outstanding during the year 2013-14	Amount Outstanding at the year end 2012-13	Maximum Amount outstanding during the year 2012-13
<b>Loans and Advances in the nature of Loans to Subsidiary, Associates etc :</b>				
- International Belting Limited	6,144,229	105,951,023	100,240,439	105,951,023

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014	As at March 31, 2013
<b>18 OTHER CURRENT ASSETS</b>			
Interest accrued on deposits with Bank and others		7,357,496	8,468,494
Gratuity Receivable		4,189,773	2,791,484
Forward Premium Receivable		2,674,288	-
		<b>14,221,557</b>	<b>11,259,978</b>

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
<b>19 REVENUE FROM OPERATIONS</b>			
Sale of Products (Less : Returns, Claims etc)	19.1	1,386,000,775	1,201,579,848
Other operating revenue	19.2	9,276,036	1,891,040
		<b>1,395,276,811</b>	<b>1,203,470,888</b>
Less : Excise Duty		45,395,697	41,190,044
<b>Revenue from operations</b>		<b>1,349,881,114</b>	<b>1,162,280,844</b>

### 19.1 Sale of Products

PVC Fire Resistant Antistatic Solid Woven Coal Conveyor Belting		1,328,248,615	1,148,461,950
Trading Goods	19.1 a	25,766,928	21,762,280
Wind Energy	19.1 b	31,985,232	31,355,618
		<b>1,386,000,775</b>	<b>1,201,579,848</b>

### 19.1a Details of sale of Trading Goods

Fittings and Accessories		22,456,521	20,308,092
Equipments		3,310,407	1,454,188
		<b>25,766,928</b>	<b>21,762,280</b>

**Notes Forming Part of the Financial Statements** as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
<b>19.1b Details of sales of Wind Energy</b>			
Total Numbers of units generated and sold.* (In Kwh units)		8,589,879	8,892,759
Sales (in ₹)		31,985,232	31,355,618
* Net of 19,484 Units (Previous Year 22,632 Units) being transmission loss			
<b>19.2 Other Operating Revenue</b>			
Misc. Sales		1,942,300	1,789,999
Misc. Receipt		1,052,730	59,229
Export Incentive (SHIS)		5,732,433	-
Sundry Balance Written Back		548,573	41,812
		<b>9,276,036</b>	<b>1,891,040</b>
<b>20 OTHER INCOME</b>			
Rent		29,760	29,760
Interest on loans, deposits with bank , etc.		20,815,751	29,426,882
Dividend on long-term investments		105,791	92,651
Profit on Sale of Fixed Assets (Net)		54,698	-
Foreign Exchange Gain (Net)		-	4,838,804
Provision for Doubtful Deposit Written Back		100,000	200,000
		<b>21,106,000</b>	<b>34,588,097</b>
<b>21 COST OF MATERIALS CONSUMED</b>			
Cost of Materials Consumed	21.1	691,950,655	691,832,029
		<b>691,950,655</b>	<b>691,832,029</b>
<b>21.1 Details of Materials Consumed</b>			
(a) Polyester Yarn		228,673,932	225,059,536
(b) Spun Yarn		28,230,543	37,964,434
(c) Cotton Yarn		46,637,944	46,106,720
(d) Chemicals			
(i) PVC Resin		123,445,093	123,158,349
(ii) Phosphate Plasticizer		162,599,997	161,737,908
(iii) Others		102,363,146	97,805,082
		<b>691,950,655</b>	<b>691,832,029</b>



## Notes Forming Part of the Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
<b>22 PURCHASE OF STOCK IN TRADE</b>			
Purchase of Stock in Trade	22.1	15,347,908	19,311,894
		<b>15,347,908</b>	<b>19,311,894</b>
22.1 Details of Purchase of Stock in Trade			
(a) Fittings and Accessories		12,333,765	18,186,926
(b) Equipments		3,014,143	1,124,968
		<b>15,347,908</b>	<b>19,311,894</b>
<b>23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE</b>			
<b>Opening Stock</b>			
Finished Goods (including in transit ₹ 99,102,947/-)		111,745,229	28,741,770
Less : Excise Duty		4,485,628	1,393,950
		<b>107,259,601</b>	<b>27,347,820</b>
Work-in-process		71,856,185	49,642,118
Stock in Trade (including in transit ₹ 1,415,775/-)		7,869,337	4,925,891
		<b>186,985,123</b>	<b>81,915,829</b>
<b>Less : Closing Stock</b>			
Finished Goods (including in transit ₹ 60,596,939/-)		66,300,876	111,745,229
Less : Excise Duty		445,526	4,485,628
		<b>65,855,350</b>	<b>107,259,601</b>
Work-in-process		46,673,308	71,856,185
Stock in Trade (including in transit ₹ 7,47,698/-)		3,106,260	7,869,337
		<b>115,634,918</b>	<b>186,985,123</b>
		<b>71,350,205</b>	<b>(105,069,294)</b>
<b>24 EMPLOYEE BENEFITS EXPENSE</b>			
Salaries and Wages		75,364,437	65,765,299
Contribution to Provident, Gratuity and other Funds		1,673,435	2,464,265
Staff Welfare Expenses		4,154,994	3,610,453
		<b>81,192,866</b>	<b>71,840,017</b>
<b>25 FINANCE COSTS</b>			
Interest Expenses		35,194,802	37,592,216
Other Borrowing costs		55,925	356,796
Applicable loss on foreign currency transaction and translation		11,515,774	2,611,895
		<b>46,766,501</b>	<b>40,560,907</b>

## Notes Forming Part of the Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
<b>26 OTHER EXPENSES</b>			
Consumption of Stores and Spare Parts		3,194,357	2,321,300
Power and Fuel		36,544,677	33,637,369
Job Charges		9,360,000	60,000,000
Rent	26.1	1,053,195	3,035,557
Repairs			
Buildings		1,721,512	2,851,507
Machinery		11,797,739	10,824,044
Others		6,795,576	4,819,250
Insurance Charges		2,097,118	1,872,576
Rates and Taxes		329,048	222,532
Travelling and Conveyance		14,054,522	11,651,861
Directors Fees		234,686	113,911
Auditors Remuneration :			
Audit Fees		170,000	170,000
Tax Audit Fees		40,000	40,000
Other Services		426,350	105,000
Transport, Packing and Forwarding		86,618,249	80,606,121
Commission on Sales		26,405,994	22,772,948
Legal and Professional Fees		14,407,484	23,933,417
Subscription and Donation		155,319	3,250,152
Loss on Sale of Fixed Assets (Net)		-	865
Foreign Exchange Loss (Net)		29,417,449	-
Miscellaneous Expenses		33,128,171	23,059,961
		<b>277,951,446</b>	<b>285,288,371</b>

26.1 The company has certain cancellable operating lease arrangements for office/ residential accommodation and for use of machineries with a lease period of one to five years which can be further extended after mutual consent and agreement. The lease agreement can be terminated after giving a notice as per the terms of the lease by either of the party. Expenditure incurred on account of operating lease rentals during the year and recognised in the Statement of Profit and Loss amounts to ₹ 10,21,843/- (Previous Year ₹ 10,26,758/-).

## Notes Forming Part of the Financial Statements as at March 31, 2014

(Amount in ₹)

	2013-14	2012-13
<b>NOTE : 27</b>		
<b>27.1 Contingent liabilities not provided for in respect of :</b>		
a) Guarantees given by bank on behalf of the Company	108,028,854	72,660,612
b) Corporate Guarantees given by the Company	145,000,000	308,000,000
c) Excise duty demand under appeal before the Hon'ble Supreme Court of India	-	1,735,119
d) Entry Tax Payable	135,314	-
e) Income Tax matter under Appeal	8,196,849	1,519,592
Note: Future cash outflows in respect of (c, d & e) above are dependent upon the outcome of judgments/decisions.		
<b>27.2 Estimated amount of contracts remaining to be executed on account and not provided for :</b>		
a) On capital account	349,600	21,990,262
<b>27.3 Employee Benefits :</b>		
a) Contributions to Defined Contribution Plan recognized as expenses for the year are as under :		
Employer's Contribution to Provident Fund	1,011,045	904,967
Employer's Contribution to Pension Fund	611,174	544,537
Employer's Contribution to Employees State Insurance Scheme	243,702	279,511
b) The disclosure as per the Accounting Standard 15 (AS-15) "Employee Benefits" are given below :		
The Company operates post retirement benefit plans as following :		
Funded : Gratuity.		
Non Funded : Leave Encashment		

Disclosures for defined benefit plans based on actuarial reports as on March 31, 2014

(Amount in ₹)

	Gratuity (Funded)	
	2013-14	2012-13
<b>A. Change in Defined Benefit Obligations :</b>		
Present Value of Defined Benefit Obligations as at the beginning of the year	12,646,379	11,644,938
Current Service Cost	763,346	720,361
Interest Cost	972,049	936,448
Benefits Paid	(1,291,542)	(1,255,799)
Actuarial (Gains)/ Losses	(415,517)	600,431
<b>Present Value of Defined Benefit Obligations as at the end of the year</b>	<b>12,674,715</b>	<b>12,646,379</b>

**Notes Forming Part of the Financial Statements** as at March 31, 2014**NOTE : 27**

(Amount in ₹)

<b>Gratuity (Funded)</b>		
	<b>2013-14</b>	<b>2012-13</b>
<b>B. Change in the Fair Value of Assets:</b>		
Fair Value of Plan Assets at the beginning of the year	15,437,863	14,001,906
Expected Return on Plan Assets	1,241,348	1,127,892
Contributions by the Employer	1,449,506	1,449,277
Benefits paid	(1,291,542)	(1,255,799)
Actuarial Gains/ (Losses)	27,313	114,587
<b>Fair Value of Plan Assets at the end of the year</b>	<b>16,864,488</b>	<b>15,437,863</b>
<b>C. Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets:</b>		
Present Value of Defined Benefit Obligations as at the end of the year	12,674,715	12,646,379
Fair Value of Plan Assets at the end of the year	16,864,488	15,437,863
<b>Liability /(Assets) recognized in the Balance Sheet</b>	<b>(4,189,773)</b>	<b>(2,791,484)</b>
<b>D. Expenses recognized in the Statement of Profit and Loss :</b>		
Current Service Cost	763,346	720,361
Interest Cost	972,049	936,448
Expected Return on Plan Assets	(1,241,348)	(1,127,892)
Net Actuarial (Gain)/ Loss	(442,830)	485,844
<b>Total Expenses recognized in the Statement of Profit and Loss *</b>	<b>51,217</b>	<b>1,014,761</b>
<b>E. Principal Actuarial Assumptions used :</b>		
Discounted Rate (per annum) Compound	9.20%	8.10%
Expected Rate of return on Plan Assets	8.00%	8.00%
<b>Rate of Salary increase (per annum)</b>	<b>5.00%</b>	<b>5.00%</b>

(₹)

<b>F. Experience History :</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>	<b>2010-11</b>	<b>2009-10</b>
<b>Net Assets/(Liability) recognized in Balance Sheet (including experience adjustment impact)</b>					
Present Value of Defined Benefit Obligations	12,674,715	12,646,379	11,644,938	13,531,000	10,709,000
Fair Value of Plan Assets	16,864,488	15,437,863	14,001,906	13,694,000	12,165,000
Status [Surplus/(Deficit)]	4,189,773	2,791,484	2,356,968	163,000	1,456,000
Experience Adjustment of Plan Assets	27,313	114,587	31,662	70,000	59,000
Experience Adjustment of obligation	(263,349)	(355,596)	325,752	1,968,000	98,000

## Notes Forming Part of the Financial Statements as at March 31, 2014

### NOTE : 27 (Contd.)

Disclosures for defined benefit plans based on actuarial reports as on March 31, 2014

(Amount in ₹)

	<b>Leave Encashment (Non Funded)</b>	
	<b>2013-14</b>	<b>2012-13</b>
<b>A. Change in Defined Benefit Obligations :</b>		
Present Value of Defined Benefit Obligations as at the beginning of the year	1,969,909	1,515,529
Current Service Cost	173,425	136,054
Interest Cost	142,531	126,332
Benefits Paid	(420,528)	(58,538)
Actuarial (Gains)/ Losses	177,024	250,532
<b>Present Value of Defined Benefit Obligations as at the end of the year</b>	<b>2,042,361</b>	<b>1,969,909</b>
<b>B. Change in the Fair Value of Assets :</b>		
Fair Value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Contributions by the Employer	-	-
Benefits Paid	-	-
Actuarial Gains/(Losses)	-	-
<b>Fair Value of Plan Assets at the end of the year</b>	<b>-</b>	<b>-</b>
<b>C. Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets :</b>		
Present Value of Defined Benefit Obligations as at the end of the year	2,042,361	1,969,909
Fair Value of Plan Assets at the end of the year	-	-
<b>Liability /(Assets) recognized in the Balance Sheet</b>	<b>2,042,361</b>	<b>1,969,909</b>
<b>D. Expenses recognized in the Statement of Profit and Loss :</b>		
Current Service Cost	173,425	136,054
Interest Cost	142,531	126,332
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/ Loss	177,024	250,532
<b>Total Expenses recognized in the Statement of Profit and Loss*</b>	<b>492,980</b>	<b>512,918</b>
<b>E. Principal Actuarial Assumptions used :</b>		
Discounted Rate (per annum) Compound	9.20%	8.10%
Expected Rate of return on Plan Assets	-	-
Rate of Salary increase (per annum)	5.00%	5.00%

(Amount in ₹)

<b>F. Experience History :</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>	<b>2010-11</b>	<b>2009-10</b>
<b>Net Assets/(Liability) recognized in Balance Sheet (including experience adjustment impact)</b>					
Present Value of Defined Benefit Obligations	2,042,361	1,969,909	1,515,529	1,644,433	1,573,886
Fair Value of Plan Assets	-	-	-	-	-
Status [Surplus/(Deficit)]	(2,042,361)	(1,969,909)	(1,515,529)	(1,644,433)	(1,573,886)
Experience Adjustment of Plan Assets [Gain/(Loss)]	-	-	-	-	-
Experience Adjustment of obligation [(Gain)/Loss]	177,024	250,532	(195,748)	(114,000)	65,000

## Notes Forming Part of the Financial Statements as at March 31, 2014

### NOTE : 27

\*Included in "Salaries, Wages and Bonus" and "Contribution to Provident Fund, Gratuity and Other Funds" under "EMPLOYEE BENEFITS EXPENSE" on Note 24.

The expected return on Plan Assets is based on the actuarial expectation of the average long-term rate of return expected. The discount rate is based on the prevailing market yields on Government bonds as at the Balance Sheet date.

The contributions expected to be made by the Company for the year 2014-15 is not ascertained.

#### 27.4 Unhedged Foreign Currency exposures as on March 31, 2014 are as follows :-

Nature	Currency	Current year amount in Foreign Currency	Previous year amount in Foreign Currency
Import	USD	791,031.77	171,120.00
Import	GBP	5,036.08	29,032.56
Advance to creditors	USD	50,000.00	325,927.04
Advance to creditors	AUD	-	12,500.00
Advance to others	USD	43,717.00	-
PCFC Loan and Interest there on	USD	3,342,100.00	3,816,551.20
Buyers Credit and Interest there on	USD	28,080.98	2,095,769.39
Others	USD	325,529.34	356,131.35
Others	CDN	172,610.65	421,365.26
Export	USD	2,117,722.67	3,428,523.79
Export	CDN	153,406.00	1,704,106.18
Export	AUD	543,893.87	-

#### 27.5 Earning Per Share (EPS) :

	Year ended 31.03.2014	Year ended 31.03.2013
(a) Profit / (Loss) attributable to Shareholders (₹)	83,720,295	102,320,987
(b) Weighted average number of Equity Shares	67,500,000	67,500,000
(c) Nominal Value of Equity Share (₹)	1	1
(d) Basic and Diluted EPS (₹)	1.24	1.52

## Notes Forming Part of the Financial Statements as at March 31, 2014

(Amount in ₹)

### 27.6 Segment information for the year ended March 31, 2014

#### (i) Information about primary business segments

	Conveyor Belting		Wind Energy		Trading Goods		Unallocated Corporate		Total Amount	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
<b>a Segment Revenue</b>										
Sale and Services to External customers	1,328,248,615	1,148,461,950	31,985,232	31,355,618	25,766,928	21,762,280	—	—	1,386,000,775	1,201,579,848
Other operating revenue	—	—	—	—	—	—	9,276,036	1,891,040	9,276,036	1,891,040
<b>Gross Turnover</b>	1,328,248,615	1,148,461,950	31,985,232	31,355,618	25,766,928	21,762,280	9,276,036	1,891,040	1,395,276,811	1,203,470,888
Less : Excise Duty / Service tax recovered	45,395,697	41,190,044	—	—	—	—	—	—	45,395,697	41,190,044
<b>Net Turnover</b>	1,282,852,918	1,107,271,906	31,985,232	31,355,618	25,766,928	21,762,280	9,276,036	1,891,040	1,349,881,114	1,162,280,844
<b>b Segment Results</b>	203,392,582	213,379,183	4,316,877	(1,819,840)	4,966,520	4,943,860	—	—	212,675,979	216,503,203
Unallocated Corporate Expenses	—	—	—	—	—	—	(60,329,554)	(60,554,741)	(60,329,554)	(60,554,741)
	203,392,582	213,379,183	4,316,877	(1,819,840)	4,966,520	4,943,860	(60,329,554)	(60,554,741)	152,346,425	155,948,462
Interest Expenses	—	—	(3,515,018)	(5,510,106)	—	—	(43,251,483)	(35,050,801)	(46,766,501)	(40,560,907)
Interest Income	—	—	—	—	—	—	20,815,751	29,426,882	20,815,751	29,426,882
<b>Profit/(Loss) before Tax and Exceptional Items</b>	203,392,582	213,379,183	801,859	(7,329,946)	4,966,520	4,943,860	(82,765,286)	(66,178,660)	126,395,675	144,814,437
Exceptional Items	—	—	—	—	—	—	—	—	—	—
<b>Profit / (Loss) Before Tax</b>	203,392,582	213,379,183	801,859	(7,329,946)	4,966,520	4,943,860	(82,765,286)	(66,178,660)	126,395,675	144,814,437
Income Taxes	—	—	—	—	—	—	(42,675,380)	(42,493,450)	(42,675,380)	(42,493,450)
<b>Profit After Tax</b>	203,392,582	213,379,183	801,859	(7,329,946)	4,966,520	4,943,860	(125,440,666)	(108,672,110)	83,720,295	102,320,987
<b>c Segment Assets</b>	708,374,936	657,734,999	62,047,717	81,864,606	10,235,413	12,579,695	—	—	780,658,066	752,179,300
Unallocated Corporate Assets	—	—	—	—	—	—	768,865,944	646,770,476	768,865,945	646,770,476
<b>Total Assets</b>	708,374,936	657,734,999	62,047,717	81,864,606	10,235,413	12,579,695	768,865,944	646,770,476	1,549,524,011	1,398,949,776
<b>d Segment liabilities</b>	(231,455,801)	(189,012,640)	(22,029,641)	(32,397,668)	—	—	—	—	(253,485,442)	(221,410,308)
Unallocated Corporate Liabilities	—	—	—	—	—	—	(483,507,783)	(428,986,070)	(483,507,783)	(428,986,070)
<b>Total Liabilities</b>	(231,455,801)	(189,012,640)	(22,029,641)	(32,397,668)	—	—	(483,507,783)	(428,986,070)	(736,993,225)	(650,396,378)
<b>e Cost incurred during the period to acquire segment fixed assets</b>	197,328,557	9,435,272	—	—	—	—	2,089,539	340,955	199,418,096	9,776,227
<b>f Depreciation / Amortisation</b>	37,234,435	17,074,951	21,507,790	29,797,436	—	—	1,289,634	1,418,193	60,031,859	48,290,580
<b>g Non cash expenses other than Amortisation</b>	—	—	—	—	—	—	—	—	—	—

Note : (a) Conveyor Belting segment includes manufacturing and sale of PVC Conveyor Belting.

(b) Wind Energy Segment includes generation, supply and sale of Wind Power (Electricity).

(c) Unallocated / Corporate Segment includes Corporate, Administrative and Financing activity.

## Notes Forming Part of the Financial Statements as at March 31, 2014

### 27.6 (ii) Information about secondary Business Segments

(Amount in ₹)

Particulars	2013-14	2012-13
<b>Revenue by geographical market</b>		
<b>Sale of products</b>		
Domestic	458,854,016	418,912,486
Export	927,146,759	782,667,362
<b>Total</b>	<b>1,386,000,775</b>	<b>1,201,579,848</b>
<b>Assets</b>		
Trade Receivables		
Within India	91,714,650	33,617,476
Outside India	163,586,064	275,663,623
<b>Total</b>	<b>255,300,714</b>	<b>309,281,099</b>

**27.7** Related Party Disclosure as required by Accounting Standard 18 “ Related Party Disclosures” as specified in the Companies ( Accounting Standards) Rules, 2006 prescribed by the Central Government are as follows :

(a) Associates:

- 1) None

(b) Subsidiaries :

- 1) International Belting Limited
- 2) Conveyor Holdings Pte. Limited, Singapore (w.e.f.25.04.2013)
- 3) International Conveyors Australia Pty. Limited (Australia) (100% subsidiary of Conveyor Holding Pte Limited, Singapore)

(c) Key Management Personnel :

Mr. R. K. Dabriwala – Managing Director

(d) Enterprises where key management personnel and their relatives have substantial interest and /or significant influence :

- 1) R.C.A. Limited
- 2) I.G.E. (India) Private Limited
- 3) Pure Coke Limited
- 4) Elpro International Limited



## Notes Forming Part of the Financial Statements as at March 31, 2014

### Details of transaction made with Related Parties during the year :

Nature of transaction	International Betting Limited		Conveyor Holdings Pte. Limited		International Conveyors Australia Pty. Limited		R.C.A. Limited		Pure Coke Limited		I.G.E. (India) Pvt. Limited		Elpro International Limited		Key Management	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Director Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Received	999,951	6,345,094	-	-	-	-	-	-	7,262,473	6,597,259	-	9,238	6,175,849	12,383,590	-	-
Paid	-	-	-	-	-	-	252,329	-	-	-	-	-	-	-	-	-
Rent Received	-	-	-	-	-	-	29,760	29,760	-	-	-	-	-	-	-	-
Inter Corporate Deposit:																
Loan Given	8,150,000	92,000,000	-	-	-	-	-	-	277,640,000	83,920,000	-	800,000	124,600,000	64,500,000	-	-
Repayment of Loan	108,351,023	26,800,000	-	-	-	-	-	-	344,035,824	53,200,000	-	800,000	64,600,000	221,177,694	-	-
Loan Taken	-	-	-	-	-	-	10,700,000	-	7,294,176	-	-	1,500,000	-	-	-	-
Loan Repaid	-	-	-	-	-	-	10,700,000	-	7,294,176	-	-	1,500,000	-	-	-	-
Refund of Advance for Capital Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	300,000,000	-	-
Purchase of Shares	-	-	30,405,899	-	-	-	-	-	-	-	-	-	-	300,000,000	-	-
Sale of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-	74,813	-	-	-
Purchase of Materials/Services	-	60,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Materials/Services	-	554,188	-	-	85,864,795	-	-	-	-	-	-	-	-	-	-	-
Purchase (refer Note No.27.2)	21,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Given	6,144,229	105,951,023	-	-	-	-	-	-	12,886,225	72,745,824	-	-	65,558,264	-	-	-
Purchase of Materials/Services	-	262,073	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Materials/Services	-	-	29,909,825	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-	74,813	-	-	-
Rent Received	-	-	-	-	-	-	29,760	-	-	-	-	-	-	-	-	-
Corporate Guarantee given and outstanding	-	163,000,000	-	-	-	-	-	-	-	-	-	-	145,000,000	145,000,000	-	-

**Notes Forming Part of the Financial Statements** as at March 31, 2014**27.8 Value and percentage of Imported and Indigenous Raw Materials, Stores and Loose Tools consumed**

Particulars	2013-14		2012-13	
	₹	%	₹	%
<b>(a) Raw Materials :</b>				
Imported	355,618,270	51	317,457,760	46
Indigenous	336,332,385	49	374,374,269	54
<b>Total</b>	<b>691,950,655</b>	<b>100</b>	<b>691,832,029</b>	<b>100</b>
<b>(b) Stores, Spares &amp; Components :</b>				
Imported	138,317	4	476,802	21
Indigenous	3,056,040	96	1,844,498	79
<b>Total</b>	<b>3,194,357</b>	<b>100</b>	<b>2,321,300</b>	<b>100</b>

**27.9 C.I.F Value of Imports :**

Particulars	2013-14	2012-13
(a) Raw Materials	375,798,719	295,467,208
(b) Capital Goods	4,003,784	966,114
(c) Trading Goods	10,183,123	15,656,295
<b>Total</b>	<b>389,985,626</b>	<b>312,089,617</b>

**27.10 Expenditure in Foreign Currency :**

Travelling Expenses	2,976,318	2,597,937
Printing & Stationery	-	6,811
Postage & Telegram	92,143	54,343
Rent	-	966,308
Commission	25,792,156	21,728,932
Freight Expenses	59,620,927	53,771,663
Interest on PCFC & FCNRB DL Loan	2,941,275	5,590,367
Interest on LC- Buyers Credit	1,746,210	2,802,412
Testing Expenses	496,800	37,190
Other Expenses	11,471,133	5,215,514
<b>Total</b>	<b>105,136,962</b>	<b>92,771,477</b>

**27.11 Earning in Foreign Currency :**

Export of Beltings at F.O.B. Value	890,631,038	749,549,245
<b>Total</b>	<b>890,631,038</b>	<b>749,549,245</b>

## Notes Forming Part of the Financial Statements as at March 31, 2014

- 27.12** Pursuant to agreement, the Company has acquired all assets and liabilities of PVC Belting industrial undertaking of its wholly owned subsidiary, International Belting Limited situated at Falta SEZ South 24 Parganas, West Bengal on a going concern basis with effect from 19th April, 2013 at a lump sum consideration of ₹ 21,500,000/-.
- 27.13.** During the year, the Company has acquired a wholly owned subsidiary “Conveyor Holding Pte Limited” in Singapore by way of purchase of 100% equity shares of the said Company.
- 27.14.** Previous year’s figures have been re-arranged/re-grouped wherever necessary.

Note 1 to 27.14 forms an integral part of the Financial Statements.

As per our report of even date

**For LODHA & CO.**

*Chartered Accountants*

**H. K. Verma**

*Partner*

Place : Kolkata

Date : May 30, 2014

For and on behalf of the Board

**R. K. Dabriwala**

*Managing Director*

**M. P. Jhunjunwala**

*Director*

**Mohita Agrawal**

*Company Secretary*

## Consolidated Accounts

## **Independent Auditors' Report**

### **To the Board of Directors of International Conveyors Limited on the Consolidated Financial Statements of International Conveyors Limited, and Its Subsidiaries**

We have audited the accompanying consolidated financial statements of International Conveyors Limited ("the Company") and its subsidiaries which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to 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 disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, 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 control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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 audit opinion.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us and on consideration of the separate audit reports on the individual financial statements of the Company and the Subsidiary, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the consolidated Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) In the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

## Independent Auditors' Report

### Other Matters

We did not audit the financial statements of the subsidiary Company Conveyor Holdings Pte. Limited whose financial statements reflect total assets of ₹ 71,559,153 as at March 31, 2014, total revenue of ₹ 54,005,195 and Net cash inflow of ₹11,806,883 for the year ended as on that date. The financial statements of the subsidiary was audited by other auditors whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of this subsidiary, is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

**For LODHA & CO.**

*Chartered Accountants*

Firm's ICAI Registration No. 301051E

**H. K. Verma**

*Partner*

Membership No. 055104

Place : Kolkata  
Date : May 30, 2014

## Consolidated Balance Sheet as at March 31, 2014

(Amount in ₹)

Particulars	Note No.	As at March 31, 2014	As at March 31, 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Fund</b>			
(a) Share capital	2	67,500,250	67,500,250
(b) Reserves and surplus	3	709,790,901	682,417,074
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	4	37,819,169	78,843,930
(b) Deferred tax liabilities (Net)	5	1,936,892	6,310,183
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	6	492,773,922	405,134,095
(b) Trade payables	7	150,668,075	172,000,026
(c) Other current liabilities	8	70,572,957	53,516,448
(d) Short-term provisions	9	21,785,268	21,712,816
<b>TOTAL</b>		<b>1,552,847,434</b>	<b>1,487,434,822</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Goodwill on consolidation		10,113,526	10,113,526
(b) Fixed assets			
(i) Tangible assets	10	273,366,896	322,750,892
(ii) Intangible assets	10	1,551,526	240,349
(iii) Capital work-in-progress		24,919,122	13,597,072
(c) Non-current investments	11	318,820,554	318,820,554
(d) Long-term loans and advances	12	75,746,450	34,769,467
(e) Other non-current assets	13	25,001,200	7,335,300
<b>(2) Current assets</b>			
(a) Inventories	14	223,015,168	240,677,141
(b) Trade receivables	15	231,893,554	309,281,099
(c) Cash and Bank balances	16	58,691,273	37,283,465
(d) Short-term loans and advances	17	294,993,160	186,980,247
(e) Other current assets	18	14,735,005	5,585,710
<b>TOTAL</b>		<b>1,552,847,434</b>	<b>1,487,434,822</b>

Summary of significant accounting policies

1

Notes to financial statements

2-27

The notes are an integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board

**For LODHA & CO.**

Chartered Accountants

**H. K. Verma**

Partner

**R. K. Dabriwala**

Managing Director

**M. P. Jhunjunwala**

Director

Place : Kolkata

Date : May 30, 2014

**Mohita Agrawal**

Company Secretary

## Consolidated Statement of Profit and Loss for the year ended March 31, 2014

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
<b>REVENUE</b>			
Revenue from Operations	19	1,317,991,848	1,162,280,844
Other Income	20	31,046,089	35,622,476
<b>Total Revenue</b>		<b>1,349,037,937</b>	<b>1,197,903,320</b>
<b>EXPENSES</b>			
Cost of Materials consumed	21	664,237,858	691,832,029
Purchase of Stock in Trade	22	15,347,908	19,311,894
Changes in Inventories of Finished Goods, Work in Progress & Stock in Trade	23	71,350,205	(105,069,294)
Employee Benefits Expense	24	91,843,948	74,280,727
Finance Costs	25	47,673,456	60,897,764
Depreciation and Amortization Expense	10	61,136,362	74,397,260
Other Expenses	26	307,380,332	235,094,813
<b>Total Expenses</b>		<b>1,258,970,069</b>	<b>1,050,745,193</b>
<b>Profit before tax</b>		<b>90,067,868</b>	<b>147,158,127</b>
<b>Tax Expenses</b>			
Current		46,800,000	53,000,000
MAT Credit reversal related to earlier years		524,425	-
Less : MAT Credit		-	(3,019,081)
Deferred Tax Charge/(Credit)		(4,373,291)	(7,487,469)
		<b>42,951,134</b>	<b>42,493,450</b>
<b>Profit after tax</b>		<b>47,116,734</b>	<b>104,664,677</b>
Earning per Equity Share			
- Basic		0.70	1.55
- Diluted		0.70	1.55

Summary of significant accounting policies

1

Notes to financial statements

2-27

The notes are an integral part of the Financial Statements

As per our report of even date

**For LODHA & CO.**

Chartered Accountants

**H. K. Verma**

Partner

Place : Kolkata

Date : May 30, 2014

For and on behalf of the Board

**R. K. Dabriwala**  
Managing Director

**M. P. Jhunjunwala**  
Director

**Mohita Agrawal**  
Company Secretary



## Consolidated Cash Flow Statement for the year ended March 31, 2014

(Amount in ₹)

	Year ended March 31, 2014	Year ended March 31, 2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	90,067,868	147,158,127
<b>Adjustment for</b>		
Depreciation	61,136,362	74,397,260
(Profit)/Loss on sale of Fixed Assets (Net)	(66,288)	865
Liquidated Damages / Rebate and discount	2,460,964	570,739
Dividend from Long Term Investment	(105,791)	(92,651)
Finance Costs	47,673,456	60,897,764
Interest Income	(30,721,284)	(30,258,233)
Foreign Exchange (Gain) / Loss on capital assets	49,776	(43,748)
Liability/Provision for doubtful deposit written off/ (back) (Net)	<b>(648,573)</b>	<b>(244,612)</b>
<b>Operating profit before working capital changes</b>	<b>169,846,490</b>	<b>252,385,511</b>
<b>Adjustment for</b>		
Trade and other receivables	50,673,266	20,126,473
Inventories	17,661,973	(98,292,552)
Trade and other payables	(14,240,514)	7,271,963
	<b>54,094,725</b>	<b>(70,894,116)</b>
Cash generated from Operation	223,941,215	181,491,395
Direct Taxes (Paid)/Refund received	(45,964,351)	(55,487,124)
<b>Net Cash from/(used in) Operating Activities</b>	<b>177,976,864</b>	<b>126,004,271</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(205,545,022)	(28,696,825)
Sale of Fixed Assets	181,175,941	495,519
(Purchase)/Sale of Investments	-	(300,000,000)
Advance against Capital Assets/Investments	10,852,953	296,974,657
Loans Given	(124,172,689)	81,060,683
Dividend received	105,791	92,651
Deposits with bank (original maturity more than 3 months)	(4,416,800)	(9,716,098)
Interest received	8,895,070	16,920,479
<b>Net Cash from/(used in) Investing Activities</b>	<b>(133,104,756)</b>	<b>57,131,066</b>

## Consolidated Cash Flow Statement for the year ended March 31, 2014

(Amount in ₹)

	Year ended March 31, 2014	Year ended March 31, 2013
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayments) from Borrowings	56,844,679	(106,739,675)
Dividend Paid (Including Corporate Dividend Tax thereon)	(19,660,409)	(19,440,264)
Interest paid	(47,399,470)	(56,810,730)
<b>Net cash from/(used in) Financing Activities</b>	<b>(10,215,200)</b>	<b>(182,990,669)</b>
Net increase/(Decrease) in Cash and Cash Equivalents	34,656,908	144,668
Cash and Cash Equivalents at the beginning of the year	<b>10,048,365</b>	<b>9,903,697</b>
Cash and Cash Equivalents at the end of the year (Refer Note 16)	<b>44,705,273</b>	<b>10,048,365</b>

**Note :**

Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 : “Cash Flow Statements” as specified in the Companies (Accounting Standards) Rules, 2006.

As per our report of even date

**For LODHA & CO.**

*Chartered Accountants*

**H. K. Verma**

*Partner*

Place : Kolkata

Date : May 30, 2014

For and on behalf of the Board

**R. K. Dabriwala**  
*Managing Director*

**M. P. Jhunjunwala**  
*Director*

**Mohita Agrawal**  
*Company Secretary*

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES OF CONSOLIDATED ACCOUNTS

- 1.1** The Consolidated Financial Statements have been prepared in accordance with the Accounting Standard (AS) – 21 on “Consolidated Financial Statements”, notified vide Companies (Accounting Standards) Rules, 2006
- 1.2** The Consolidated Financial Statements relate to International Conveyors Limited (the Company), and its subsidiaries. The details are as given below :

Name of the subsidiary	Country of Incorporation	Proportion of ownership interest
International Belting Limited	India	100%
Conveyor Holdings Pte. Limited	Singapore	100%
International Conveyors Australia Pty. Limited (acquired 100% share through wholly owned subsidiary Conveyors Holding Pte. Limited)	Australia	

### 1.3 CONSOLIDATION PROCEDURE :

- i. The financial statements of the parent company and its subsidiaries have been prepared based on a line-by-line consolidation by adding together the book value of like items of assets and liabilities, revenue and expenses as per the respective financial statements. Intra group balances, intra group transactions and the unrealised profits on stocks arising out of intra group transaction have been eliminated.
- ii. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for similar material transactions and other events in similar circumstances otherwise as stated elsewhere.
- iii. The difference between the cost of investments in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.

**1.4** Investments other than in subsidiary have been accounted as per AS-13 on “Accounting for Investments.”

**1.5** Other significant accounting policies :

#### 1.5.1 General

The financial statements have been prepared under the historical cost convention in accordance with the provision of the Companies Act, 1956 and mandatory Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006, prescribed by the Central Government. Accounting policies unless specifically stated to be otherwise, are consistent and are in consonance with Generally Accepted Accounting Principle.

#### 1.5.2 Use of Estimates

The preparation of financial statements require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities and assets as at the Balance Sheets date and the reported amounts of revenues and expenses during the year. Difference between the actual results and the estimates are recognized in the year in which the results are known/ materialized.

#### 1.5.3 Fixed Assets, Depreciation and Amortization

##### 1.5.3 (i) Tangible Assets

##### a) Gross Block

Tangible Assets are stated at cost of acquisition with subsequent improvements thereto. Cost of acquisition includes taxes, duties, inward freight and installation expenses.

Expenditure incurred on improvements/ modifications of fixed assets that increases the future benefits from the existing asset beyond its previously assessed standard of performance, e.g., increase in capacity / efficiency, are capitalized.

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

- b) Depreciation is provided on written down value method as per Schedule XIV of the Companies Act, 1956. However assets costing ₹ 5,000/- or less are depreciated fully in the year of addition. Leasehold land is amortized over the period of lease.

Additions on account of improvements/ modifications, which becomes an integral part of the existing asset and either do not have separate identity and/or are not capable of being used after the existing asset is disposed off, are depreciated over the remaining useful lives of the assets (improved /modified) they are attached with.

(ii) **Intangible Assets**

Intangible assets are stated at cost of acquisition less accumulated amortization. Computer software packages are amortized over a period of five year on straight line basis.

**1.5.4 Investments**

Non-Current investments are stated at cost less provision for diminution other than temporary in nature. Current investments are carried at lower of cost and fair value.

**1.5.5 Inventories**

- a) Inventories are valued at lower of the cost and net realizable value. The cost in respect of raw materials and stores and spares is determined on FIFO basis and in respect of finished goods and stock in process is determined on average basis. Cost of raw materials and stores and spares include the taxes and duties other than those recoverable from taxing authorities and expenses incidental to the procurement of the same. Cost in case of stock-in-process and finished goods represent prime cost and appropriate portion of overheads.
- b) Custom duty on bonded materials and excise duty on finished goods at factory are accounted for and included in cost of inventory.

**1.5.6 Impairments**

Fixed Assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amounts of fixed assets is determined. An impairment loss is recognized, whenever the carrying amount of assets belonging to the Cash Generating Unit (CGU) exceeds recoverable amount. The recoverable amount is the greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flows from the use of assets are discounted to their present value as appropriate. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets, which in case of CGU, are allocated to its assets on a prorata basis.

**1.5.7 Foreign Currency Transaction**

Transactions in Foreign Currencies are accounted for at the exchange rate prevailing as on the date of the transaction. Foreign Currency monetary assets and liabilities at the year end are translated using closing rates whereas non monetary assets are translated at the rate on the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transaction during the year are recognized as revenues or expenses in the Statement of Profit and Loss.

**1.5.8 Revenue Recognition**

- a) All expenses and revenue to the extent considered payable and receivable respectively, unless specifically stated to be otherwise, are accounted for on mercantile basis.
- b) Insurance and other claims are accounted for as and when admitted or realized.
- c) Dividend is recognized when the right to receive is established.

**1.5.9 Sales**

Revenue from sale of goods is recognized at the point of dispatch to the customers. Gross sales include Excise Duty and rebate, discounts, claims, returns, Central Sales Tax (CST) / Value Added Tax (VAT) etc., are excluded there from.

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

Sale of Electricity is accounted for on delivery of Electricity to grid in terms of agreement with the Electricity Board.

### 1.5.10 Expenses

Expenses under primary heads such as salary, wages, consumption of stores etc., are being shown under respective heads and have not been functionally reclassified.

### 1.5.11 Employee Benefits

Short term employee benefit are recognized as expenses at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

The Company has Defined Contribution Plan for its employees retirement benefits comprising of Provident Fund and Pension Fund. The Company makes regular contribution to Provident Fund, which are fully funded and administered by the Government. Contributions are recognized in Statement of Profit and Loss on accrual basis.

The Company has Defined Benefit Plan comprising of Gratuity and Leave Encashment Schemes. The Company contributes to the Gratuity Fund under the Group Gratuity Cash Accumulation Scheme with Life Insurance Corporation (LIC) for future payment of Gratuity liability to its employees. Consequent to the adoption of Accounting Standard 15 (AS 15 Revised) on "Employee Benefits", the liability for the Gratuity and Leave Encashment as at the year end has been determined on the basis of an independent actuarial valuation in accordance with the method stated in AS 15 Revised and such liability has been adjusted/ provided in these financial statements.

The actuarial gain and losses comprise experience judgment and are recognized in the Statement of Profit and Loss in the year in which they arise.

### 1.5.12 Grants

- a) Government Grants including subsidy are accounted for as and when realized.
- b) Grants, other than those related to specific assets which are adjusted there against, are treated either under capital or revenue account depending upon the nature of the same.

### 1.5.13 Borrowing Cost

Borrowing Cost incurred in relation to acquisition or construction of fixed assets are allocated to the fixed assets. Other borrowing cost are recognized as finance cost in the year in which they are incurred.

### 1.5.14 Income Tax

Provision for Tax is made for current tax and deferred tax. Current tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and/or liabilities arising on account of timing difference, which are capable of reversal in subsequent periods are recognized using tax rates and tax laws, which has been enacted or substantively enacted. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. In case of carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is "virtual certainty" that such deferred tax assets can be realized against future taxable profits.

### 1.5.15 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statement. Contingent Liabilities, if material, are disclosed by way of notes.

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014	As at March 31, 2013
<b>2 SHARE CAPITAL</b>			
<b>Authorised Shares</b>			
98,000,000 (98,000,000) Equity Shares of ₹ 1/- each		98,000,000	98,000,000
20,000 (20,000) Preference Shares of ₹ 100/- each		2,000,000	2,000,000
		<b>100,000,000</b>	<b>100,000,000</b>
<b>Issued, Subscribed and Fully Paid-up Shares</b>			
67,500,000 (67,500,000) Equity Shares of ₹ 1/- each (Out of the above, 33,750,000 equity shares of ₹ 1/- each were allotted as fully paid-up bonus shares during the financial year ended on 2009-2010.)		67,500,000	67,500,000
<b>Forfeited Shares</b>		250	250
		<b>67,500,250</b>	<b>67,500,250</b>

- 2.1 Out of the above issued shares, the company has only one class of equity shares having a par value of ₹ 1/- each. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing General Meeting. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion of their shareholding. The Board of Directors has approved dividend of Re.0.25 per share (25%), Subject to approval of shareholders in the ensuing Annual General Meeting.
- 2.2 There is no movement in the number of shares outstanding at the beginning and at the end of the reporting period.
- 2.3 Details of the shareholders holding more than 5% shares of the total number of equity shares issued by the Company :

Name of the Shareholder	No. of Shares held as at March 31, 2014	No. of Shares held as at March 31, 2013
Rajendra Kumar Dabriwala	5,412,620	5,412,620
Surbhit Dabriwala	7,974,000	7,974,000
Yamini Dabriwala	6,409,900	6,409,900
Elara India Opportunities Fund Limited	6,500,000	6,500,000
Cresta Fund Limited	6,500,000	6,500,000
Ipro Funds Limited	6,500,000	6,500,000
Lotus Global Investments Limited	4,299,400	4,299,400
IGE (India) Private Limited*	4,143,800	1,143,800

\*3,000,000 no. of shares acquired during the year.

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014	As at March 31, 2013
<b>3 RESERVES AND SURPLUS</b>			
<b>Capital Reserve</b>			
As per last Balance Sheet (Central Subsidy)		3,942,000	3,942,000
		<b>3,942,000</b>	<b>3,942,000</b>
<b>General Reserve</b>			
As per last Balance Sheet		450,000,000	350,000,000
Add : Transferred from Surplus		60,000,000	100,000,000
		<b>510,000,000</b>	<b>450,000,000</b>
<b>Securities Premium Account</b>			
As per last Balance Sheet		188,550,000	188,550,000
		<b>188,550,000</b>	<b>188,550,000</b>
<b>Surplus</b>			
As per last Balance Sheet		39,925,074	55,003,304
Add : Net Profit After Tax transferred from Statement of Profit and Loss		47,116,734	104,664,677
Amount available for appropriation		<b>87,041,808</b>	<b>159,667,981</b>
Less : Appropriations			
– Transferred to General Reserve		60,000,000	100,000,000
– Proposed Equity Dividend		16,875,000	16,875,000
– Tax on Equity Dividend		2,867,907	2,867,907
		<b>79,742,907</b>	<b>119,742,907</b>
Net Surplus		<b>7,298,901</b>	<b>39,925,074</b>
<b>Total Reserves and Surplus</b>		<b>709,790,901</b>	<b>682,417,074</b>

Particulars	Reference Note No.	As at March 31, 2014		As at March 31, 2013	
		Non-Current	Current	Non-Current	Current
<b>4 LONG TERM BORROWINGS</b>					
<b>SECURED LOAN</b>					
<b>Term Loan</b>					
From bank	4.1	32,904,522	51,400,000	74,024,522	41,120,000
		<b>32,904,522</b>	<b>51,400,000</b>	<b>74,024,522</b>	<b>41,120,000</b>
<b>Vehicle Finance Loan</b>					
From banks	4.2	2,178,479	798,961	883,694	792,467
From others		–	–	87,167	136,053
		<b>2,178,479</b>	<b>798,961</b>	<b>970,861</b>	<b>928,520</b>
		<b>35,083,001</b>	<b>52,198,961</b>	<b>74,995,383</b>	<b>42,048,520</b>
<b>UNSECURED LOAN</b>					
Sales Tax Deferment Loan	4.3	2,736,168	1,112,379	3,848,547	1,033,207
		<b>2,736,168</b>	<b>1,112,379</b>	<b>3,848,547</b>	<b>1,033,207</b>
		<b>37,819,169</b>	<b>53,311,340</b>	<b>78,843,930</b>	<b>43,081,727</b>

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

### 4.1 Term loan referred above to the extent of :

- a) ₹ 21,200,000 is secured by first charge on Wind Mill acquired and installed in Andhra Pradesh, Current Assets of the Company, both present and future and extension of equitable mortgage of the leasehold industrial plot at Maharashtra Industrial Development Corporation, Aurangabad. The loan carries interest at 4.25% above base rate + Term Premium of 0.50% and is repayable as follows :

Year	Amount in ₹
2015-16	3,300,000

- b) ₹ 63,104,522 is secured by first charge on all fixed assets pertaining to Falta SEZ division of the company, both present & future, second charge on entire current assets of the said division of the Company both present & future, and is also secured by personal guarantee of one of the Directors and corporate guarantee and is repayable in 21 quarterly installment commencing from June, 2011. Last installment due in June, 2016, rate of interest as per State Bank Advance Rate (SBAR).

Year	Amount in ₹
2015-16	26,800,000
2016-17	2,804,522

- 4.2 Vehicle Finance Loan from banks is secured by hypothecation of Vehicles acquired against the said loan and is repayable as follows :

(Amount in ₹)

Rate of Interest	2015-16	2016-17	2017-18	2018-19
10.50%	243,652	270,505	300,316	218,308
11.71%	194,320	218,329	245,305	227,414
12.26%	128,228	132,102		

- 4.3 Sales Tax Deferment Loan is interest free and is payable as per the repayment schedule as follows :

Year	Amount in ₹
2015-2016	1,082,759
2016-2017	773,379
2017-2018	533,687
2018-2019	318,097
2019-2020	28,246

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014	As at March 31, 2013
<b>5 DEFERRED TAX LIABILITIES (NET)</b>			
<b>Deferred Tax Liability:</b>			
On account of depreciation difference as per Income tax and books of account.		2,187,043	7,044,976
<b>Gross Deferred Tax Liability</b>		<b>2,187,043</b>	<b>7,044,976</b>
<b>Deferred Tax Assets :</b>			
Employee Benefits		(729,905)	(279,253)
Provision for doubtful debt and deposit		980,056	1,014,046
<b>Gross Deferred Tax Asset</b>		<b>250,151</b>	<b>734,793</b>
<b>Net Deferred Tax Liability</b>		<b>1,936,892</b>	<b>6,310,183</b>



## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014	As at March 31, 2013
<b>6 SHORT TERM BORROWINGS</b>			
<b>SECURED LOAN</b>			
Working Capital Facility From Bank	6.1		
Repayable on demand		86,674,750	81,173,473
Others		339,467,802	323,960,622
		<b>426,142,552</b>	<b>405,134,095</b>
<b>UNSECURED LOAN</b>			
Inter Corporate Deposits		66,631,370	-
		<b>66,631,370</b>	<b>-</b>
		<b>492,773,922</b>	<b>405,134,095</b>

6.1 Working Capital facility from Bank are secured by hypothecation of Company's entire stock, book debts and other current assets, both present and future and also secured by first charge on fixed assets of the company, equitable mortgage of Leasehold industrial plot of Chikalthana Industrial Area (MIDC). This is further secured by personal guarantee by one of the Directors of the Company.

<b>7 TRADE PAYABLES</b>			
Payables for Goods and Services	7.1 and 7.2	150,668,075	172,000,026
		<b>150,668,075</b>	<b>172,000,026</b>
7.1 Payables for Goods and Services include			
Acceptances		61,387,707	72,654,873
Creditors for raw materials/stores purchases		36,420,612	33,937,304

7.2 Disclosure of Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" (the Act). There are no delays in payment made to such suppliers. There is no overdue amount outstanding as at the Balance Sheet date.

<b>8 OTHER CURRENT LIABILITIES</b>			
Current Maturities of Long-term borrowings	4	51,400,000	41,120,000
Current Maturities of Vehicle Finance Loan	4	798,961	928,520
Current Maturities of Sales Tax Deferment Loan	4	1,112,379	1,033,207
Interest accrued but not due on borrowings		476,552	53,776
Interest accrued and due on borrowings		240,114	1,428,746
Other Payables			
Unpaid Dividends	8.1	496,734	414,236
Other Payables	8.2	16,048,217	8,537,963
		<b>70,572,957</b>	<b>53,516,448</b>

8.1 This is not due for payment to Investor Education And Protection Fund.

8.2 Includes statutory dues (CST, PF, ESI, TDS, Entry Tax etc.)

<b>9 SHORT TERM PROVISIONS</b>			
Provision for employee benefits		2,042,361	1,969,909
Proposed Dividend		16,875,000	16,875,000
Tax on Proposed Dividend		2,867,907	2,867,907
		<b>21,785,268</b>	<b>21,712,816</b>

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

Particulars	(Amount in ₹)									
	GROSS BLOCK					DEPRECIATION / AMORTISATION			NET BLOCK	
	As on 01.04.2013	Additions	Adjustments/ Deduction	As on 31.03.2014	Upto 31.03.2013	For the Year	Adjustments/ Deduction	Upto 31.03.2014	As on 31.03.2014	As on 31.03.2013
<b>TANGIBLE ASSETS</b>										
(a) Land(Leasehold)	1,120,489	-	-	1,120,489	170,314	18,285	-	188,599	931,890	950,175
(b) Buildings	71,047,426	44,902,577	51,921,675	64,028,328	17,182,133	5,293,033	7,518,445	14,956,721	49,071,607	53,865,293
(c) Plant & Equipment	324,912,500	138,694,384	158,800,131	304,806,753	147,063,082	31,011,007	26,247,368	151,826,721	152,980,032	177,849,418
(d) Wind Mill	267,143,526	-	-	267,143,526	189,832,995	21,507,790	-	211,340,785	55,802,741	77,310,531
(e) Electrical Installation	7,251,314	3,058,786	3,773,359	6,536,741	2,898,230	602,720	714,573	2,786,377	3,750,364	4,353,084
(f) Office Equipment	6,160,524	2,190,955	406,571	7,944,908	4,159,406	829,475	192,102	4,796,779	3,148,129	2,001,118
(g) Furniture & Fixtures	7,652,547	361,533	84,248	7,929,832	4,947,119	569,793	33,899	5,483,013	2,446,819	2,705,428
(h) Vehicles	7,970,503	3,460,759	3,167,572	8,263,690	4,254,658	1,111,234	2,337,516	3,028,376	5,235,314	3,715,845
<b>TOTAL TANGIBLE ASSETS</b>	<b>693,258,829</b>	<b>192,668,994</b>	<b>218,153,556</b>	<b>667,774,267</b>	<b>370,507,937</b>	<b>60,943,337</b>	<b>37,043,903</b>	<b>394,407,371</b>	<b>273,366,896</b>	<b>322,750,892</b>
Previous Year Tangible Assets	670,140,914	26,101,994	2,984,079	693,258,829	298,648,870	74,346,762	2,487,695	370,507,937	322,750,892	371,492,044
<b>INTANGIBLE ASSETS</b>										
Computer Software	846,309	1,504,202	-	2,350,511	605,960	193,025	-	798,985	1,551,526	240,349
<b>TOTAL INTANGIBLE ASSETS</b>	<b>846,309</b>	<b>1,504,202</b>	<b>-</b>	<b>2,350,511</b>	<b>605,960</b>	<b>193,025</b>	<b>-</b>	<b>798,985</b>	<b>1,551,526</b>	<b>240,349</b>
Previous Year Intangible Assets	719,474	126,835	-	846,309	555,462	50,498	-	605,960	240,349	164,012
<b>TOTAL</b>	<b>694,105,138</b>	<b>194,173,196</b>	<b>218,153,556</b>	<b>670,124,778</b>	<b>371,113,897</b>	<b>61,136,362</b>	<b>37,043,903</b>	<b>395,206,356</b>	<b>274,918,422</b>	<b>322,991,241</b>
Previous Year	670,860,388	26,228,829	2,984,079	694,105,138	299,204,332	74,397,260	2,487,695	371,113,897	322,991,241	371,656,056

10.1 Refer Note 4.1 and 4.2



## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014		As at March 31, 2013	
		No. of Shares	Value	No. of Shares	Value
<b>11 NON CURRENT INVESTMENTS</b> (Valued at cost unless stated otherwise)					
Investment in Equity Shares (Fully paid-up unless otherwise stated)					
<b>Trade</b>					
<b>Others</b>					
<b>In Equity Shares of Other body corporates:</b>					
<b>Un-quoted :</b>					
I G E (India) Pvt. Limited (Face Value of Share ₹ 10/- each)		2,975	29,543	2,975	29,543
Pure Coke Ltd (Face Value of Share ₹ 10/- each)		154,560	1,767,989	154,560	1,767,989
Dabri Properties and Trading Company Limited (Face Value of Share ₹ 10/- each)		60	600	60	600
Elpro Estates Limited (Face Value of Share ₹ 10/- each)		200	2,000	200	2,000
		<b>157,795</b>	<b>1,800,132</b>	<b>157,795</b>	<b>1,800,132</b>
<b>Quoted :</b>					
Uco Bank (Face Value of Share ₹ 10/- each)		200	2,400	200	2,400
Dunlop India Limited (Face Value of Share ₹ 10/- each)		25	631	25	631
Garware-Wall Ropes Limited (Face Value of Share ₹ 10/- each)		350	28,465	350	28,465
Radaan Media Works (I) Limited (Face Value of Share ₹ 2/- each)		73,190	815,753	73,190	815,753
Oil Country Tubular Limited (Face Value of Share ₹ 10/- each)		6,000	782,853	6,000	782,853
Tide Water Oil (India) Limited (Face Value of Share ₹ 10/- each)		434	2,170,391	434	2,170,391
Elpro International Limited (Face Value of Share ₹ 10/- each)		347,058	13,056,947	347,058	13,056,947
R.C.A.Limited (Face Value of Share ₹ 10/- each)		13,548	162,982	13,548	162,982
		<b>440,805</b>	<b>17,020,422</b>	<b>440,805</b>	<b>17,020,422</b>
<b>Others</b>					
<b>In 12 % Non-Convertible Preference Shares of Other body corporate:</b>					
Elpro International Limited (Face Value of Share ₹10/- each)	11.4	1,500,000	300,000,000	1,500,000	300,000,000
		<b>1,500,000</b>	<b>300,000,000</b>	<b>1,500,000</b>	<b>300,000,000</b>
			<b>318,820,554</b>		<b>318,820,554</b>
11.1 Aggregate Market value of Quoted Investments			113,399,034		122,306,350
11.2 Aggregate amount of Quoted Investments			17,020,422		17,020,422
11.3 Aggregate amount of Un-Quoted Investments			301,800,132		301,800,132
11.4 These preference shares will have the maximum term of 15 years from the date of allotment. However, these shares can be redeemed earlier at the option of the Company. The dividend on these preference shares will be cumulative and will be payable at the rate of 12% p.a.					

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014	As at March 31, 2013
<b>12 LONG TERM LOANS AND ADVANCES (Unsecured Considered Good)</b>			
Capital Advances		3,856,277	14,709,230
Security Deposits	12.1	56,642,830	3,452,820
Advance Income Tax( net of provision)		14,626,401	13,437,804
MAT Credit Entitlement		470,410	3,019,081
Advance Fringe Benefit Tax (net of provision)		125,532	125,532
Others		25,000	25,000
		<b>75,746,450</b>	<b>34,769,467</b>
12.1 During the year, the Company, as a promoter, along with other promoters of the Elpro International Limited, has made a voluntary open offer to the public shareholders of Elpro International Limited, to acquire the shares of the said Company. As such, the amount of ₹ 50,000,000/- has been transferred in a EIL-Open Offer Escrow A/c as required by SEBI guidelines and has been shown as deposit pending acquisition of the shares in terms of open offer.			
<b>13 OTHER NON CURRENT ASSETS</b>			
Balance With Bank			
- In Fixed Deposits (having original maturity more than 12 months)	13.1	25,001,200	7,335,300
		<b>25,001,200</b>	<b>7,335,300</b>
13.1 Kept as lien against Letter of Credit and Bank Guarantee.			
<b>14 INVENTORIES (Valued at lower of cost and net realisable value) (As valued, taken and certified by the management)</b>			
Raw Materials		102,080,577	34,380,469
Raw Materials in Transit		-	5,194,378
Work-in-process		46,673,308	71,856,185
Finished Goods		5,703,937	15,338,122
Finished Goods in Transit		60,596,939	99,102,947
Stock in Trade		2,358,562	6,453,562
Stock in Trade in Transit		747,698	1,415,775
Stores and Spares		4,840,002	6,752,601
Loose Tools		14,145	183,102
		<b>223,015,168</b>	<b>240,677,141</b>
14.1 Refer Note 6.1			

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014	As at March 31, 2013
<b>15 TRADE RECEIVABLES</b>			
<b>Unsecured</b>			
Trade receivables outstanding for a period exceeding six months from the date they are due for payment :			
Considered Good		30,465,462	29,294,912
Considered Doubtful		1,213,845	1,213,845
Less : Provision for Doubtful debt		(1,213,845)	(1,213,845)
		<b>30,465,462</b>	<b>29,294,912</b>
<b>Others</b>			
Considered Good		201,428,092	279,986,187
		<b>231,893,554</b>	<b>309,281,099</b>
<b>16 CASH AND BANK BALANCES</b>			
<b>Cash and Cash Equivalents</b>			
(i) <b>Balances With Banks</b>			
In Current Accounts		36,194,619	7,490,324
In Unpaid Dividend Accounts	8.1	505,651	431,588
Fixed Deposit With Bank (With Original Maturity of less than 3 Months)	16.1	7,104,609	1,232,000
(ii) <b>Cash on Hand</b>		900,394	894,453
		<b>44,705,273</b>	<b>10,048,365</b>
<b>Other Bank Balances</b>			
Fixed Deposit With Bank (With Original Maturity of more than 3 months but less than 12 months)	16.1	13,986,000	27,235,100
		<b>13,986,000</b>	<b>27,235,100</b>
		<b>58,691,273</b>	<b>37,283,465</b>
16.1 Kept as lien against Letter of Credit and Bank Guarantee			
<b>17 SHORT TERM LOANS AND ADVANCES (Unsecured Considered Good)</b>			
Loans and advances to related parties	27.7	159,981,714	118,421,821
Security Deposits		2,665,799	207,333
Income Tax (Refundable)		214,174	214,174
Balance with Government authorities		10,507,335	36,274,931
Advances for supply of goods and services		3,857,434	18,285,513
Others		17,766,704	13,576,475
		<b>194,993,160</b>	<b>186,980,247</b>
<b>(Unsecured Considered doubtful)</b>			
Deposit to other body corporate		101,669,521	1,769,521
Less : Provision for doubtful deposit		(1,669,521)	(1,769,521)
		<b>100,000,000</b>	<b>-</b>
		<b>294,993,160</b>	<b>186,980,247</b>

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2014	As at March 31, 2013
<b>18 OTHER CURRENT ASSETS</b>			
Interest accrued on deposits with Bank and others		7,357,496	2,788,726
Gratuity Receivable		4,189,773	2,791,484
Forward Premium Receivable		2,674,288	-
Others Receivable		513,448	5,500
		<b>14,735,005</b>	<b>5,585,710</b>

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
<b>19 REVENUE FROM OPERATIONS</b>			
Sale of Products (Less : Returns, Claims etc)	19.1	1,354,108,659	1,201,579,848
Other operating revenue	19.2	9,278,886	1,891,040
		<b>1,363,387,545</b>	<b>1,203,470,888</b>
Less : Excise Duty		45,395,697	41,190,044
Revenue from operations		<b>1,317,991,848</b>	<b>1,162,280,844</b>
<b>19.1 SALE OF PRODUCTS</b>			
PVC Fire Resistant Antistatic Solid Woven Coal Conveyor Belting		1,296,356,499	1,148,461,950
Trading Goods	19.1.a	25,766,928	21,762,280
Wind Energy	19.1.b	31,985,232	31,355,618
		<b>1,354,108,659</b>	<b>1,201,579,848</b>
<b>19.1a Details of sale of Trading Goods</b>			
Fittings and Accessories		22,456,521	20,308,092
Equipments		3,310,407	1,454,188
		<b>25,766,928</b>	<b>21,762,280</b>
<b>19.1b Details of sales of Wind Energy</b>			
Total Numbers of units generated and sold. *(In Kwh units)		8,589,879	8,892,759
Sales (in ₹)		31,985,232	31,355,618
* Net of 19,484 Units (Previous Year 22,632 Units) being transmission loss			
<b>19.2 Other operating revenue</b>			
Misc. Sales		1,942,300	1,789,999
Misc. Receipt		1,055,580	59,229
Misc. Receipt		5,732,433	-
Export Incentive (SHIS)		548,573	41,812
Sundry Balance Written Back		<b>9,278,886</b>	<b>1,891,040</b>

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
<b>20 OTHER INCOME</b>			
Rent		29,760	29,760
Interest on loans, deposits with bank, etc.		30,721,284	30,258,233
Dividend on long-term investments		105,791	92,651
Profit on Sale of Fixed Assets (Net)		66,288	-
Foreign Exchange Gain (Net)		-	4,882,552
Other Receipt		22,966	159,280
Provision for Doubtful Deposit Written Back		100,000	200,000
		<b>31,046,089</b>	<b>35,622,476</b>
<b>21 COST OF MATERIALS CONSUMED</b>			
Cost of Materials Consumed	21.1	664,237,858	691,832,029
		<b>664,237,858</b>	<b>691,832,029</b>
<b>21.1 Details of Materials Consumed</b>			
(a) Polyester Yarn		219,515,484	225,059,536
(b) Spun Yarn		27,099,903	37,964,434
(c) Cotton Yarn		44,770,083	46,106,720
(d) Chemicals			
(i) PVC Resin		118,501,086	123,158,349
(ii) Phosphate Plasticizer		156,087,826	161,737,908
(iii) Others		98,263,476	97,805,082
		<b>664,237,858</b>	<b>691,832,029</b>
<b>22 PURCHASE OF STOCK IN TRADE</b>			
Purchase of Stock In Trade	22.1	15,347,908	19,311,894
		<b>15,347,908</b>	<b>19,311,894</b>
<b>22.1 Details of Purchase of Stock In Trade</b>			
(a) Fittings and Accessories		12,333,765	18,186,926
(b) Equipments		3,014,143	1,124,968
		<b>15,347,908</b>	<b>19,311,894</b>

**Notes Forming Part of the Consolidated Financial Statements** as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
<b>23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE</b>			
<b>Opening Stock</b>			
Finished Goods (including in transit ₹ 99,102,947/-)		114,441,069	28,741,770
Add : Transfer from pre-operative expenses – Subsidiary Company		-	2,695,840
Less: Adjusted to Cost of Materials Consumed		2,695,840	
		<b>111,745,229</b>	<b>31,437,610</b>
Less : Excise Duty		4,485,628	1,393,950
		<b>107,259,601</b>	<b>30,043,660</b>
Work-in-process		71,856,185	49,642,118
Stock in Trade (including in transit ₹ 1,415,775/-)		7,869,337	4,925,891
		<b>186,985,123</b>	<b>84,611,669</b>
<b>Less : Closing Stock</b>			
Finished Goods (including in transit ₹ 60,596,939/-)		66,300,876	114,441,069
Less : Excise Duty		445,526	4,485,628
		<b>65,855,350</b>	<b>109,955,441</b>
Work-in-process		46,673,308	71,856,185
Stock in Trade (including in transit ₹ 7,47,698/-)		3,106,260	7,869,337
		<b>115,634,918</b>	<b>189,680,963</b>
		<b>71,350,205</b>	<b>(105,069,294)</b>
<b>24 EMPLOYEE BENEFITS EXPENSE</b>			
Salaries and Wages		86,001,790	68,189,676
Contribution to Provident, Gratuity and other Funds		1,673,435	2,464,265
Staff Welfare Expenses		4,168,723	3,626,786
		<b>91,843,948</b>	<b>74,280,727</b>
<b>25 FINANCE COSTS</b>			
Interest Expenses		36,101,757	57,929,073
Other Borrowing costs		55,925	356,796
Applicable loss on foreign currency transaction and translation		11,515,774	2,611,895
		<b>47,673,456</b>	<b>60,897,764</b>



## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
<b>26 OTHER EXPENSES</b>			
Consumption of Stores and Spare Parts		3,196,657	2,591,175
Power and Fuel		36,824,441	38,936,599
Job Charges		9,360,000	-
Rent	26.1	1,324,530	3,863,489
Repairs			
Buildings		1,723,362	2,968,436
Machinery		12,651,689	11,978,100
Others		6,795,576	4,819,250
Insurance Charges		2,105,163	2,023,840
Rates and Taxes		336,648	369,109
Travelling and Conveyance		14,054,522	11,651,861
Directors Fees		234,686	113,911
Auditors Remuneration :			
Audit Fees	26.2	203,708	203,708
Tax Audit Fees		51,236	51,236
Other Services		426,350	121,854
Transport, Packing and Forwarding		86,618,249	80,606,121
Commission on Sales		26,405,994	22,772,948
Legal and Professional Fees		14,407,484	23,933,417
Subscription and Donation		155,319	3,250,152
Loss on Sale of Fixed Assets (Net)		-	865
Foreign Exchange Loss (Net)		29,720,567	-
Miscellaneous Expenses		60,784,151	24,838,742
		<b>307,380,332</b>	<b>235,094,813</b>

**26.1** The company has certain cancellable operating lease arrangements for office/ residential accommodation and for use of machineries with a lease period of one to five years which can be further extended after mutual consent and agreement. The lease agreement can be terminated after giving a notice as per the terms of the lease by either of the party. Expenditure incurred on account of operating lease rentals during the year and recognised in the Statement of Profit and Loss amounts to ₹ 1,293,178/- (Previous Year ₹ 1,362,690/-).

<b>26.2 Auditors Remuneration Includes Service Tax as follows :</b>			
Audit Fees		3,708	3,708
Tax Audit Fees		1,236	1,236
Other Services		-	1,864

**Notes Forming Part of the Consolidated Financial Statements** as at March 31, 2014

(Amount in ₹)

	2013-14	2012-13
<b>NOTE : 27</b>		
<b>27.1 Contingent liabilities not provided for in respect of :</b>		
a) Guarantees given by bank on behalf of the Company	108,028,854	72,660,612
b) Corporate Guarantees given by the Company	145,000,000	145,000,000
c) Excise duty demand under appeal before the Hon'ble Supreme Court of India	-	1,735,119
d) Entry Tax Payable	135,314	-
e) Income Tax matter under Appeal	8,196,849	1,519,592
Note : Future cash outflows in respect of (c, d & e) above are dependent upon the outcome of judgments / decisions.		
<b>27.2 Estimated amount of contracts remaining to be executed on account and not provided for :</b>		
a) On capital account	349,600	1,450,307
<b>27.3 Employee Benefits :</b>		
a) Contributions to Defined Contribution Plan recognized as expenses for the year are as under:		
Employer's Contribution to Provident Fund	1,011,045	904,967
Employer's Contribution to Pension Fund	611,174	544,537
Employer's Contribution to Employees State Insurance Scheme	243,702	286,192
b) The disclosure as per the Accounting Standard 15 (AS-15) "Employee Benefits" are given below: The Company operates post retirement benefit plans as following:		
Funded: Gratuity.		
Non Funded: Leave Encashment		

**Disclosures for defined benefit plans based on actuarial reports as on March 31, 2014**

(Amount in ₹)

	Gratuity (Funded)	
	2013-14	2012-13
<b>A. Change in Defined Benefit Obligations :</b>		
Present Value of Defined Benefit Obligations as at the beginning of the year	12,646,379	11,644,938
Current Service Cost	763,346	720,361
Interest Cost	972,049	936,448
Benefits Paid	(1,291,542)	(1,255,799)
Actuarial (Gains)/ Losses	(415,517)	600,431
<b>Present Value of Defined Benefit Obligations as at the end of the year</b>	<b>12,674,715</b>	<b>12,646,379</b>
<b>B. Change in the Fair Value of Assets:</b>		
Fair Value of Plan Assets at the beginning of the year	15,437,863	14,001,906
Expected Return on Plan Assets	1,241,348	1,127,892
Contributions by the Employer	1,449,506	1,449,277
Benefits paid	(1,291,542)	(1,255,799)
Actuarial Gains/ (Losses)	27,313	114,587
<b>Fair Value of Plan Assets at the end of the year</b>	<b>16,864,488</b>	<b>15,437,863</b>

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

### NOTE : 27 (Contd.)

(Amount in ₹)

	Gratuity (Funded)	
	2013-14	2012-13
<b>C. Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets :</b>		
Present Value of Defined Benefit Obligations as at the end of the year	12,674,715	12,646,379
Fair Value of Plan Assets at the end of the year	16,864,488	15,437,863
<b>Liability /(Assets) recognized in the Balance Sheet</b>	<b>(4,189,773)</b>	<b>(2,791,484)</b>
<b>D. Expenses recognized in the Statement of Profit and Loss :</b>		
Current Service Cost	763,346	720,361
Interest Cost	972,049	936,448
Expected Return on Plan Assets	(1,241,348)	(1,127,892)
Net Actuarial (Gain)/ Loss	(442,830)	485,844
<b>Total Expenses recognized in the Statement of Profit and Loss *</b>	<b>51,217</b>	<b>1,014,761</b>
<b>E. Principal Actuarial Assumptions used :</b>		
Discounted Rate (per annum) Compound	9.20%	8.10%
Expected Rate of return on Plan Assets	8.00%	8.00%
Rate of Salary increase (per annum)	5.00%	5.00%

(₹)

<b>F. Experience History :</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>
<b>Net Assets/(Liability) recognized in Balance Sheet (including experience adjustment impact)</b>			
Present Value of Defined Benefit Obligations	12,674,715	12,646,379	11,644,938
Fair Value of Plan Assets	16,864,488	15,437,863	14,001,906
Status [Surplus/(Deficit)]	4,189,773	2,791,484	2,356,968
Experience Adjustment of Plan Assets	27,313	114,587	31,662
Experience Adjustment of obligation	(263,349)	(355,596)	325,752

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

### NOTE : 27 (Contd.)

#### Disclosures for defined benefit plans based on actuarial reports as on March 31, 2014

(Amount in ₹)

	Leave Encashment (Non Funded)	
	2013-14	2012-13
<b>A. Change in Defined Benefit Obligations :</b>		
Present Value of Defined Benefit Obligations as at the beginning of the year	1,969,909	1,515,529
Current Service Cost	173,425	136,054
Interest Cost	142,531	126,332
Benefits Paid	(420,528)	(58,538)
Actuarial (Gains)/ Losses	177,024	250,532
<b>Present Value of Defined Benefit Obligations as at the end of the year</b>	<b>2,042,361</b>	<b>1,969,909</b>
<b>B. Change in the Fair Value of Assets :</b>		
Fair Value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Contributions by the Employer	-	-
Benefits paid	-	-
Actuarial Gains/ (Losses)	-	-
<b>Fair Value of Plan Assets at the end of the year</b>	<b>-</b>	<b>-</b>
<b>C. Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets :</b>		
Present Value of Defined Benefit Obligations as at the end of the year	2,042,361	1,969,909
Fair Value of Plan Assets at the end of the year	-	-
<b>Liability /(Assets) recognized in the Balance Sheet</b>	<b>2,042,361</b>	<b>1,969,909</b>
<b>D. Expenses recognized in the Statement of Profit and Loss :</b>		
Current Service Cost	173,425	136,054
Interest Cost	142,531	126,332
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/ Loss	177,024	250,532
<b>Total Expenses recognized in the Statement of Profit and Loss *</b>	<b>492,980</b>	<b>512,918</b>
<b>E. Principal Actuarial Assumptions used :</b>		
Discounted Rate (per annum) Compound	9.20%	8.10%
Expected Rate of return on Plan Assets	-	-
Rate of Salary increase (per annum)	5.00%	5.00%

(₹)

<b>F. Experience History :</b>	2013-14	2012-13	2011-12
Net Assets/(Liability) recognized in Balance Sheet (including experience adjustment impact)			
Present Value of Defined Benefit Obligations	2,042,361	1,969,909	1,515,529
Fair Value of Plan Assets	-	-	-
Status [Surplus/(Deficit)]	(2,042,361)	(1,969,909)	(1,515,529)
Experience Adjustment of Plan Assets [Gain/(Loss)]	-	-	-
Experience Adjustment of obligation [(Gain)/Loss]	177,024	250,532	(195,748)

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

\*Included in “Salaries, Wages and Bonus” and “Contribution to Provident Fund, Gratuity and Other Funds” under “EMPLOYEE BENEFITS EXPENSE” on Note 24.

The expected return on Plan Assets is based on the actuarial expectation of the average long-term rate of return expected. The discount rate is based on the prevailing market yields on Government bonds as at the Balance Sheet date.

The contributions expected to be made by the Company for the year 2014-15 is not ascertained.

### 27.4 Unhedged Foreign Currency exposures as on March 31, 2014 are as follows :-

Nature	Currency	Current year amount in Foreign Currency	Previous year amount in Foreign Currency
Import	USD	791,031.77	171,120.00
Import	GBP	5,036.08	29,032.56
Advance to creditors	USD	50,000.00	483,504.04
Advance to creditors	AUD	-	12,500.0
Advance to others	USD	43,717.00	-
PCFC Loan and Interest there on	USD	3,342,100.00	3,816,551.20
Buyers Credit and Interest there on	USD	28,080.98	2095,769.39
Others	USD	325,529.34	356,131.35
Others	CDN	172,610.65	421,365.26
Export	USD	2,117,722.67	3,428,523.79
Export	CDN	153,406.00	1,704,106.18
Export	AUD	543,893.87	-
Trade and other receivables	USD	137,432.00	-
Trade and other payables	USD	532,408.00	-
Amount due to Body Corporate	USD	611,440.00	-

### 27.5 Earning Per Share (EPS) :

	Year ended 31.03.2014	Year ended 31.03.2013
(a) Profit / (Loss) attributable to Shareholders (₹)	47,116,734	104,664,677
(b) Weighted average number of Equity Shares	67,500,000	67,500,000
(c) Nominal Value of Equity Share (₹)	1	1
(d) Basic and Diluted EPS (₹)	0.70	1.55

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

(Amount in ₹)

### 27.6 Segment information for the year ended March 31, 2014

#### (i) Information about primary business segments

	Conveyor Belting		Wind Energy		Trading Goods		Unallocated Corporate		Total Amount		
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	
<b>a</b>	<b>Segment Revenue</b>										
	Sale and Services to External customers	1,296,356,499	1,148,461,950	31,985,232	31,355,618	25,766,928	21,762,280	-	-	1,354,108,659	1,201,579,848
	Other operating revenue	-	-	-	-	-	-	9,278,886	1,891,040	9,278,886	1,891,040
	<b>Gross Turnover</b>	<b>1,296,356,499</b>	<b>1,148,461,950</b>	<b>31,985,232</b>	<b>31,355,618</b>	<b>25,766,928</b>	<b>21,762,280</b>	<b>9,278,886</b>	<b>1,891,040</b>	<b>1,363,387,545</b>	<b>1,203,470,888</b>
	Less : Excise Duty / Service tax recovered	45,395,697	41,190,044	-	-	-	-	-	-	45,395,697	41,190,044
	<b>Net Turnover</b>	<b>1,250,960,802</b>	<b>1,107,271,906</b>	<b>31,985,232</b>	<b>31,355,618</b>	<b>25,766,928</b>	<b>21,762,280</b>	<b>9,278,886</b>	<b>1,891,040</b>	<b>1,317,991,848</b>	<b>1,162,280,844</b>
<b>b</b>	<b>Segment Results</b>										
	Unallocated Corporate Expenses	-	-	-	-	-	-	(60,329,554)	(60,554,741)	(60,329,554)	(60,554,741)
		158,066,197	235,228,379	4,316,877	(1,819,840)	4,966,520	4,943,860	(60,329,554)	(60,554,741)	107,020,040	177,797,658
	Interest Expenses	(906,955)	(20,336,857)	(3,515,018)	(5,510,106)	-	-	(43,251,483)	(35,050,801)	(47,673,456)	(60,897,764)
	Interest Income	9,905,533	7,176,445	-	-	-	-	20,815,751	23,081,788	30,721,284	30,258,233
	<b>Profit/(Loss) before Tax and Exceptional Items</b>	<b>167,064,775</b>	<b>222,067,967</b>	<b>801,859</b>	<b>(7,329,946)</b>	<b>4,966,520</b>	<b>4,943,860</b>	<b>(82,765,286)</b>	<b>(72,523,754)</b>	<b>90,067,868</b>	<b>147,158,127</b>
	Exceptional Items	-	-	-	-	-	-	-	-	-	-
	<b>Profit / (Loss) Before Tax</b>	<b>167,064,775</b>	<b>222,067,967</b>	<b>801,859</b>	<b>(7,329,946)</b>	<b>4,966,520</b>	<b>4,943,860</b>	<b>(82,765,286)</b>	<b>(72,523,754)</b>	<b>90,067,868</b>	<b>147,158,127</b>
	Income Taxes	-	-	-	-	-	-	(42,951,134)	(42,493,450)	(42,951,134)	(42,493,450)
	<b>Profit After Tax</b>	<b>167,064,775</b>	<b>222,067,967</b>	<b>801,859</b>	<b>(7,329,946)</b>	<b>4,966,520</b>	<b>4,943,860</b>	<b>(125,716,420)</b>	<b>(115,017,204)</b>	<b>47,116,734</b>	<b>104,664,677</b>
<b>c</b>	<b>Segment Assets</b>										
	Unallocated Corporate Assets	-	-	-	-	-	-	768,865,944	476,850,164	768,865,944	476,850,164
	<b>Total Assets</b>	<b>711,698,360</b>	<b>916,140,357</b>	<b>62,047,717</b>	<b>81,864,606</b>	<b>10,235,413</b>	<b>12,579,695</b>	<b>768,865,944</b>	<b>476,850,164</b>	<b>1,552,847,434</b>	<b>1,487,434,822</b>
<b>d</b>	<b>Segment liabilities</b>										
	Unallocated Corporate Liabilities	-	-	-	-	-	-	(483,507,783)	(428,986,070)	(483,507,783)	(428,986,070)
	<b>Total Liabilities</b>	<b>(270,018,859)</b>	<b>(276,133,760)</b>	<b>(22,029,641)</b>	<b>(32,397,668)</b>	<b>-</b>	<b>-</b>	<b>(483,507,783)</b>	<b>(428,986,070)</b>	<b>(775,556,283)</b>	<b>(737,517,498)</b>
<b>e</b>	<b>Cost incurred during the period to acquire segment fixed assets</b>										
		192,083,657	25,887,874	-	-	-	-	2,089,539	340,955	194,173,196	26,228,829
<b>f</b>	<b>Depreciation /Amortisation</b>										
		38,338,938	43,181,631	21,507,790	29,797,436	-	-	1,289,634	1,418,193	61,136,362	74,397,260
<b>g</b>	<b>Non cash expenses other than Amortisation</b>										
		-	-	-	-	-	-	-	-	-	-

- Note : (a) Conveyor Belting segment includes manufacturing and sale of PVC Conveyor Belting.  
 (b) Wind Energy Segment includes generation, supply and sale of Wind Power (Electricity).  
 (c) Unallocated / Corporate Segment includes Corporate, Administrative and Financing activity.

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

### 27.6 (ii) Information about secondary Business Segments

(Amount in ₹)

Particulars	2013-14	2012-13
<b>Revenue by geographical market</b>		
<b>Sale of products</b>		
Domestic	458,854,016	418,912,486
Export	895,254,643	782,667,362
<b>Total</b>	<b>1,354,108,659</b>	<b>1,201,579,848</b>
<b>Assets</b>		
Trade Receivables		
Within India	91,714,650	33,617,476
Outside India	140,178,904	275,663,623
<b>Total</b>	<b>231,893,554</b>	<b>309,281,099</b>

**27.7** Related Party Disclosure as required by Accounting Standard 18 “Related Party Disclosures” as specified in the Companies (Accounting Standards) Rules, 2006 prescribed by the Central Government are as follows :

(a) Key Management Personnel :

Mr. R. K. Dabriwala – Managing Director

(b) Enterprises where key management personnel and their relatives have substantial interest and /or significant influence :

- 1) R.C.A. Limited
- 2) I.G.E. (India) Private Limited
- 3) Pure Coke Limited
- 4) Elpro International Limited

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014



### Details of transaction made with Related Parties during the year :

Nature of transaction	R. C. A. Limited		Pure Coke Limited		I.G.E. (India) Pvt. Limited		Elpro International Limited		Key Management	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Director Remuneration	—	—	—	—	—	—	—	—	6,655,180	6,236,721
Interest on Loan Received	—	—	11,417,213	6,597,259	209,866	11,293	12,651,971	13,024,854	—	—
Paid	252,329	—	—	—	—	—	—	—	—	—
Rent Received	29,760	29,760	—	—	—	—	—	—	—	—
Inter Corporate Deposit:										
Loan Given	—	—	306,140,000	83,920,000	—	3,300,000	124,600,000	119,500,000	—	—
Repayment of Loan	—	—	344,035,824	53,200,000	2,500,000	1,527,526	64,600,000	233,677,694	—	—
Loan Taken	10,700,000	—	7,294,176	—	—	1,500,000	—	—	—	—
Loan Repaid	10,700,000	—	7,294,176	—	—	1,500,000	—	—	—	—
Refund of Advance for Capital Assets	—	—	—	—	—	—	—	300,000,000	—	—
Purchase of Shares	—	—	—	—	—	—	—	300,000,000	—	—
Sale of Fixed Assets	—	—	—	—	—	—	74,813	—	—	—
Outstanding										
Loan Given	—	—	45,125,491	72,745,824	190,728	2,501,849	114,560,922	43,174,148	—	—
Sale of Fixed Assets	—	—	—	—	—	—	74,813	—	—	—
Rent Received	29,760	—	—	—	—	—	—	—	—	—
Corporate Guarantee given and outstanding	—	—	—	—	—	—	145,000,000	145,000,000	—	—



## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

(Amount in ₹)

### 27.8 Value and percentage of Imported and Indigenous Raw Materials, Stores and Loose Tools consumed

Particulars	2013-14		2012-13	
	₹	%	₹	%
<b>(a) Raw Materials :</b>				
Imported	341,375,669	51	317,457,760	46
Indigenous	322,862,189	49	374,374,269	54
<b>Total</b>	<b>664,237,858</b>	<b>100</b>	<b>691,832,029</b>	<b>100</b>
<b>(b) Stores, Spares &amp; Components :</b>				
Imported	1,38,317	4	476,802	18
Indigenous	30,58,340	96	2,114,373	82
<b>Total</b>	<b>31,96,657</b>	<b>100</b>	<b>2,591,175</b>	<b>100</b>

### 27.9 C.I.F Value of Imports :

Particulars	2013-14	2012-13
(a) Raw Materials	375,798,719	295,467,208
(b) Capital Goods	12,673,322	1,960,589
(c) Trading Goods	10,183,123	15,656,295
<b>Total</b>	<b>398,655,164</b>	<b>313,084,092</b>

### 27.10 Expenditure in Foreign Currency :

Travelling Expenses	2,976,318	2,597,937
Printing & Stationery	-	6,811
Postage & Telegram	92,143	54,343
Rent	-	966,308
Commission	25,792,156	21,728,932
Freight Expenses	59,620,927	53,771,663
Interest on PCFC & FCNRB DL Loan	2,941,275	5,590,367
Interest on LC- Buyers Credit	1,746,210	2,802,412
Testing Expenses	496,800	37,190
Other Expenses	11,471,133	5,215,514
Employee benefit expenses	10,604,580	-
Other operating expenses	27,396,712	-
<b>Total</b>	<b>143,138,254</b>	<b>92,771,477</b>

### 27.11 Earning in Foreign Currency :

Export of Beltings at F.O.B. Value	890,631,038	749,549,245
<b>Total</b>	<b>890,631,038</b>	<b>749,549,245</b>

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2014

- 27.12** Pursuant to agreement, the Company has acquired all assets and liabilities of PVC Belting industrial undertaking of its wholly owned subsidiary, International Belting Limited situated at Falta SEZ South 24 Parganas, West Bengal on a going concern basis with effect from 19th April, 2013 at a lump sum consideration of ₹ 21,500,000/-.
- 27.13** During the year, the Company has acquired a wholly owned subsidiary “Conveyor Holding Pte Limited” in Singapore by way of purchase of 100% equity share of the said Company.
- 27.14** In respect of unrealised profits resulting from intragroup transactions that are included in the carrying amount of inventory are eliminated in full. The aforesaid inventory is as certified by the respective management.
- 27.15** Figures pertaining to the subsidiary Companies have been reclassified, wherever necessary to bring them in line with the parents Company’s financial statements.
- 27.16** Previous year’s figures have been re-arranged/re-grouped wherever necessary.

Note 1 to 27.16 forms an integral part of the Financial Statements.

As per our report of even date

**For LODHA & CO.**

*Chartered Accountants*

**H. K. Verma**

*Partner*

Place : Kolkata

Date : May 30, 2014

For and on behalf of the Board

**R. K. Dabriwala**  
*Managing Director*

**M. P. Jhunjunwala**  
*Director*

**Mohita Agrawal**  
*Company Secretary*

## Financial Information with respect to Subsidiaries as at March 31, 2014

Particulars	International Belting Limited		Conveyor Holdings Pte. Limited*	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Reporting Currency	₹	₹	USD	USD
Exchange Rate	-	-	59.91	-
Country	India		Singapore	
Capital	7,500,000	7,500,000	30,405,899	-
Reserves	68,505,063	57,481,156	(26,995,597)	-
Total Assets	82,260,111	258,405,358	71,559,153	-
Total Liabilities	6,255,048	193,424,202	68,148,851	-
Investments	24,000	24,000	-	-
Turnover	16,157,175	61,034,379	54,005,195	-
Profit/(Loss) before taxation	11,299,661	2,343,691	(26,995,597)	-
Provision for taxation	275,754	-	-	-
Profit/(Loss) after taxation	11,023,907	2,343,691	(26,995,597)	-
Proposed Dividend	-	-	-	-

\* Includes information of its wholly owned subsidiary International Conveyors Australia Pty. Limited, Australia.

## FINANCIAL HIGHLIGHTS 2010-2014

(₹ in Lacs)

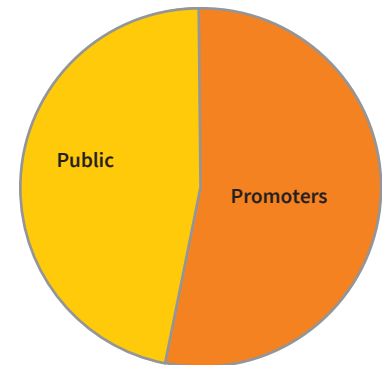
	2010	2011	2012	2013	2014
TURNOVER	9024.61	7995.24	10113.47	12015.80	13860.01
OPERATING PROFIT	2505.54	817.07	1916.21	1931.05	1864.28
DEPRECIATION	448.43	389.66	471.66	482.91	600.32
PROFIT BEFORE TAX	2057.11	427.41	1444.55	1448.14	1263.96
TAX	760.79	152.56	417.10	424.93	426.75
PROFIT AFTER TAX	1296.32	274.85	1027.45	1023.21	837.20
DIVIDEND PAYOUT	157.55	117.68	196.13	197.43	197.43
RETAINED EARNINGS	1138.77	157.17	831.32	825.78	639.77
SHAREHOLDERS' FUNDS	5671.26	5828.43	6659.75	7485.53	8125.31
BORROWINGS	2647.27	3992.34	5234.51	4436.32	5472.73
GROSS FIXED ASSETS	3976.66	4248.25	4725.12	4793.04	6755.13
DEBT EQUITY RATIO	1:2.14	1:1.46	1:1.27	1:1.69	1:1.48
EARNING PER SHARE (₹)	1.92	0.41	1.52	1.52	1.24
DIVIDEND PER SHARE (₹)	0.20	0.15	0.25	0.25	0.25
NET WORTH PER SHARE (₹)	8.40	8.63	9.87	11.09	12.04

### Share Data (as on 31.03.2014)

No of Shares issued	:	67500000
Market Capitalisation (₹)	:	739,800,000
No. of Shareholders	:	1719
Listing at	:	Kolkata & Mumbai

#### Share Holding Pattern

Promoters	53.18%
Public	46.82%





**International Conveyors Limited**

10, Middleton Row, Kolkata - 700 071



## INTERNATIONAL CONVEYORS LIMITED

CIN : L21300WB1973PLC028854

Regd. Office : Falta SEZ, Sector-II, Near Pump House No. 3,  
Village & Mouza Akalmegh, Dist. 24 Parganas (S), West Bengal - 743 504

Corporate Office : 10, Middleton Row, Kolkata - 700 071

Tel. No : (033) 2229-6033/1768; Fax No : (033) 2217-2269

E-mail : investors@iclbelting.com; Website : www.iclbelting.com

### NOTICE

Notice is hereby given that the 41st Annual General Meeting of members of **INTERNATIONAL CONVEYORS LIMITED** will be held at its Registered Office at Falta SEZ, Sector-II, Near Pump House No. 3, Village and Mouza- Akalmegh, Dist. 24 Parganas (S), West Bengal-743504 on Friday, 26th September, 2014 at 2:00 P. M. to transact the following business :

#### ORDINARY BUSINESS

1. To consider and adopt the audited financial statement of the Company for the financial year ended 31st March, 2014 the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares for the financial year ended 31st March, 2014.
3. To re-appoint the Auditors and to fix their remuneration and in this regards to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 (corresponding to Section 224 and all other applicable provisions, if any, of the Companies Act, 1956) and the Rules made there under and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s. Lodha & Company, Chartered Accountants (Firm Registration No. 301051E), be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 44th Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors and that such remuneration may be paid on a progressive billing basis to be agreed upon between the Auditors and the Board of Directors.”

#### SPECIAL BUSINESS

##### 4. APPOINTMENT OF MR. LAKSHMIKANT TIBRAWALLA (DIN: 00423521) AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, Mr. Lakshmikant Tibrawalla (DIN: 00423521), Non Executive Director of the Company who retires by rotation at the ensuing Annual General Meeting and who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and who is eligible for re-appointment and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby formally appointed as an Independent Director on the Board of the Company not liable to retire by rotation to hold office for a term of 5 consecutive years from the date of this Annual General Meeting to the conclusion of Company's 46th Annual General Meeting.”

##### 5. APPOINTMENT OF MR. MAHADEO PRASAD JHUNJHUNWALA (DIN: 00567070) AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions, if any, of the

Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, Mr. Mahadeo Prasad Jhunjhunwala (DIN: 00567070), Non Executive Director of the Company who retires by rotation at the ensuing Annual General Meeting and who has submitted a declaration that he meets the criteria of Independence as provided in Sec 149(6) of the Act and who is eligible for re-appointment and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby formally appointed as an Independent Director on the Board of the Company not liable to retire by rotation to hold office for a term of 5 consecutive years from the date of this Annual General Meeting to the conclusion of Company's 46th Annual General Meeting."

**6. APPOINTMENT OF MR. JINESH SURYAKANT VANZARA (DIN: 00239574) AS AN INDEPENDENT DIRECTOR**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Mr. Jinesh Suryakant Vanzara (DIN: 00239574) who was earlier appointed and designated as an Independent Director of the Company w.e.f. April 28, 2008 in requirement of the Listing Agreement entered into with the Stock Exchanges and is continuing as Independent Director and who meets the criteria of Independence as provided under Section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby formally appointed as an Independent Director on the Board of the Company not liable to retire by rotation in terms of Sections 149(4), (10) & (11) and 152(6)(e) of the Companies Act, 2013 read with Clause 49 of the Listing Agreement to hold office for a term of 5 consecutive years from the date of this Annual General Meeting to the conclusion of Company's 46th Annual General Meeting."

**7. APPOINTMENT OF MR. KUNCHALA THIRUPAL REDDY (DIN: 03330182) AS AN INDEPENDENT DIRECTOR**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

**"RESOLVED THAT** Mr. Kunchala Thirupal Reddy (DIN: 03330182) who was earlier appointed and designated as an Independent Director of the Company w.e.f. February 14, 2012 in requirement of the Listing Agreement entered into with the Stock Exchanges and is continuing as an Independent Director and who meets the criteria of Independence as provided under Section 149(6) of the Act and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby formally appointed as an Independent Director on the Board of the Company not liable to retire by rotation in terms of Sections 149(4), (10) & (11) and 152(6)(e) of the Companies Act, 2013 read with Clause 49 of the Listing Agreement to hold office for a term of 5 consecutive years from the date of this Annual General Meeting to the conclusion of Company's 46th Annual General Meeting."

**8. APPOINTMENT OF MR. SUNIT MEHRA (DIN: 00359482) AS DIRECTOR**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

**"RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, Mr. Sunit Mehra (DIN: 00359482), who was appointed as an Additional Director on the Board of the Company with effect from January 17, 2014 and who holds office until the date of this AGM, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

**9. APPOINTMENT OF MS. NANDINI KHAITAN (DIN: 06941351) AS DIRECTOR**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Nandini Khaitan (DIN: 06941351), who has given a declaration that she has not been disqualified from being appointed as a Director and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

#### 10. RE-APPOINTMENT OF MR. RAJENDRA KUMAR DABRIWALA (DIN: 00086658) AS MANAGING DIRECTOR

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution** :

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203, read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Rajendra Kumar Dabriwala (DIN: 00086658) as Managing Director of the Company, for a further period of 1 (one) year commencing from October 1, 2014 on the terms and conditions as specified in the statement pursuant to Section 102(1) of the Companies Act, 2013 annexed to this Notice and also draft agreement submitted to this Meeting, with liberty to the Board of Directors (the “Board”) to revise, amend, alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Rajendra Kumar Dabriwala (DIN: 00086658), subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do and perform all such acts, deeds, matter and things as may be considered desirable or expedient to give effect to this resolution.”

#### 11. TO APPROVE THE REMUNERATION OF THE COST AUDITORS FOR THE FINANCIAL YEAR ENDING MARCH 31, 2015

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the Audit of the Cost Records of the Company for the financial year ending March 31, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors  
For **International Conveyors Ltd.**

Date : August 8, 2014  
Place : Kolkata

**Mohita Agrawal**  
Company Secretary

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#### NOTES :

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the business under item Nos. 4 to 11 of the Notice, is annexed hereto. The relevant details as required under clause 49 of the Listing Agreement entered into with the Stock Exchanges, of persons seeking appointment/re-appointment as Directors under item No. 4-10 of the Notice, are also annexed.
2. A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and on Poll, to vote instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company’s Registered Office, duly completed and signed, not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Pursuant to the provisions of Section 91 of the Companies Act, 2013 (corresponding to Section 154 of the Companies Act, 1956), the Register of Members and Share Transfer Books of the Company will remain closed from Monday, September 22, 2014 to Friday, September 26, 2014, both days inclusive, for determining the entitlement of shareholders to the payment of dividend.
4. Subject to the provisions of Section 126 of the Companies Act, 2013 (corresponding to Section 206A of the Companies Act, 1956), if the Final Dividend as recommended by the Board of Directors is approved at the Annual General Meeting, payment of such dividend will be made on Monday, September 29, 2014 as under :



- a) to all those Beneficial Owners holding shares in electronic form, as per the beneficial ownership data as may be made available to the Company by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on September 21, 2014;
  - b) to all those members holding shares in physical form, after giving effect to all the valid share transfers lodged with the Company/Share Transfer Agent (i.e. Maheshwari Datamatics Pvt. Ltd.) on or before the close of business hours on September 21, 2014.
5. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Maheshwari Datamatics Private Limited (MDPL) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to MDPL.
  6. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or MDPL for assistance in this regard.
  7. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or MDPL, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.
  8. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
  9. Members seeking any information with regard to the Accounts, are requested to write to the Company at least 7 days before the meeting, so as to enable the Management to keep the information ready at the meeting.
  10. In terms of the provisions of Section 124 of the Companies Act, 2013 ( corresponding to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956), all unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed/unpaid for a period of 7 years from the date they became due for payment, in relation to the Company have been transferred to the IEPF established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred prior to March 31, 2014, nor shall any payment be made in respect of such claim.

Members who have not yet encashed their dividend warrant(s) pertaining to the Final Dividend for the financial year 2006-07 onwards for the Company are requested to make their claims without any delay to MDPL. It may be noted that the unclaimed Final Dividend for the financial year 2006-07 declared by the Company on September 27, 2007 can be claimed by the shareholders by September 26, 2014.

11. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed form SH-13 (a copy of which is available on the website of the Company) with the Company's Share Transfer Agent. In respect of shares held in electronic/demat form, the members may please contact their respective depository participant.
12. The Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
13. To support the 'Green Initiative', the members who have not registered their e-mail addresses are requested to register the same with MDPL/Depositories.
14. For convenience of the members and proper conduct of the Meeting, entry to the Meeting venue will be regulated by Attendance Slip, which is enclosed with this Notice. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the entrance of the venue.
15. Members may please note that no gifts are proposed to be distributed at the Meeting.
16. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.

The instructions for e-voting are as under :

- A. In case a member receives an e-mail from NSDL (for members whose e-mail addresses are registered with the Company/Depositories) :
- i. Read the e-mail carefully and open the attached PDF file specifying your Client ID (in case shares held in demat form) and folio no. (in case shares held in physical mode) as default password. The attachment contains your "User Id" and "Password" for e-Voting. Please note that the password is an initial password.
  - ii. Launch the Internet Browser by typing <http://www.evoting.nsdl.com> on the address bar. The home screen will be displayed, select the member "login" name. Enter the login details viz. User Id and password are sent to you by email/post. On the first login, you need to change the password. In case you have earlier logged in at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) for exercising your vote in respect of a Ballot relating to any other Company and you have already changed your password, please use the changed password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - iii. On successful login, you have to select the "EVEN" (E Voting Event Number) for casting your vote.
  - iv. Cast your vote by selecting appropriate option and click on "submit" and also "confirm" when prompted. Upon confirmation, the message "vote cast successfully" will be displayed. Once you have voted on the resolution, you will not be allowed to modify your vote.
  - v. The e-voting period commences on Thursday, September 18, 2014 (10:00 a.m. IST) and ends on Saturday, September 20, 2014 (6:00 p.m. IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on August 8, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently.
  - vi. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on August 8, 2014.
  - vii. In case of any query, you may refer to the frequently asked questions (FAQ) for members and e-Voting user manual for shareholders available at the "downloads" Section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact them on their telephone 022-24994600.
  - viii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending communication(s) regarding NSDL e-Voting system in future.
- B. The instructions for e-Voting for members other than in (A) above
- i. Initial "User Id" and "Password" are provided with the Notice. Please follow the steps (ii) to (vii) stated above to cast your vote through e-voting.
17. Ms. Khushboo Gulgulia, Practising Chartered Accountants (Membership No. 306808) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the members who do not have access to the e-voting process) in a fair and transparent manner.
18. The Scrutinizer shall, within a period not exceeding 3 working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and submit her Report on the voting pattern in accordance with the procedure set out in Companies (Management & Administration) Rules, 2014.
19. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.iclbelting.com](http://www.iclbelting.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within two days of the passing of the resolutions at the forty first AGM of the Company on September 26, 2014 and communicated to the BSE Limited and the Calcutta Stock Exchange Limited, where the shares of the Company are listed.

By Order of the Board of Directors  
For **International Conveyors Ltd.**

Date : August 8, 2014  
Place : Kolkata

**Mohita Agrawal**  
Company Secretary

## **Statement pursuant to Section 102 (1) of the Companies Act, 2013**

### **Item No. 4**

Mr. Lakshmikant Tibrawalla is a Non-Executive (Independent) Director of the Company. He joined the Board of Directors in August 1979. Mr. L. K. Tibrawalla retires by rotation at the ensuing AGM under the provisions of the erstwhile Companies Act, 1956. In terms of Section 149 and all other applicable provisions, if any, of the Companies Act, 2013, Mr. L. K. Tibrawalla being eligible and seeking re-appointment, is proposed to be appointed as an Independent Director for a term of 5 years.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member along with a deposit of ₹ 1,00,000/- proposing the candidature of Mr. L. K. Tibrawalla for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. L. K. Tibrawalla (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 (ii) intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. L. K. Tibrawalla as an Independent Director of the Company for a period of 5 consecutive years from the date of this Annual General Meeting to the conclusion of the 46th Annual General Meeting of the Company pursuant to Section 149 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. L. K. Tibrawalla, the Independent Director proposed to be re-appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is Independent of the Management. A copy of the draft letter for the re-appointment of Mr. L. K. Tibrawalla as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's Registered Office during 11.00 A.M. to 12.30 P.M. on all working days up to the date of the AGM.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. L. K. Tibrawalla as an Independent Director.

No Director, Key Managerial Personnel or their relatives, except Mr. L. K. Tibrawalla, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 4 for the approval of the members.

### **Item No. 5**

Mr. Mahadeo Prasad Jhunjhunwala is a Non-Executive (Independent) Director of the Company. He joined the Board of Directors in August, 1979. Mr. M. P. Jhunjhunwala retires by rotation at the ensuing AGM under the provisions of the erstwhile Companies Act, 1956. In terms of Section 149 and all other applicable provisions, if any, of the Companies Act, 2013, Mr. M. P. Jhunjhunwala being eligible and seeking re-appointment, is proposed to be appointed as an Independent Director for a term of 5 years.

The Company has received Notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of ₹ 1,00,000/- proposing the candidature of Mr. M. P. Jhunjhunwala for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. M. P. Jhunjhunwala (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 (ii) intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. M. P. Jhunjhunwala as an Independent Director of the Company for a period of 5 consecutive years from the date of this Annual General Meeting to the conclusion of the 46th Annual General Meeting of the Company pursuant to Section 149 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. M. P. Jhunjhunwala, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is Independent of the Management. A copy of the draft letter for the appointment of Mr. M. P. Jhunjhunwala as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's Registered Office during 11.00 a.m. to 12.30 p.m. on working days up to the date of the AGM.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. M. P. Jhunjhunwala as an Independent Director.

No Director, Key Managerial Personnel or their relatives, except Mr. M. P. Jhunjhunwala, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 5 for the approval of the members.

#### **Item Nos. 6 to 7**

Mr. Jinesh Suryakant Vanzara and Mr. Kunchala Thirupal Reddy are Independent Directors of the Company and have held the positions as such for last 6 years and last 2 years respectively.

In order to comply with the provisions of Sections 149(4), (10) & (11) and 152(6)(e) of the Companies Act, 2013 and clause 49 of the listing agreement, it is proposed to appoint Mr. J. S. Vanzara and Mr. K. T. Reddy as Independent Directors to hold office for a term of 5 consecutive years from the date of this Annual General Meeting to the conclusion of the 46th Annual General Meeting of the Company in the calendar year 2019.

Mr. J. S. Vanzara and Mr. K. T. Reddy are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Directors.

The Company has received Notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of Mr. J. S. Vanzara and Mr. K. T. Reddy for the office of Directors of the Company.

The Company has also received the declarations from Mr. J. S. Vanzara and Mr. K. T. Reddy that they meet with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. J. S. Vanzara and Mr. K. T. Reddy fulfill the conditions for appointment as Independent Directors as specified in the Companies Act, 2013 and the Listing Agreement. Mr. J. S. Vanzara and Mr. K. T. Reddy are Independent of the management.

Copy of the draft letters for respective appointments of Mr. J. S. Vanzara and Mr. K. T. Reddy as Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company during 11.00 A.M. to 12.30 P.M. on all working days upto the date of AGM.

This statement may also be regarded as disclosure under clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. J. S. Vanzara and Mr. K. T. Reddy are interested in the resolutions set out respectively at item nos. 6 and 7 of the Notice with regard to their respective appointments.

Save and except the above, none of other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at item nos. 6 and 7 of the Notice for approval by the shareholders.

#### **Item No. 8**

The Board, at its Meeting held on January 17, 2014, appointed Mr. Sunit Mehra as an Additional Director of the Company with effect from January 17, 2014, pursuant to Section 161 of the Companies Act, 2013, read with Article 95 of the Articles of Association of the Company. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. S. Mehra will hold office up to the date of the ensuing AGM. The Company has received Notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of ₹ 1,00,000/- proposing the candidature of Mr. S. Mehra for the office of Director of the Company, liable to retire by rotation.

The Company has received from Mr. S. Mehra (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and (ii) intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

No Director, Key Managerial Personnel or their relatives, except Mr. S. Mehra, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 8 for the approval of the members.

#### **Item No. 9**

As per the provisions of Section 149(1) of the Act and amended clause 49 of the Listing Agreement, the Company should

have at least one Woman Director. The Company has received a Notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member along with a deposit of ₹ 1,00,000/- proposing the candidature of Ms. Nandini Khaitan for the office of Director of the Company, liable to retire by rotation.

The Company has received from Ms. N. Khaitan (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and (ii) intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

No Director, Key Managerial Personnel or their relatives, except Ms. N. Khaitan, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 9 for the approval of the members.

#### **Item No. 10**

The Present term of appointment of Mr. Rajendra Kumar Dabriwala as Managing Director of the Company expires on September 30, 2014. His re-appointment as Managing Director, for a further period of 1 year from October 1, 2014 was recommended by the Remuneration Committee and approved by the Board of Directors in their Meeting held on May 30, 2014. The re-appointment and other terms and conditions, need approval of the members in terms of Sections 196 and 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder. Hence this resolution at point no.10. The proposed agreement shall be available for inspection by any member during 11:00 A.M. to 12:30 P.M. on all working days at the Registered Office. Considering all aspects, the Board has approved and now proposes for your consideration the terms and conditions of his re-appointment.

The material provisions of the draft agreement approved by the Board are as follows :

#### **I. BASIC SALARY**

₹ 5,00,000/- p.m. (INR Five Lacs Only)

#### **II. COMMISSION**

1% of Net Profits of the Company in a particular year subject to overall ceilings laid down in Sections 196, 197 and Schedule V of the Companies Act, 2013.

#### **III. PERQUISITES**

- (1) a) The expenditure incurred by the Company in hiring unfurnished accommodation in Kolkata, subject to a ceiling of 50% of salary, over and above 10% of such salary being payable by him.  
b) In case no accommodation is provided by the Company, House Rent Allowance will be paid subject to ceiling laid down in (a) above.
- (2) Medical expenses re-imburement for self and family subject to a ceiling of one month's salary in a year or three months salary over a period of three years.
- (3) Leave Travel Concession for self and family once in a year subject to a ceiling of one month's salary.
- (4) Club fee (other than admission fees) subject to a maximum of two clubs.
- (5) Personal accident insurance of which premium shall not exceed ₹ 15,000/- per annum.
- (6) Car for use of Company's business.
- (7) One Telephone at residence for official purposes

#### **IV. BENEFITS AND AMENITIES**

- (1) Gratuity of half a month's salary for each completed year of service.
- (2) Leave-one month's leave for every eleven months' service with full pay and allowances and also encashment of unutilized leave at the end of tenure."

The remuneration is justified having regard to the responsibilities, which he is called upon to bear as a Managing Director of the Company. Notwithstanding anything herein above stated where in any financial year closing on or after March 31, 2014 during the tenure of Mr. R. K. Dabriwala as a Managing Director of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. R. K. Dabriwala the above remuneration by way of salary and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central

Government from time to time as minimum remuneration.”

Except Mr. R. K. Dabriwala, None of the Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution set forth in Item no. 10 for the approval of the members.

**Item No. 11**

The Board on the recommendation of the Audit Committee has approved the appointment of the Cost Auditor to conduct the Audit of the cost records of the Company for the financial year ending March 31, 2015 on remuneration of ₹ 1.5 Lakh p.a.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly consent of the members is sought for passing an Ordinary Resolution as set out at item no. 11 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 11 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 11 of the Notice for approval by the shareholders.

Profiles of Directors seeking appointment / re-appointment at the ensuing AGM.

<b>Particulars</b>	<b>Mr. Rajendra Kumar Dabriwala</b>	<b>Mr. Mahadeo Prasad Jhunjhunwala</b>	<b>Mr. Lakshimimant Tibrawalla</b>	<b>Mr. Jinesh Suryakant Vanzara</b>	<b>Mr. Kunchala Thirupal Reddy</b>	<b>Mr. Sunit Mehra</b>	<b>Ms. Nandini Khaitan</b>
Date of Birth	January 29, 1941 June 18, 1973	May 2, 1928 August 31, 1979	October 25, 1943 August 31, 1979	September 8, 1965 April 28, 2008	November 2, 1944 February 14, 2012	October 24, 1966 January 17, 2014	February 15, 1980 Proposed
Date of Appointment	June 18, 1973	August 31, 1979	August 31, 1979	April 28, 2008	February 14, 2012	January 17, 2014	
Qualifications	JEDP-IIM-C OPM (HBS)	B.Com	B.Com	B. Com (Hons) FCA, GRAD CWA	M. Sc; M.B.A. (1st Rank in SV University and University of Madras)	Graduate from Jerome Fisher Dual Degree Program in Management. And Technology From Wharton School, University of Pennsylvania, USA.	LLM from Columbia Law School, New York
Expertise in specific functional areas	Mr. Rajendra Kumar Dabriwala has done his JEDP from IIM-C and has completed his OPM from HBS. He is a member of various Merchant Chambers and Export Promotion Council. He is the driving force behind the success of this Organisation He is having 49 years of experience in the Conveyor belting industry. The Company has made tremendous progress due to his efforts. Subject to the supervision and control of the Board of Directors, Mr. Rajendra Kumar Dabriwala is in overall in-charge of running the affairs of the company including Budgeting, Funding and Corporate affairs. He is also looking after the general administration, banking, finance, sales and purchase. He is a dynamic industrialist. As a Managing Director he has played a key role in making the Company single largest manufacturer of PVC belting. Incorporated in 1973 with an installed capacity of 60000 mtrs. p.a., today the Company has a production plant with an installed capacity of 11,25,800 mtrs. p.a. The Company has made tremendous growth under his leadership.	Mr. Mahadeo Prasad Jhunjhunwala has 66 years of experience in the field of Finance and Taxation, Corporate Legal Matters, Administrative and Functional areas of Corporate Entity. He is also having thorough knowledge of Direct and Indirect Taxation. Mr. Jhunjhunwala has got in-depth knowledge of Capital Market and Stock Market, Funding and their administration.	Mr. Lakshimimant Tibrawalla has 46 years of experience in the Field of Coal and Coke Industry. He is the founder and Whole Time Director of Shree Shyam Coal Co. Ltd. which is one of the largest unit in the belt of Nisachatty, Dhambad, Jharkhand and he is also the promoter of many body corporate.	Mr. Jinesh Suryakant Vanzara is a member of various professional bodies like Institute of Internal Auditors, Association of Secretaries and Managers etc. He is the Ex-Vice President of The Association of Corporate Executives and Advisors which is a leading professional body based in Kolkata for last 54 years and is still an active member of the same. M/s J. S. Vanzara and Associates has three partners including Jinesh S. Vanzara and twelve executives/ staff members. The firm has expertise in the field of Auditing and Direct Taxation with specific focus on Income Tax surveys, search and seizure and the related assessments. The firm has client profile from different industries and fields throughout the Eastern Region as well as some other parts of the country.	Mr. Kunchala Thirupal Reddy is an Executive Director in TM Tyres Limited functioning as overall in charge. He is having 44 years of experience in Sales and Marketing areas out of which he has experience of about 34 years in PVC Belting Industry. Having worked in various esteemed organization viz. Fenner (India) Limited, JK Industries Limited, MRF-Tyres, in the capacity of Director (India), General Manager-Marketing, District Manager-Sales, he bagged the position of CEO on the Board of TM Tyres Limited in 2010. He has also conducted Training Programs for Executives at different levels on Quantitative techniques such as PERT / CPM, Linear Programming, SQC etc. He was also the Hon. Faculty in Management in Madras University and Jawaharlal Nehru Technological University. He was also associated with the Employers Federation of Southern India and had been the President of EFSI during the period 2000-2002 and Chairman of the EFSI, A. P. Branch during the period 1998-2000.	Mr. Sunit Mehra heads Hunts' Private Equity practice across Asia and is a Managing Partner of the firm. He has worked with a large number of corporate boards and is an advisor to several Indian business houses on Corporate Governance. He has co-authored the Indian Board Report, India's foremost research paper on Corporate Governance in conjunction with the CII. He is a past chairman of United Way of Mumbai, Vice Chairman- American Chamber of Commerce, Mumbai and Treasures of the Wharton Alumni Association of India. He has received business degree in marketing management from the Wharton School, and also a degree in engineering from the University of Pennsylvania.	Ms. Nandini Khaitan is an associate partner at Khaitan & Co, specializing in litigation and dispute resolution with over 10 years of experience. Ms. Khaitan has vast experience in representing clients in various forums, in particular. The Supreme Court of India, The Bombay High Court, The Calcutta High Court, and The National Green Tribunal. Ms. Khaitan has done her LLM from Columbia Law School, New York. Ms. Khaitan is also a guest lecturer at the West Bengal National University of Juridical Sciences, Kolkata.

Particulars	Mr. Rajendra Kumar Dabriwala	Mr. Mahadeo Prasad Jhunjhunwala	Mr. Lakshminant Tibrawalla	Mr. Jinesh Suryakant Vanzara	Mr. Kunchala Thirupal Reddy	Mr. Sunit Mehra	Ms. Nandini Khaitan
Directorships held in other Companies (excluding foreign Companies)	<ul style="list-style-type: none"> <li>I.G.E. (India) Pvt. Limited,</li> <li>Dabri Properties and Trading Company Limited,</li> <li>R.C.A. Limited</li> <li>Fairdabad Capital Holdings Pvt. Ltd.</li> </ul>	Nil	<ul style="list-style-type: none"> <li>MICA Pvt. Ltd.</li> <li>Shree Hanuman Sugar and Industries Limited</li> <li>Shree Milk and Food Industries Ltd.</li> <li>International Belting Ltd.</li> <li>Pure Coke Ltd.</li> <li>Sanskriti Holdings Pvt. Ltd.</li> <li>Gumpatroy Pvt. Ltd.</li> <li>Kedco Processors Pvt Ltd</li> <li>Goel Fintrade Pvt Ltd</li> <li>Shree Shyam Coal Co. Ltd.</li> <li>Chengmarl Tea Co. Ltd.</li> <li>Zenox Trading and Manufacturing Pvt. Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Jalaram Properties Pvt. Ltd.,</li> <li>Srinathji Commercials Pvt. Ltd.,</li> <li>Jaikarni Holdings Pvt. Ltd.,</li> <li>Subhadrna Investment Pvt. Ltd.,</li> <li>Mathura Towers Pvt. Ltd.,</li> <li>Vaishno Nirman Pvt. Ltd.,</li> <li>Mahabali Nirman Pvt. Ltd.,</li> <li>Ambica Appartment Pvt. Ltd.,</li> <li>Aristorat Vanijya Pvt. Ltd.,</li> <li>Cromex Agency Pvt. Ltd.,</li> <li>Gomati Agencies Pvt. Ltd.,</li> </ul>	<ul style="list-style-type: none"> <li>T M Tyres Limited</li> </ul>	<ul style="list-style-type: none"> <li>International School of Corporate Etiquette and Protocol Pvt. Ltd.</li> <li>Masas Consultants International Pvt Ltd.</li> <li>Human Capital for Third Sector</li> <li>Hunt Consulting Services Pvt. Ltd.</li> </ul>	Nil
Memberships/Chairmanships of committees of other companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Number of Shares held in Company	5412620	200 Equity Shares	36000 Equity Shares	Nil	Nil	Nil	Nil

By Order of the Board of Directors  
For **International Conveyors Ltd.**

**Mohita Agrawal**  
Company Secretary

Date : August 8, 2014

Place : Kolkata



**INTERNATIONAL CONVEYORS LIMITED**

CIN: L21300WB1973PLC028854

Regd. Office: Falta SEZ, Sector-II, Near Pump House No. 3, Vill. &amp; Mza.-Akalmegh, Dist. 24 Parganas (S), West Bengal-743504

Corporate Office: 10, Middleton Row, Kolkata-700071

Phone: (033) 2229-6033/1768, Fax: (033) 2217-2269, E-mail: investors@icbelting.com, Website: www.icbelting.com

**ATTENDANCE SLIP**

I/We hereby record my/our presence at the **41st Annual General Meeting of the Company held on Friday, September 26, 2014 at 2:00 p.m.** at Falta SEZ, Sector-II, Near Pump House No. 3, Village & Mouza-Akalmegh, Dist. 24 Parganas (S), West Bengal-743504.

Folio/DP ID &amp; Client ID No.:

Share Holding:

Serial No.:

Name:

Name(s) of joint Holder(s), if any:

Address:

Name of Proxy (in BLOCK LETTERS)

Signature of Shareholder/Proxy Present

Please cut here and bring the Attendance Slip duly signed, to the meeting and hand it over at the entrance. Duplicate slips will not be issued at the venue of the Meeting.

**ELECTRONIC VOTING PARTICULARS**

EVEN (E-voting Event Number)	User ID	PASSWORD

Please refer to the AGM Notice for e-voting instruction

**INTERNATIONAL CONVEYORS LIMITED**

PROXY FORM-MGT.11

CIN: L21300WB1973PLC028854

Regd. Office: Falta SEZ, Sector-II, Near Pump House No. 3, Vill. &amp; Mza.-Akalmegh, Dist. 24 Parganas (S), W.B.-743504

41ST ANNUAL GENERAL MEETING ON FRIDAY, SEPTEMBER 26, 2014 AT 2:00 P.M.

I/We, being the member(s), holding.....shares of International Conveyors Limited hereby appoint :

- (1) Name ..... Address.....  
E-mail Id..... Signature.....or failing him/her
- (2) Name ..... Address.....  
E-mail Id..... Signature.....or failing him/her
- (3) Name..... Address.....  
E-mail Id..... signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 41st Annual General Meeting of the Company, to be held on Friday, September 26, 2014 at 2:00 p.m. at Falta SEZ, Sector-II, Near Pump House No. 3, Vill. & Mza.-Akalmegh, Dist. 24 Parganas(S), West Bengal-743504 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional *	
		For	Against
<b>Ordinary Business</b>			
1.	Consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2014 and the reports of the Board of Directors and Auditors thereon.		
2.	Declaration of Dividend for the financial year ended 31st March, 2014.		
3.	Appointment of M/s. Lodha & Company, Chartered Accountants, as the Statutory Auditors of the Company and authorise Board of Directors to fix their remuneration.		
<b>Special Business</b>			
4.	Appointment of Mr. Lakshmikant Tibrawalla as an Independent Director of the Company.		
5.	Appointment of Mr. Mahadeo Prasad Jhunjunwala as an Independent Director of the Company.		
6.	Appointment of Mr. Jinesh Suryakant Vanzara as an Independent Director of the Company.		
7.	Appointment of Mr. Kunchala Thirupal Reddy as an Independent Director of the Company.		
8.	Appointment of Mr. Sunit Mehra as a Director of the Company.		
9.	Appointment of Ms. Nandini Khaitan as a Director of the Company.		
10.	Re-Appointment of Mr. Rajendra Kumar Dabriwala as Managing Director of the Company.		
11.	Approve the Remuneration of the Cost Auditors for the financial year ending March 31, 2015.		

Signed this .....day of .....2014

Member's Folio /DP ID &amp; Client ID No.....Signature of Shareholder(s).....

Signature of Proxy holder(s).....

Affix  
Revenue  
Stamp

**Note :** 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 41st Annual General Meeting.

\*3. It is optional to put a 'X' in the appropriate column against the Resolutions indicated to the Box. If you leave the 'For' or 'Against' column blank against any or all 'Resolution' your proxy will be entitled to vote in the manner as he/she thinks appropriate.