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# ISGEC HEAVY ENGINEERING LIMITED

Registered Office: Radaur Road, Yamunanagar – 135001, Haryana.

CIN: L23423HR1933PLC000097

Ph.: 01732 – 661061/62, Fax No.: 01732 – 250991

Email Id: [roynr@isgec.com](mailto:roynr@isgec.com), Website: [www.isgec.com](http://www.isgec.com)

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## NOTICE

Notice is hereby given that the 82<sup>nd</sup> Annual General Meeting of the Shareholders of Isgec Heavy Engineering Limited will be held on Saturday, August 8, 2015, at 11:00 a.m. at the office premises of Saraswati Sugar Mills Limited, Radaur Road, Yamunanagar-135001, Haryana, to transact the following business:

### **As Ordinary Business:**

1. To receive, consider and adopt:
  - (a) the audited financial statements of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon; and
  - (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2015.
2. To confirm payment of Interim Dividend already made @ Rs. 10/- per Equity Share and to declare Final Dividend on Equity Shares for the year ended March 31, 2015.
3. To appoint a Director in place of Mrs. Nina Puri (DIN: 01316769), who retires by rotation and is eligible for re-appointment.
4. To appoint M/s. S.S. Kothari Mehta & Co., Chartered Accountants, the retiring auditors, to hold office as auditors of the Company, from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

### **As Special Business:**

5. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013, subject to the approval of the Banks and Financial Institutions, if required, consent of the Company be and is hereby accorded for the re-appointment of Mr. Aditya Puri (DIN 00052534) as Managing Director of the Company for a further period of 5 years upto April 30, 2021 with effect from May 1, 2016 on terms and conditions and remuneration as set out below:

- i) That Mr. Aditya Puri (DIN 00052534) shall be the Managing Director and Principal Officer of the Company and subject to the control and supervision of the Board of Directors of the Company. He shall have the general conduct and management of the business and affairs of the Company with such powers as the Board may vest in him, from time to time, by way of Power of Attorney or otherwise.
  - ii) That Mr. Aditya Puri (DIN 00052534) shall not be liable to retire from Directorship by rotation.
  - iii) That Mr. Aditya Puri will be entitled to following remuneration subject to the limits laid down in Sections 197 and 198 and Schedule V to the Companies Act, 2013:
    - I. Salary - Rs. 5,00,000/- (Rupees Five Lacs only) per month.
    - II. Perquisites and Allowances - Perquisites and allowances in the form of Housing, Furnishing, Gas, Electricity, Water, Medical Reimbursement, Leave Travel Concession, Club Fees, Personal Accident Insurance and in any other form shall also be allowed in addition to salary, as may be determined by the Board from time to time. Provided that the aggregate of salary, perquisites and allowances shall not exceed Rs. 5,10,000/- (Rupees Five Lacs Ten Thousand only) per month.
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- III. Commission - Mr. Aditya Puri (DIN 00052534), Managing Director, will also be allowed remuneration by way of commission in addition to salary, perquisites and any other allowance, benefit or amenity. The amount of commission would be such that aggregate of remuneration by way of salary, perquisites and allowances, commission etc. payable to Mr. Aditya Puri, Managing Director, shall not exceed 5% of the net profits of the Company in a particular financial year as computed in the manner referred to in Section 197 and Section 198 of the Companies Act, 2013.
- IV. Provided that the aggregate amount of remuneration payable to Mr. Aditya Puri (DIN 00052534), Managing Director and Mrs. Nina Puri (DIN: 01316769), Whole-time Director in a particular financial year will be subject to the overall ceiling laid down in Section 197 of the Companies Act, 2013.
- iv) That Mr. Aditya Puri (DIN 00052534) shall not be entitled to any sitting fee for attending meetings of the Board / Committees.
- v) That in case Mr. Aditya Puri (DIN 00052534), Managing Director, draws remuneration from any other company, the total remuneration drawn from all the companies will not exceed the higher maximum limit admissible from any of the companies of which he is a managerial person.
- vi) That the Board of Directors of the Company/ Nomination and Remuneration Committee thereof are authorized to re-fix his salary to comply with the aforesaid condition.
6. To consider and if thought fit, to pass with or without modification, 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 or any statutory modification or re-enactment thereof, M/s Jugal K. Puri & Associates, Cost Accountants, (Firm Registration No. 000207), Plot No. 3, Sector-22, Gurgaon-122015 appointed as Cost Auditor by the Board of Directors of the Company to conduct the cost audit of cost accounts maintained by the Company, for the year ending March 31, 2016, be paid the remuneration of Rs. 75,000/- (Rupees Seventy Five Thousand Only).

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, Isgec Heavy Engineering Limited

Registered Office:  
Radaur Road, Yamunanagar-135001, Haryana.

Dated: 9<sup>th</sup> July, 2015

(S.K. KHORANA)  
Executive Director  
& Company Secretary

## Notes:

### 1. Proxy:

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and a proxy need not be a member of the Company. Proxy, in order to be effective, must be received by the Company not less than 48 hours before the commencement of the meeting. A blank proxy form is annexed to the Annual Report.

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2. Corporate shareholders and other incorporated bodies shareholders *inter alia* Trust, HUF, etc. intending to send their authorized representative to attend the meeting are requested to bring along with them, a certified true copy of resolution of the board of directors or its committee thereof/ power of attorney, authorizing such person to attend and vote on its behalf at the meeting.
  3. The members/ proxies/ authorized representatives are advised to bring original photo identity for verification, if required.
  4. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
  5. **Reports for financial year ended March 31, 2015:**  
Copy of the relevant Board's Report, Auditors' Report and the Financial Statements are enclosed.
  6. **Book Closure:**  
The Register of Members and Share Transfer Books of the Company shall remain closed from August 1, 2015 to August 8, 2015 (both days inclusive).
  7. **Payment of Dividend:**  
The Dividend on Equity Shares for the financial year ended March 31, 2015, will be paid after declaration by the members:-
    - (i) In respect of shares held in physical form, to those members whose names appear on the Register of Members of the Company on August 8, 2015, after giving effect to all valid share transfers lodged with the Company on or before July 31, 2015.
    - (ii) In respect of shares held in electronic form, to those beneficial owners whose names appear in the statements of beneficial ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited as at the end of business hours on July 31, 2015.
  8. Members holding shares in physical form are requested to notify and/ or send the following to Company's Share Transfer Agent, M/s. Alankit Assignments Ltd., Alankit Heights, 1E/13, Jhandewalan Extn., New Delhi - 110055 (phone 011-42541234, 23541234), e-mail address: [rta@alankit.com](mailto:rta@alankit.com) to facilitate better services :-
    - i) any change in their address; and
    - ii) share certificate(s) held in multiple accounts in identical names or joint names in the same order of names, for consolidation of such shareholdings into one account.
  9. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Rules made thereunder, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH-13.
  10. A Statement pursuant to Section 102(1) of the Companies Act, 2013 and as per Secretarial Standard - 2 (SS-2) on "General Meetings", relating to the Special Business to be transacted at the Meeting is annexed hereto.
  11. Members may also note that the Notice of the 82<sup>nd</sup> Annual General Meeting and the Reports for the financial year ended March 31, 2015 is also available on the Company's website [www.isgrec.com](http://www.isgrec.com).
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12. Pursuant to Clause 49 of the Listing Agreement with Bombay Stock Exchange Ltd. and as per Secretarial Standard - 2 (SS-2) on “General Meetings”, the particulars of Director retiring by rotation and seeking re-appointment at the Annual General Meeting, are given hereunder:-

Name of the Director	Mrs. Nina Puri
Date of Birth (dd/mm/yyyy)	23.05.1943
Age (in years)	72
Date of Appointment	16.02.2007
Qualification	B.A.Honours (History) – Delhi University, M.A.(History)- Georgetown University, Washington D.C., Ph.D-Modern India History – Kurukshetra University
Board position held	Whole-time Director
Terms and conditions of re-appointment	Liable to retire by rotation
Nature of her expertise in specific function areas along with experience (in years)	Company Director Experience: 49 years
Other Directorship	Jullundur Auto Sales Corporation Limited
Chairperson / Member of Committee of the Board of Companies of which she is a Director	-
Shareholding of Non-Executive Directors as stated in Clause 49 (IV)(E)(v)	Not Applicable

13. Information and other instructions relating to e-voting are as under:

- i) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide its members, facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- ii) The remote e-voting period commences on 5<sup>th</sup> August, 2015 (9:00 am) and ends on 7<sup>th</sup> August, 2015 (5:00 pm). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 1<sup>st</sup> August, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting after 5.00 p.m. on 7<sup>th</sup> August, 2015. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- iii) The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
    - (a) Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

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- (b) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - (c) Click on Shareholder - Login
  - (d) Put user ID and password as initial password/PIN noted in step (a) above. Click Login.
  - (e) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Please note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (f) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (g) Select “Electronic Voting Event Number” (EVEN) of “Isgec Heavy Engineering Limited”.
  - (h) Now you are ready for remote e-voting as Cast Vote page opens.
  - (i) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
  - (j) Upon confirmation, the message “Vote cast successfully” will be displayed.
  - (k) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (l) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [rkvac@gmail.com](mailto:rkvac@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants or requesting physical copy] :
- (a) Initial password is provided at the bottom of the Attendance Slip for the AGM.
  - (b) Please follow all steps from Sl. No. A.(b) to Sl. No. A.(l) above, to cast vote.
- iv) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- v) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- vi) 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 future communication(s).
- vii) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 1<sup>st</sup> August, 2015.
- viii) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 1<sup>st</sup> August, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Company/ RTA.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- ix) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM
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but shall not be entitled to cast their vote again.

- x) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- xi) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled for voting at the AGM through ballot paper, in case he/she does not avail the facility of remote e- voting.
- xii) M/s. Ranjeet Verma & Associates, Practicing Company Secretaries (Membership No. FCS 6814) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xiii) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- xiv) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xv) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company viz [www.isgec.com](http://www.isgec.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

By Order of the Board of Directors  
For, Isgec Heavy Engineering Limited

Registered Office:  
Radaur Road, Yamunanagar-135001, Haryana.  
Dated: 9<sup>th</sup> July, 2015

(S.K. KHORANA)  
Executive Director  
& Company Secretary

**ANNEXURE TO THE NOTICE DATED JULY 9, 2015  
STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND AS PER  
SECRETARIAL STANDARD-2 (SS-2) ON “GENERAL MEETINGS”:**

**Item No.5:**

- a) The present term of office of Mr. Aditya Puri, Managing Director expires on April 30, 2016. The Board of Directors of the Company in their meeting held on May 26, 2015, subject to the approval of the Company in general meeting and such other approvals as may be necessary under any financial agreements, re-appointed Mr. Aditya Puri as Managing Director for a period from May 1, 2016 to April 30, 2021 on the terms and remuneration (as recommended by the Nomination and Remuneration Committee) as detailed in the aforesaid Resolution.
  - b) The remuneration and terms of appointment are in accordance with Section 197 of the Companies Act, 2013 and the rules made thereunder read with Schedule V to the Companies Act, 2013.
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- c) Apart from Mr. Aditya Puri, who is interested himself, Mr. Ranjit Puri, Chairman and Mrs. Nina Puri, Whole-time Director, are interested in the resolution being father and mother respectively of Mr. Aditya Puri. Apart from them none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The terms of re-appointment and remuneration as detailed in the Resolution may be regarded as Abstract of the Agreement and Memorandum of Interest under Section 190 of the Companies Act, 2013.

- d) Further, pursuant to Clause 49 of the Listing Agreement with BSE Ltd. and as per Secretarial Standard - 2 (SS-2) on "General Meetings", the particulars of Mr. Aditya Puri, are given hereunder:-

Name of the Director	Mr. Aditya Puri
Date of Birth (dd/mm/yyyy)	04.12.1967
Age (in years)	47
Date of Appointment	01.05.1996
Qualification	B.A. (Honours), M.A. (CANTAB)ECON. from Cambridge University (U.K.)
Board position held	Managing Director
Terms and conditions of re-appointment	As per resolution given in the Notice
Nature of his expertise in specific function areas along with experience (in years)	Industrialist, Managing Companies Experience: 23 years
Other Directorship	i) Isgec Exports Limited ii) Isgec Covema Limited iii) Isgec Engineering & Projects Limited iv) Isgec Hitachi Zosen Limited v) Isgec Foster Wheeler Boilers Private Limited vi) Isgec Titan Metal Fabricators Private Limited vii) The Yamuna Syndicate Limited viii) Saraswati Sugar Mills Limited ix) Jullundur Motor Agency (Delhi) Limited x) JMA Rane Marketing Limited
Chairperson / Member of Committee of the Board of Companies of which he is a Director	<b>Isgec Hitachi Zosen Limited:</b> - Chairman-Audit Committee <b>The Yamuna Syndicate Limited:</b> - Member- Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee <b>Saraswati Sugar Mills Limited:</b> - Member- Stakeholders Relationship Committee and Corporate Social Responsibility Committee <b>Jullundur Motor Agency (Delhi) Limited:</b> - Member- Audit Committee
Shareholding of Non-Executive Directors as stated in Clause 49 (IV)(E)(v)	Not Applicable

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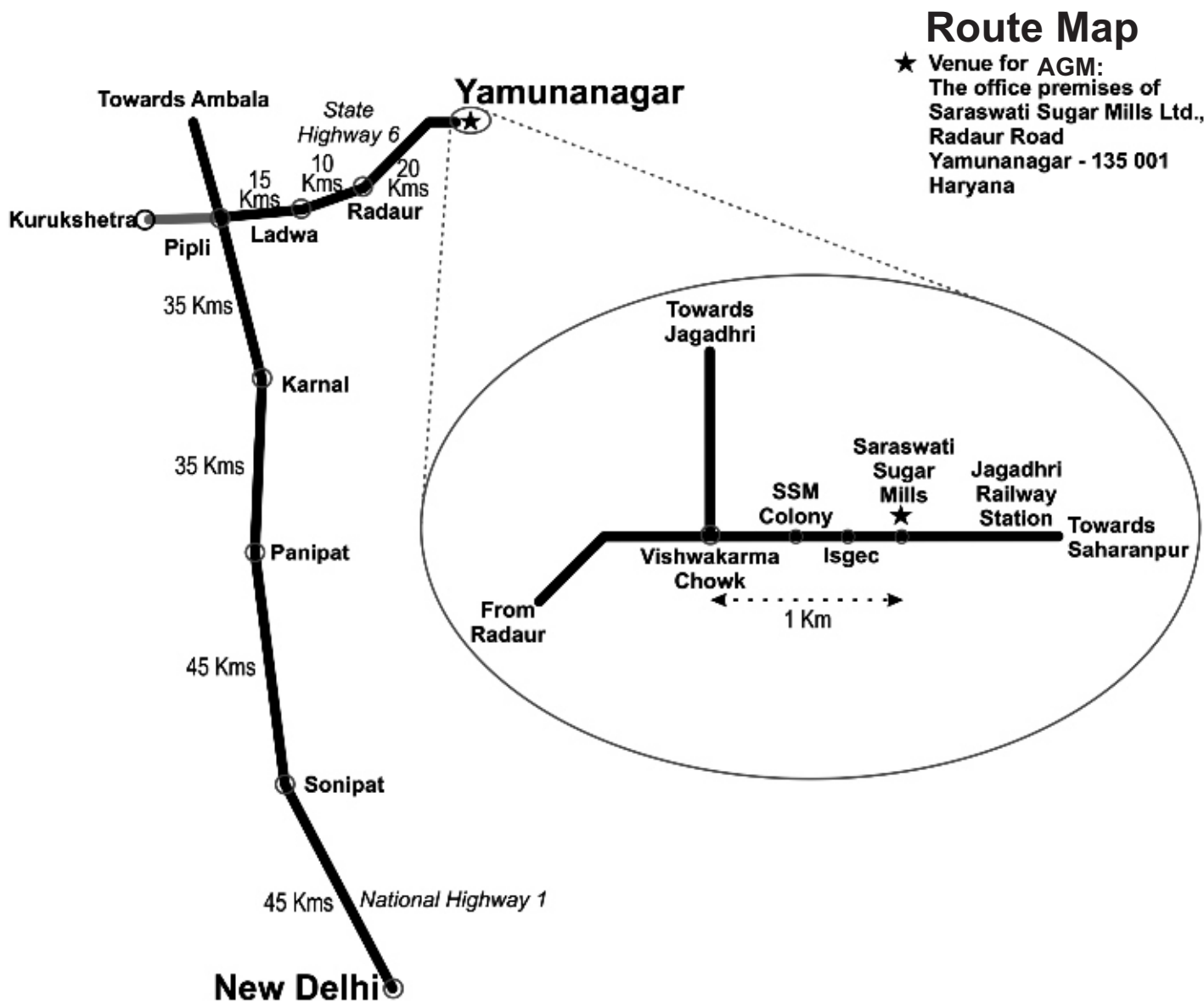
Ph.: 01732 - 661061/62, Fax No.: 01732 - 250991

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## Item No. 6:

The Board on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s Jugal K. Puri & Associates, Cost Accountants, Plot No. 3, Sector-22, Gurgaon-122015 as Cost Auditor to conduct the cost audit of cost accounts maintained by the Company, for the year ending March 31, 2016. 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 Auditor has to be ratified by the Shareholders of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.



Distance from New Delhi border - approx. 200 Km

All distances shown in the map are approx. & indicative.



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## Form No. MGT-11

### Proxy form

Name of the member(s):
Registered address:
E-mail Id:
Folio No/ Client Id:
DPID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

- Name : .....  
Address : .....  
E-mail Id : .....  
Signature : .....or failing him
- Name : .....  
Address : .....  
E-mail Id : .....  
Signature : .....or failing him
- 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 82nd Annual general meeting of the company, to be held on the 8th day of August, 2015 at 11.00 a.m. at the office premises of Saraswati Sugar Mills Limited, Radaur Road, Yamunanagar, Haryana and at any adjournment thereof in respect of such resolutions as are indicated below:

#### Ordinary Business

Item No.	Description of Resolution	Type of resolution
(1)(a)	To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon.	Ordinary Resolution
(1)(b)	To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2015.	Ordinary Resolution
2.	To confirm payment of Interim Dividend already made @ Rs. 10/- per Equity Share and to declare Final Dividend on Equity Shares for the year ended March 31, 2015.	Ordinary Resolution
3.	To appoint a Director in place of Mrs. Nina Puri (DIN: 01316769), who retires by rotation and is eligible for re-appointment.	Ordinary Resolution
4.	To appoint M/s. S.S. Kothari Mehta & Co., Chartered Accountants, the retiring auditors, to hold office as auditors of the Company, from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.	Ordinary Resolution

#### Special Business

5.	Re-appointment of Mr. Aditya Puri as Managing Director of the Company	Ordinary Resolution
6.	Ratification of the Remuneration to be paid to the Cost Auditors of the Company for the financial year ending March 31, 2016.	Ordinary Resolution

Signed this..... day of..... 2015

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

**Note: 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.**

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## ATTENDANCE SLIP

Please fill attendance slip and hand it over at the entrance of the meeting hall

Name of the Shareholder (In Block Letters)	
Address of the Shareholder	
DPIId*/Client Id*/Folio No.	
No. of Shares	

I hereby record my presence at the 82<sup>nd</sup> ANNUAL GENERAL MEETING of the Company held on Saturday, August 8, 2015 at 11:00 a.m. at the office premises of Saraswati Sugar Mills Limited, Radaur Road, Yamunanagar, Haryana.

\* Applicable for shareholders holding shares in electronic form.

\_\_\_\_\_  
Signature of Shareholder / Proxy

EVEN (Electronic-Voting Event Number)	USER ID	PASSWORD / PIN

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**ISGEC HEAVY ENGINEERING LIMITED**

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**Reports and Accounts for the year ended  
31st March, 2015**

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**ANNUAL REPORT 2014-15****BOARD OF DIRECTORS****Directors**

Mr. Vinod K. Nagpal  
Mr. Tahir Hasan  
Mr. Vinod Kumar Sachdeva  
Mr. Arun Kathpalia

**Whole-time Director**

Mrs. Nina Puri

**Managing Director**

Mr. Aditya Puri

**Chairman**

Mr. Ranjit Puri

**Audit Committee**

Mr. Vinod K. Nagpal - Chairman  
Mr. Arun Kathpalia  
Mr. Aditya Puri

**Executive Director &  
Company Secretary**

Mr. S.K. Khorana

**Chief Financial Officer**

Mr. Kishore Chatnani

**Bankers**

State Bank of Patiala  
Standard Chartered Bank  
State Bank of India  
Corporation Bank  
Punjab National Bank  
The Hongkong & Shanghai Banking Corporation Ltd.  
ICICI Bank Ltd.  
State Bank of Mysore  
Citibank N. A.  
Kotak Mahindra Bank Ltd.  
State Bank of Hyderabad  
HDFC Bank Ltd.  
Yes Bank Ltd.  
IndusInd Bank Ltd.  
Export Import Bank of India

**Registered Office**

Radaur Road,  
Yamunanagar-135001  
Haryana, India

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## Board's Report

1.00 The Board hereby presents its Report for the year ended 31<sup>st</sup> March 2015.

**2.00 FINANCIAL SUMMARY AND HIGHLIGHTS:**

2.01 The Financial Summary and Highlights are given below. As the preceding period ended 31<sup>st</sup> March 2014 was of six months, the figures of revenue and expenses are not comparable.

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>I. EQUITY AND LIABILITIES:</b>		
Shareholders' Funds	76,976.06	64,810.16
Non-Current Liabilities	30,796.04	32,723.29
Current Liabilities	177,075.25	158,547.97
<b>Total</b>	<b>284,847.35</b>	<b>256,081.42</b>
<b>II ASSETS:</b>		
Fixed Assets	40,978.80	44,127.89
Other Non-current Assets	14,877.83	14,173.39
Current Assets	228,990.72	197,780.14
<b>Total</b>	<b>284,847.35</b>	<b>256,081.42</b>
	<b>For the year ended 31.3.2015</b>	<b>For the period ended 31.03.2014 (six months)</b>
III Revenue From Operations & Other Income	331,973.51	146,382.59
IV TOTAL EXPENSES	310,141.53	139,356.72
V Profit Before Tax	21,831.98	7,025.87
VI Tax Expenses	7,512.61	2,400.64
VII Profit After Tax	14,319.37	4,625.23
VIII Dividend including Tax	1767.30	602.18
IX Transfer to General Reserve	1,431.94	462.52
X Balance carried to Profit & Loss Account	11,120.13	3,560.53
XI Basic/Diluted earning per share of ₹ 10 each	194.74	62.78

**3.00 DIVIDEND:**

3.01 In the month of February 2015 the Company declared an Interim Dividend of ₹ 10/- per share. Your Directors are pleased to recommend a Final Dividend of ₹ 10/- per share aggregating ₹ 20/- per share (inclusive of interim and final) for the financial year. The Final Dividend if approved and declared in the forthcoming Annual General Meeting, would result in a total outflow of ₹ 1,767.30 lakhs including the Dividend Distribution Tax.

**4.00 STATE OF COMPANY AFFAIRS AND OPERATIONS:**

4.01 As the shareholders are aware, due to bad economic conditions, capital investments have been low for the past many years. In spite of this, your Company has been showing growth in turnover, order booking, and profits due to continued and intensive efforts in design improvement, cost control and marketing. These efforts resulted in a record order book.

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## 4 ISGEC HEAVY ENGINEERING LIMITED

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- 4.02 The Company witnessed an increased market share in most of the business lines it operates in.
- 4.03 Focus on the export market has continued. The export turnover was substantially higher than that of the last year.

### **BOILERS:**

- 4.04 Our first order for Pulverized Coal Fired Boiler will be commissioned shortly.
- 4.05 As mentioned in the previous period's report, the Company has ventured into Heat Recovery Steam Generators, Waste Heat Recovery Boilers, and Pin Hole Grate Boilers. The first orders for the Waste Heat Recovery Boiler and Pin Hole Grate Boiler are likely to be commissioned soon.
- 4.06 The Company continued to aggressively pursue its Spares, Retrofitting and Operation & Maintenance businesses.
- 4.07 A number of orders have been received for Boilers firing highly polluting distillery effluent. These Boilers were engineered in-house. With the Indian Government deciding to implement a "Zero Effluent Discharge" policy for Distilleries, the Company is hoping to get many more such orders.
- 4.08 In order to diversify into new products, the Company has signed a Collaboration Agreement with NEM of the Netherlands for Flue Gas Coolers used in Oil Refineries, and for CO Boilers used in Steel Plants. The Company already has a Collaboration Agreement with this company for the design, fabrication and installation of Drum Type Heat Recovery Steam Generators.
- 4.09 During the year, your Company successfully commissioned six Electrostatic Precipitators with technology from Envirotherm GmbH, Germany. Your Company is currently executing a number of orders for the supply of this equipment to work on a variety of fossil fuels.

### **SUGAR MACHINERY DIVISION:**

- 4.10 The Sugar Machinery Division successfully commissioned three Sugar Plants on turnkey basis during the year.
- 4.11 The Sugar Machinery Division is doing very well internationally and is currently executing a large number of Projects. Notable amongst these is a Sugar Refinery in Africa and a Bio-Ethanol Project in South East Asia. The Bio-Ethanol Project is being executed in association with a European partner. The Division has also booked an order for the largest Milling Tandem 127 x 254 cm (50" x 100") ever to be supplied in India.

### **MACHINE BUILDING DIVISION:**

- 4.12 The Machine Building Division has made a break-through and received orders for two numbers CNC Vertical Turning Lathe Machines, a new product.
- 4.13 This Division booked orders for Presses from many prestigious customers and the order book is at a record level.

### **PROCESS EQUIPMENT DIVISION:**

- 4.14 The Process Equipment Division continued to diversify its product range. It successfully manufactured and supplied for the first time, Condensers and LP Heaters for 800 MW and 660 MW Plants; Breech Lock Exchangers for Refineries based on designs by our Technology Partner Belelli, Italy; High Pressure Heat Exchangers for KBR Ammonia Process for a project in USA; Feed Water Heaters for a Nuclear Project as well as a Carbamate Condenser.
- 4.15 Although the Process Equipment Division is fully booked for this year, the next year may pose some challenges. The fall in crude oil prices has resulted in many Refinery Projects being shelved. Intensive efforts are being made to get orders from Projects that are still going ahead, to keep the Shops full for the next year.

### **TUBING AND PIPING DIVISION:**

- 4.16 The Tubing and Piping Division continued to do well. The Plant has successfully equipped itself to fabricate Coils with T-91, a complex material which requires very accurate pre-heat and post heat process for welding. The Division for the first time, fabricated a 20 meter long panel. This will improve productivity and reduce site work.
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**CONTAINER DIVISION:**

4.17 The Container Division continued to have substantial market share. The Division also successfully engineered and supplied Refrigerant Gas Containers to many customers.

**IRON FOUNDRY DIVISION:**

4.18 The Iron Foundry at Yamunanagar which manufactures Ferrous and Gray Iron Castings, continues to do well. It implemented an expansion scheme which has enhanced its production capacity from 3000MT to 4800MT per annum. The expansion scheme will enable it to develop Heavy Weight Ductile Iron Castings.

4.19 The Division also succeeded in booking its first significant export order.

**STEEL FOUNDRY:**

4.20 The business at Steel Foundry Unit at Muzaffarnagar was affected because of delay in Power Projects. Domestic Utility power showed some recovery in the second half of the year with the finalization of some NTPC and State projects. This resulted in the Unit booking good orders from the Steam Turbine sector. Business for castings from Hydro Turbine sector continues to be dull.

4.21 The Unit received good orders from the Pumps and Valves sector.

4.22 The Unit is also concentrating on development of new products, viz. Railway Bogie Frames, Super Duplex Stainless Castings for Pumps, Bottom Frame Castings for Shearing Presses and Pedestals for 660 M.W. Steam Turbines.

**5.00 REPORT ON THE PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES AND JOINT VENTURE COMPANIES:**

**A) SARASWATI SUGAR MILLS LIMITED (WHOLLY OWNED SUBSIDIARY COMPANY):**

- (i) In view of higher sugarcane prices and low sugar prices, the Company suffered a huge loss of ₹ 45.20 crore during the year.
- (ii) As the sugar prices were not adequate to cover even the cane cost, it resulted in liquidity problem and the Company had to suspend cane payments.
- (iii) The Company represented to the State Government for financial assistance, both by writing and frequently meeting with Senior Officials, Honorable Agriculture Minister and the Honorable Chief Minister. The State Government has offered some assistance by way of a soft loan.
- (iv) The Board reports that the financial assistance indicated by the State Government is likely to help in liquidating cane arrears early. However, there will be no significant reduction in the interest to be incurred by the Subsidiary Company.
- (v) The working of the Sugar factory itself was good. The recovery of sugar was 10.95% against 10.45% in the preceding year.
- (vi) The Statistical position is given below:

Particulars	Sugar Season (October to September)	
	2014-15	2013-14
All India Production of Sugar (Lakh Tonnes)	* 278	241
All India Consumption of Sugar (Lakh Tonnes)	* 245	240
Production of Sugar by Saraswati Sugar Mills (Lakh Tonnes)	1.56	1.35
Cane Crush by Saraswati Sugar Mills (Lakh Tonnes)	14.39	12.94
Recovery (%)	10.95	10.45

\* These are estimated as the sugar season is yet to close.

Source: Indian Sugar Mills Association.

- (vii) Consequent to the delay in cane price payment, planting of sugarcane has been impacted.
- (viii) The start of the crushing operation for the next season 2015-16 is uncertain due to the adverse financial position of the Subsidiary Company.

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B) ISGEC HITACHI ZOSEN LIMITED (IHZL) [SUBSIDIARY AND JOINT VENTURE COMPANY]:

- (i) The Joint Venture Company earned a profit during the year. Its total revenue was ₹ 333.46 crore, which includes export turnover of ₹ 220 crore. It made profit of ₹ 11.29 crore, after taxes, during the year.
- (ii) During the year, the Company, for the first time, successfully supplied several critical equipment, such as Ammonia Converter with Basket, Urea Reactor, Urea Stripper, and Secondary Reformer. Besides these, Hydro Processing Reactors were also supplied for the Oil and Gas sector.
- (iii) Most of the orders booked in the previous years, were delivered during the year. There was a delay in delivery due to space and capacity constraints and liquidated damages had to be paid. With the successful completion of capacity expansion during the year, these constraints do not exist any more.
- (iv) The Joint Venture Company has implemented various improvement initiatives to ensure timely deliveries.
- (v) The order book at the close of the year was at a reasonable level.

C) OTHER WHOLLY OWNED SUBSIDIARY COMPANIES:

(i) Free Look Software Private Limited:

During the year ended 31<sup>st</sup> March 2015 the Company acquired the entire share capital of Free Look Software Private Limited. This Company owned a plot of land in Noida. There was no commercial activity during the year.

(ii) Isgec Engineering & Projects Limited:

The company paid further installment towards purchase of property at Kasauli. There was no commercial activity during the year.

(iii) Isgec Exports Limited & Isgec Covema Limited:

These companies did not do any commercial activity during the year.

**6.00 EXTRACT OF ANNUAL RETURN:**

6.01 An extract of the Annual Return of the Company in prescribed form MGT-9 is annexed herewith, as Annexure – 1.

**7.00 NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:**

7.01 The Board met five times in the year ended 31<sup>st</sup> March 2015 viz. on 26<sup>th</sup> May 2014, 4<sup>th</sup> August 2014, 18<sup>th</sup> October 2014, 8<sup>th</sup> November 2014 and 13<sup>th</sup> February 2015.

**8.00 DIRECTORS' RESPONSIBILITY STATEMENT:**

8.01 Your Directors hereby confirm that:

- (a) In the preparation of the Annual Accounts for the financial year 2014-15, the applicable Accounting Standards have been followed and there are no material departures;
  - (b) The Directors have selected such accounting policies with the concurrence of the Statutory Auditors 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 at the end of the financial year and of the profit of the Company for the financial year;
  - (c) The Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
-

- (d) The Directors have prepared the Annual Accounts on going concern basis;
- (e) The Directors have laid down internal financial controls to be followed by the Company, and these financial controls are adequate and are operating effectively; and
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**9.00 INDEPENDENT DIRECTORS:**

9.01 All the Independent Directors have furnished declarations that each of them meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

**10.00 POLICY ON DIRECTORS' APPOINTMENT/REMUNERATION OF DIRECTORS/KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES:**

10.01 The Nomination and Remuneration Committee constituted by the Company has formulated criteria for determining qualifications, positive attributes and independence of the Directors. The Committee has also recommended to the Board a Policy relating to remuneration ensuring:

- (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate key managerial personnel of the quality required to run the company successfully;
- (ii) relation of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) remuneration to key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives, appropriate to the working of the Company and its goals.

10.02 Under this Policy the Company retained a third party agency to assess the attributes of employees.

**11.00 EXPLANATION OR COMMENTS ON QUALIFICATION ETC., BY AUDITORS AND COMPANY SECRETARY IN PRACTICE:**

11.01 There is no qualification, reservation or adverse remark or disclaimer made by Auditor in Auditors' Report or by the Company Secretary in Practice in Secretarial Audit Report needing explanation or comments by the Board.

11.02 The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

**12.00 PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE:**

12.01 Particulars of Loans given, Investments made or Securities provide under section 186 of the Companies Act are annexed as Annexure - 2.

**13.00 PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

13.01 The Company has formulated a Policy on Materiality of Related Party transactions and also on the dealing with related parties as required under Clause 49 of the Listing Agreement with the Stock Exchange. The Policy on related party transactions has been disclosed on the website of the Company.

13.02 The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, are given in the prescribed Form AOC-2, annexed as Annexure - 3.

**14.00 MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY AFTER THE CLOSE OF THE YEAR:**

14.01 There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

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**15.00 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:**

15.01 The required information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is annexed hereto as Annexure – 4.

**16.00 RISK MANAGEMENT POLICY:**

16.01 The Board has developed and implemented a Risk Management Policy for the Company including for identifying elements of risk, which in the opinion of the Board may threaten the existence of the Company. In terms of the Policy, detailed risk review is done by Unit Level Committee or Corporate Level Committee (depending upon value of the order) before accepting any order. All the terms and conditions both financial and technical, are reviewed. All steps are taken to mitigate risks.

16.02 In addition, the Board has laid down a Foreign Exchange Risk Management Policy, which is implemented for hedging Forex risk.

16.03 The Company also takes adequate insurance to protect its assets.

**17.00 CORPORATE SOCIAL RESPONSIBILITY:**

17.01 The Company has constituted Corporate Social Responsibility Committee of the Board of Directors as under:-

S.No	Name of the Committee Member	Position
1	Mr. Ranjit Puri (DIN: 00052459)	Chairman
2	Mr. Aditya Puri (DIN: 00052534)	Member
3	Mr. Vinod Kumar Sachdeva (DIN: 00454458)	Member

17.02 Due to time constraints, the Corporate Social Responsibility expenditure of ₹ 172.76 lacs pertaining to year ended 31<sup>st</sup> March 2015 could not be spent. The CSR expenditure has, however, been provided in the Profit & Loss Account. It will be spent during the year ending 31<sup>st</sup> March 2016 in accordance with CSR Policy of the Company.

17.03 While spending the amount, preference shall be given to the areas around which the Company's Units operate.

17.04 The annual report on Corporate Social Responsibility is given in the prescribed format annexed as Annexure-5.

**18.00 ANNUAL EVALUATION BY THE BOARD:**

18.01 The evaluation framework for assessing the performance of the Board, Committees and Directors comprises of the following key areas:

- (i) Attendance of Board Meetings and Committee Meetings by the Directors;
- (ii) Quality of contribution and deliberations towards growth of the Company, guidance to the management; and
- (iii) Commitment to shareholders' and other stakeholders' interests.

18.02 The Board evaluates performance of the Audit Committee on the basis of the Audit Reports and Financial Statements approved by the Audit Committee.

18.03 The performance of the Managing Director is evaluated by the Board on the basis of the working reports given by the Managing Director at regular intervals. The operating results are also considered for evaluating performance of the Managing Director.

**19.00 DETAILS OF DIRECTORS/KEY MANAGERIAL PERSONNEL:**

19.01 Mr. Kishore Chatnani, B.E., M.B.A. was appointed as Chief Financial Officer during the year on the recommendation of the Audit Committee.

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19.02 Mr. Aditya Puri, Managing Director and Mr. S.K. Khorana, Company Secretary, were appointed before the commencement of the Companies Act, 2013.

**20.00 NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURE AND ASSOCIATES:**

**(a) Free Look Software Private Limited:**

During the year the company acquired 100% shareholding of Free Look Software Private Limited.

**(b) Isgec Foster Wheeler Boilers Pvt. Ltd:**

Isgec Foster Wheeler Boilers Pvt. Ltd., was incorporated as Joint Venture Company with Amec Foster Wheeler North America Corporation. The total paid-up capital is ₹ 2,00,00,000/- Your Company has contributed ₹ 102,00,000 i.e. 51% and Amec Foster Wheeler North America Corporation has contributed ₹ 98,00,000, i.e. 49% subscription towards capital in April 2015. This company will undertake detail engineering of Pulverized Coal Fired Boilers of both ISGEC and Foster Wheeler.

**21.00 DEPOSITS:**

21.01 The Company has stopped accepting deposits from the public with effect from 1<sup>st</sup> April 2014.

21.02 Deposits accepted before 1<sup>st</sup> April 2014 have been repaid and there were no deposits which were not in compliance with requirements of the Companies Act, 2013.

21.03 There has been no default in repayment of deposits or payment of interest thereon during the year.

**22.00 DETAILS OF SIGNIFICANT & MATERIAL ORDERS:**

22.01 There is no significant or material order passed by the regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

**23.00 INTERNAL FINANCIAL CONTROLS:**

23.01 The Company has adequate internal financial controls with reference to financial statements and these are working effectively.

**24.00 COMPOSITION OF AUDIT COMMITTEE:**

24.01 The composition of Audit Committee is as below:-

S.No	Name of the Committee Member	Position
1.	Mr. Vinod K. Nagpal (DIN: 00147777)	Chairman – Audit Committee
2.	Mr. Arun Kathpalia (DIN: 00177320)	Member – Audit Committee
3.	Mr. Aditya Puri (DIN: 00052534)	Member – Audit Committee

24.02 There is no recommendation by the Audit Committee which has not been accepted by the Board.

**25.00 MANAGEMENT DISCUSSION & ANALYSIS REPORT AND CORPORATE GOVERNANCE REPORT:**

25.01 The Management's Discussion and Analysis Report and Corporate Governance Report for the year under review, as stipulated under the Listing Agreement with the Stock Exchanges in India are annexed as Annexure-6 and 7 respectively.

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**26.00 CONSOLIDATED FINANCIAL STATEMENTS:**

- 26.01 In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared a consolidated financial statement of the Company and all its subsidiary companies, which is forming part of the Annual Report.
- 26.02 Further, as required under Rule 5 of the Companies (Accounts Rules) 2014, a statement in form AOC 1 containing salient features of the financial statements of the subsidiary companies is attached to the financial statement, as Annexure-8.

**27.00 DISCLOSURE REGARDING REMUNERATION AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013:**

- 27.01 Disclosure regarding remuneration as required under section 197 (12) of the Companies Act, 2013 are annexed as Annexures- 9 and 10.

**28.00 VIGIL MECHANISM:**

- 28.01 The Company has established a Vigil Mechanism for Directors and Employees in accordance with sub-section (9) and (10) of Section 177 of the Companies Act, 2013. Details of Vigil Mechanism are given in the Corporate Governance Report under the heading of Whistle Blower Policy. The Vigil Mechanism has been disclosed on the website of the Company.

**29.00 SECRETARIAL AUDIT REPORT:**

- 29.01 The Board of Directors of the Company has appointed M/s. Ranjeet Verma & Associates, Company Secretaries, to conduct the Secretarial Audit.
- 29.02 Pursuant to the Section 204 of the Companies Act, 2013, a Secretarial Audit Report given by Mr. Ranjeet Kumar Verma of M/s. Ranjeet Verma & Associates, Company Secretaries, is annexed as Annexure - 11.

**30.00 PERSONNEL:**

- 30.01 The Board wishes to express its appreciation to all the employees of the Company for their contribution to the operations of the Company during the year.

**31.00 INDUSTRIAL RELATIONS:**

- 31.01 Industrial relations remained peaceful.

**32.00 ACKNOWLEDGEMENTS:**

- 32.01 Your Directors take this opportunity to thank the Financial Institutions, Banks, Government Authorities, Regulatory Authorities and the Shareholders for their continued co-operation and support to the Company.

- 33.00** With these remarks, we present the Accounts for the year ended March 31, 2015.

By order of the Board

Dated: 26<sup>th</sup> May, 2015.

**Vinod K. Nagpal**  
Director

**Aditya Puri**  
Managing Director

**ANNEXURE-1**

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March, 2015  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN : L23423HR1933PLC000097
- ii) Registration Date : 23/01/1933
- iii) Name of the Company : ISGEC HEAVY ENGINEERING LIMITED
- iv) Category / Sub-Category of the Company : COMPANY LIMITED BY SHARES / INDIAN NON-GOVERNMENT COMPANY
- v) Address of the Registered office and contact details : RADAUR ROAD, YAMUNANAGAR-135001, HARYANA, INDIA.  
PHONE: 01732-661061, 62
- vi) Whether listed Company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : M/s. ALANKIT ASSIGNMENTS LTD.,  
ALANKIT HOUSE, 4E/2, JHANDEWALAN EXTN.,  
NEW DELHI-110055.  
WEBSITE: www.alankit.com,  
PHONE 011-4254 1234

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Pressure Vessels, Columns, Reactors, Heat Exchangers	29198	10.68%
2	Boiler, Sugar & Power Plants	28131	70.92%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-**

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Saraswati Sugar Mills Limited	U01115HR2000PLC034519	SUBSIDIARY	100%	2(87)
2	Isgec Covema Limited	U52109DL1986PLC025908	SUBSIDIARY	100%	2(87)
3	Isgec Engineering & Projects Limited	U29248HR2007PLC036695	SUBSIDIARY	100%	2(87)
4	Isgec Hitachi Zosen Limited	U28123HR2012PLC045430	SUBSIDIARY and JOINT VENTURE	51%	2(87)
5	Isgec Exports Limited	U51909DL1996PLC076750	SUBSIDIARY	100%	2(87)
6	Free Look Software Private Limited	U72200DL2005PTC133918	SUBSIDIARY	100%	2(87)

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### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### D) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	1,131,962		1,131,962	15.39%	1,131,962		1,131,962	15.39%	NIL
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.	3,436,823		3,436,823	46.75%	3,441,818		3,441,818	46.81%	0.06%
e) Banks / FI									
f) Any other....									
<b>Sub-total(A) (1) :-</b>	<b>4,568,785</b>	<b>-</b>	<b>4,568,785</b>	<b>62.14%</b>	<b>4,573,780</b>	<b>-</b>	<b>4,573,780</b>	<b>62.20%</b>	<b>0.06%</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) AnyOther....									
<b>Sub-total(A) (2) :-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter(A)=(A)(1)+(A)(2)</b>	<b>4,568,785</b>	<b>-</b>	<b>4,568,785</b>	<b>62.14%</b>	<b>4,573,780</b>	<b>-</b>	<b>4,573,780</b>	<b>62.20%</b>	<b>0.06%</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	117	600	717	0.01%	88,736	600	89,336	1.22%	1.21%
b) Banks / FI		2,420	2,420	0.03%		2,420	2,420	0.03%	0.00%
c) Central Govt	1,000		1,000	0.01%	1,000		1,000	0.01%	0.00%
d) State Govt (s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs					109,921	-	109,921	1.50%	1.50%
h) Foreign Venture Capital									
i) Funds Others (Specify)									
<b>Sub-total(B) (1) :-</b>	<b>1,117</b>	<b>3,020</b>	<b>4,137</b>	<b>0.05%</b>	<b>199,657</b>	<b>3,020</b>	<b>202,677</b>	<b>2.76%</b>	<b>2.71%</b>
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	693,217	5,141	698,358	9.50%	389,982	5,041	395,023	5.37%	-4.13%
ii) Overseas									
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	639,392	345,662	985,054	13.40%	737,866	289,326	1,027,192	13.97%	0.57%
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	590,705	505,912	1,096,617	14.91%	1,083,179	71,100	1,154,279	15.70%	0.79%
<b>c) Others (specify)</b>									
<b>Sub-total(B) (2) :-</b>	<b>1,923,314</b>	<b>856,715</b>	<b>2,780,029</b>	<b>37.81%</b>	<b>2,211,027</b>	<b>365,467</b>	<b>2,576,494</b>	<b>35.04%</b>	<b>-2.77%</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1,924,431</b>	<b>859,735</b>	<b>2,784,166</b>	<b>37.86%</b>	<b>2,410,684</b>	<b>368,487</b>	<b>2,779,171</b>	<b>37.80%</b>	<b>-0.06%</b>
<b>C. Shares held by Custodian of GDR &amp; ADRs</b>									
<b>Grand Total(A+B+C)</b>	<b>6,493,216</b>	<b>859,735</b>	<b>7,352,951</b>	<b>100%</b>	<b>6,984,464</b>	<b>368,487</b>	<b>7,352,951</b>	<b>100%</b>	<b>0.00%</b>



*ii) Shareholding of Promoters*

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to Total Shares	
1	MR. RANJIT PURI	659,201	8.97	NIL	659,201	8.97	NIL	NIL
2	MR. ADITYA PURI	456,808	6.21	NIL	456,808	6.21	NIL	NIL
3	MRS. NINA PURI	15,953	0.22	NIL	15,953	0.22	NIL	NIL
4	THE YAMUNA SYNDICATE LTD.	3,297,446	44.85	NIL	3,296,526	44.83	NIL	(0.02%)
5	N.A. COLD STORAGE PVT. LTD.	139,377	1.895	NIL	145,292	1.976	NIL	0.08%
	<b>Total</b>	<b>4,568,785</b>	<b>62.14</b>	<b>NIL</b>	<b>4,573,780</b>	<b>62.20</b>	<b>NIL</b>	<b>0.06%</b>

*iii) Change in Promoters' Shareholding (please specify, if there is no change)*

Sl. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
(a)	MR. RANJIT PURI	NO CHANGE IN SHAREHOLDING			
(b)	MR. ADITYA PURI	NO CHANGE IN SHAREHOLDING			
(c)	MRS. NINA PURI	NO CHANGE IN SHAREHOLDING			
(d)	THE YAMUNA SYNDICATE LTD.				
1	At the beginning of the year	3,297,446	44.85	3,297,446	44.85
2	Date wise Increase / (Decrease) in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus / sweat equity etc.):	05-08-2014 (920 Shares) Transfer	(0.02)	3,296,526	44.83
3	At the end of the year	3,296,526	44.83	3,296,526	44.83
(e)	N.A. COLD STORAGE PVT. LTD.				
1	At the beginning of the year	139,377	1.90	139,377	1.90
2	Date wise Increase/ (Decrease) in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus / sweat equity etc.):	23-09-2014 815 shares Transfer	0.01	140,192	1.91
		04-11-2014 5100 shares Transfer	0.06	145,292	1.97
3	At the end of the year	145,292	1.97	145,292	1.97

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iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SI. No. 1		Shareholding at the beginning of the year		Cumulative shareholding during the year	
Mr. Ranjan Tandon		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	438,900	5.97	438,900	5.97
2	Date wise Increase / (Decrease) in Shareholding during the year specifying the reason for Increase / Decrease (e.g. allotment / transfer / bonus / Sweat equity etc.):	No change.			
3	At the end of the year (or on the date of separation, if separated during the year)	438,900	5.97	438,900	5.97
SI. No. 2		Shareholding at the beginning of the year		Cumulative shareholding during the year	
Shri Paras Ram Holdings Pvt. Ltd.		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	320,928	4.36	320,928	4.36
2	Date wise Increase/(Decrease) in Shareholding during the year specifying the reason for Increase / (Decrease) (e.g. allotment / transfer / bonus / Sweat equity etc.):	01/04/2014 to 04/04/2014 100 Shares (276 Shares) Transfer	0.00 0.00	321,028 320,752	4.37 4.36
		04/04/2014 to 11/04/2014 (384 Shares) Transfer	-0.01	320,368	4.36
		11/04/2014 to 18/04/2014 1118 Shares (3983 Shares) Transfer	0.02 -0.05	321,486 317,503	4.37 4.32
		18/04/2014 to 25/04/2014 95 Shares (2756 Shares) Transfer	0.00 -0.04	317,598 314,842	4.32 4.28
		25/04/2014 to 02/05/2014 (425 Shares) Transfer	-0.01	314,417	4.28
		02/05/2014 to 09/05/2014 733 Shares (1457 Shares) Transfer	0.01 -0.02	315,150 313,693	4.29 4.27
		09/05/2014 to 16/05/2014 4 Shares (1852 Shares) Transfer	0.00 -0.03	313,697 311,845	4.27 4.24
		16/05/2014 to 23/05/2014 11996 Shares (23523 Shares) Transfer	0.16 -0.32	323,841 300,318	4.40 4.08
		23/05/2014 to 30/05/2014 3893 Shares (23327 Shares) Transfer	0.05 -0.32	304,211 280,884	4.14 3.82
		30/05/2014 to 06/06/2014 50272 Shares (103153 Shares) Transfer	0.68 -1.40	331,156 228,003	4.50 3.10

		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
		06/06/2014 to 13/06/2014 365 Shares (1695 Shares) Transfer	0.00 -0.02	228,368 226,673	3.11 3.08
		13/06/2014 to 20/06/2014 100 Shares Transfer	0.00	226,773	3.08
		20/06/2014 to 30/06/2014 50 Shares (98 Shares) Transfer	0.00 0.00	226,823 226,725	3.08 3.08
		30/06/2014 to 04/07/2014 70 Shares (50 Shares) Transfer	0.00 0.00	226,795 226,745	3.08 3.08
		04/07/2014 to 11/07/2014 167 Shares (540 Shares) Transfer	0.00 -0.01	226,912 226,372	3.09 3.08
		11/07/2014 to 18/07/2014 (176 Shares) Transfer	0.00	226,196	3.08
		18/07/2014 to 25/07/2014 (32 Shares) Transfer	0.00	226,164	3.08
		25/07/2014 to 01/08/2014 119 Shares (44 Shares) Transfer	0.00 0.00	226,283 226,239	3.08 3.08
		01/08/2014 to 08/08/2014 479 Shares Transfer	0.01	226,718	3.08
		08/08/2014 to 15/08/2014 51581 Shares (51687 Shares) Transfer	0.70 -0.70	278,299 226,612	3.78 3.08
		15/08/2014 to 22/08/2014 463 Shares Transfer	0.01	227,075	3.09
		22/08/2014 to 29/08/2014 (6 Shares) Transfer	0.00	227,069	3.09
		29/08/2014 to 05/09/2014 28000 Shares (20094 Shares) Transfer	0.38 -0.27	255,069 234,975	3.47 3.20
		05/09/2014 to 12/9/2014 868 Shares (27770 Shares) Transfer	0.01 -0.38	235,843 208,073	3.21 2.83

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		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
		12/09/2014 to 19/09/2014 52 Shares (200 Shares) Transfer	0.00 0.00	208,125 207,925	2.83 2.83
		19/09/2014 to 30/09/2014 402 Shares (20 Shares) Transfer	0.01 0.00	208,327 208,307	2.83 2.83
		30/09/2014 to 03/10/2014 210 Shares (10 Shares) Transfer	0.00 0.00	208,517 208,507	2.84 2.84
		03/10/2014 to 10/10/2014 94 Shares (428 Shares) Transfer	0.00 -0.01	208,601 208,173	2.84 2.83
		10/10/2014 to 17/10/2014 265 Shares (359 Shares) Transfer	0.00 0.00	208,438 208,079	2.83 2.83
		17/10/2014 to 24/10/2014 5 Shares (43 Shares) Transfer	0.00 0.00	208,084 208,041	2.83 2.83
		24/10/2014 to 31/10/2014 77 Shares Transfer	0.00	208,118	2.83
		31/10/2014 to 07/11/2014 (116 Shares) Transfer	0.00	208,002	2.83
		07/11/2014 to 14/11/2014 (1389 Shares) Transfer	-0.02	206,613	2.81
		14/11/2014 to 21/11/2014 5 Shares (197 Shares) Transfer	0.00 0.00	206,618 206,421	2.81 2.81
		21/11/2014 to 28/11/2014 111 Shares (10 Shares) Transfer	0.00 0.00	206,532 206,522	2.81 2.81
		28/11/2014 to 05/12/2014 168 Shares (10 Shares) Transfer	0.00 0.00	206,690 206,680	2.81 2.81
		05/12/2014 to 12/12/2014 200 Shares (298 Shares) Transfer	0.00 0.00	206,880 206,582	2.81 2.81
		12/12/2014 to 19/12/2014 30 Shares (200 Shares) Transfer	0.00 0.00	206,612 206,412	2.81 2.81

		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
		19/12/2014 to 31/12/2014			
		1711 Shares	0.02	208,123	2.83
		(1763 Shares)	-0.02	206,360	2.81
		Transfer			
		31/12/2014 to 02/01/2015			
		1450 Shares	0.02	207,810	2.83
		(3662 Shares)	-0.05	204,148	2.78
		Transfer			
		02/01/2015 to 09/01/2015			
		3557 Shares	0.05	207,705	2.82
		(17612 Shares)	-0.24	190,093	2.59
		Transfer			
		09/01/2015 to 16/01/2015			
		242 Shares	0.00	190,335	2.59
		(971 Shares)	-0.01	189,364	2.58
		Transfer			
		16/01/2015 to 23/01/2015			
		(532 Shares)	-0.01	188,832	2.57
		Transfer			
		23/01/2015 to 30/01/2015			
		40 Shares	0.00	188,872	2.57
		Transfer			
		30/01/2015 to 06/02/2015			
		(98 Shares)	0.00	188,774	2.57
		Transfer			
		06/02/2015 to 13/02/2015			
		57 Shares	0.00	188,831	2.57
		(1425 Shares)	-0.02	187,406	2.55
		Transfer			
		13/02/2015 to 20/02/2015			
		53 Shares	0.00	187,459	2.55
		(941 Shares)	-0.01	186,518	2.54
		Transfer			
		20/02/2015 to 27/02/2015			
		(399 Shares)	-0.01	186,119	2.53
		Transfer			
		27/02/2015 to 06/03/2015			
		100 Shares	0.00	186,219	2.53
		(155 Shares)	0.00	186,064	2.53
		Transfer			
		06/03/2015 to 13/03/2015			
		(67 Shares)	0.00	185,997	2.53
		Transfer			
		13/03/2015 to 20/03/2015			
		25 Shares	0.00	186,022	2.53
		(85 Shares)	0.00	185,937	2.53
		Transfer			
		20/03/2015 to 27/03/2015			
		7001 Shares	0.10	192,938	2.62
		(25 Shares)	0.00	192,913	2.62
		Transfer			

		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
		27/03/2015 to 31/03/2015 21 Shares (19453 Shares) Transfer	0.00 -0.26	192,934 173,481	2.62 2.36
3	At the end of the year (or on the date of separation, if separated during the year)	173,481	2.36	173,481	2.36
Sl. No. 3		Shareholding at the beginning of the year		Cumulative shareholding during the year	
Goldman Sachs India Fund Ltd.		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	0	0.00	0	0.00
2	Date wise Increase/(Decrease) in Shareholding during the year specifying the reason for Increase / Decrease (e.g. allotment / transfer / bonus / Sweat equity etc.):	30/05/2014 to 06/06/2014 51301 Shares Transfer	0.70	513,01	0.70
		29/08/2014 to 05/09/2014 62 Shares Transfer	0.00	513,63	0.70
		05/09/2014 to 12/9/2014 28139 Shares Transfer	0.38	795,02	1.08
		07/11/2014 to 14/11/2014 3119 Shares Transfer	0.04	826,21	1.12
		14/11/2014 to 21/11/2014 3180 Shares Transfer	0.04	858,01	1.17
		21/11/2014 to 28/11/2014 1750 Shares Transfer	0.02	875,51	1.19
		05/12/2014 to 12/12/2014 1187 Shares Transfer	0.02	887,38	1.21
		06/02/2015 to 13/02/2015 5809 Shares Transfer	0.08	945,47	1.29
		20/02/2015 to 27/02/2015 7248 Shares Transfer	0.10	101,795	1.38
		27/02/2015 to 06/03/2015 4453 Shares Transfer	0.06	106,248	1.44
		06/03/2015 to 13/03/2015 915 Shares Transfer	0.01	107,163	1.46
		13/03/2015 to 20/03/2015 1583 Shares Transfer	0.02	108,746	1.48

		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
		20/03/2015 to 27/03/2015 933 Shares Transfer	0.01	109,679	1.49
		27/03/2015 to 31/03/2015 242 Shares Transfer	0.00	109,921	1.49
3	At the end of the year (or on the date of separation, if separated during the year)	109,921	1.49	109,921	1.49
<b>SI. No. 4</b>		<b>Shareholding at the beginning of the year</b>		<b>Cumulative shareholding during the year</b>	
<b>Enam Investment Services Pvt. Ltd.</b>		<b>No. of Shares</b>	<b>% of total shares of the Company</b>	<b>No of shares</b>	<b>% of total shares of the Company</b>
1	At the beginning of the year	75,000	1.02	75,000	1.02
2	Date wise Increase / (Decrease) in Shareholding during the year specifying the reason for Increase / Decrease (e.g. allotment / transfer / bonus / Sweat equity etc.):	No change.			
3	At the end of the year (or on the date of separation, if separated during the year)	75,000	1.02	75,000	1.02

SI. No. 5		Shareholding at the beginning of the year		Cumulative shareholding during the year	
Ms. Priya Khanna		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	54,320	0.74	54,320	0.74
2	Date wise Increase/(Decrease) in Shareholding during the year specifying the reason for Increase / Decrease (e.g. allotment / transfer / bonus / Sweat equity etc.):	No change.			
3	At the end of the year (or on the date of separation, if separated during the year)	54,320	0.74	54,320	0.74
SI. No. 6		Shareholding at the beginning of the year		Cumulative shareholding during the year	
Mr. Harsh Pal Sethi		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	50,000	0.68	50,000	0.68
2	Date wise Increase/(Decrease) in Shareholding during the year specifying the reason for Increase / Decrease (e.g. allotment / transfer / bonus / Sweat equity etc.):	No change.			
3	At the end of the year (or on the date of separation, if separated during the year)	50,000	0.68	50,000	0.68
SI. No. 7		Shareholding at the beginning of the year		Cumulative shareholding during the year	
Enam Shares & Securities Pvt. Ltd.		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	50,000	0.68	50,000	0.68
2	Date wise Increase/(Decrease) in Shareholding during the year specifying the reason for Increase / Decrease (e.g. allotment / transfer / bonus / Sweat equity etc.):	No change.			
3	At the end of the year (or on the date of separation, if separated during the year)	50,000	0.68	50,000	0.68
SI. No. 8		Shareholding at the beginning of the year		Cumulative shareholding during the year	
Ms. Lata Bhanshali		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	50,000	0.68	50,000	0.68
2	Date wise Increase/(Decrease) in Shareholding during the year specifying the reason for Increase / (Decrease) (e.g. allotment / transfer / bonus / Sweat equity etc.):	(3,793) (Transfer during the Year)	0.05	46,207	0.63
3	At the end of the year (or on the date of separation, if separated during the year)	46,207	0.63	46,207	0.63



SI. No. 9		Shareholding at the beginning of the year		Cumulative shareholding during the year	
Ms. Neeru Aggarwal		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	43,020	0.59	43,020	0.59
2	Date wise Increase/(Decrease) in Shareholding during the year specifying the reason for Increase / Decrease (e.g. allotment / transfer / bonus / Sweat equity etc.):	No change.			
3	At the end of the year (or on the date of separation, if separated during the year)	43,020	0.59	43,020	0.59
SI. No. 10		Shareholding at the beginning of the year		Cumulative shareholding during the year	
Mr. Onkar Nath Aggarwal		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	43,020	0.59	43,020	0.59
2	Date wise Increase/(Decrease) in Shareholding during the year specifying the reason for Increase / Decrease (e.g. allotment / transfer / bonus / Sweat equity etc.):	No change.			
3	At the end of the year (or on the date of separation, if separated during the year)	43,020	0.59	43,020	0.59

*v) Shareholding of Directors and Key Managerial Personnel:*

SI. No. 1		Shareholding at the beginning of the year		Cumulative shareholding during the year	
For Each of the Directors and KMP		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Mr. Ranjit Puri, Chairman					
1	At the beginning of the year	659,201	8.97	659,201	8.97
2	Date wise Increase/(Decrease) in Shareholding during the year specifying the reasons for Increase / Decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No change.			
3	At the end of the year	659,201	8.97	659,201	8.97
SI. No. 2		Shareholding at the beginning of the year		Cumulative shareholding during the year	
Mr. Aditya Puri, Managing Director		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	456,808	6.21	456,808	6.21
2	Date wise Increase/(Decrease) in Shareholding during the year specifying the reasons for Increase / Decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No change.			
3	At the end of the year	456,808	6.21	456,808	6.21

SI. No. 3		Shareholding at the beginning of the year		Cumulative shareholding during the year	
Mrs. Nina Puri, Whole-Time Director		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	15,953	0.22	15,953	0.22
2	Date wise Increase/(Decrease) in Shareholding during the year specifying the reasons for Increase / Decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No change.			
3	At the end of the year	15,953	0.22	15,953	0.22
SI. No. 4		Shareholding at the beginning of the year		Cumulative shareholding during the year	
Mr. Tahir Hasan, Director		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	1,640	0.02	1,640	0.02
2	Date wise Increase/(Decrease) in Shareholding during the year specifying the reasons for Increase / Decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No change.			
3	At the end of the year	1,640	0.02	1,640	0.02
SI. No. 5		Shareholding at the beginning of the year		Cumulative shareholding during the year	
Mr. Vinod Kumar Sachdeva, Director		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	390	0.01	390	0.01
2	Date wise Increase/(Decrease) in Shareholding during the year specifying the reasons for Increase / Decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No change.			
3	At the end of the year	390	0.01	390	0.01
SI. No. 6		Shareholding at the beginning of the year		Cumulative shareholding during the year	
Mr. Vinod K. Nagpal, Director		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	810	0.01	810	0.01
2	Date wise Increase / (Decrease) in Shareholding during the year specifying the reasons for Increase / (Decrease) (e.g. allotment / transfer / bonus / sweat equity etc.):	Transfer 10-11-2014 (170 Shares)	0.00 0.00	640 610	0.01 0.01
		11-11-2014 (30 Shares)	0.00	590	0.01
		13-11-2014 (20 Shares)			
		27-11-2014 (10 Shares)	0.00	580	0.01
		28-11-2014 (5 Shares)	0.00	575	0.01
		05-12-2014 (30 Shares)	0.00	545	0.01
		20-01-2015 (20 Shares)	0.00	525	0.01
		13-02-2015 (20 Shares)	0.00	505	0.01

		26-02-2015 (10 Shares)	0.00	495	0.01
		19-03-2015 (9 Shares)	0.00	486	0.01
		25-03-2015 (20 Shares)	0.00	466	0.01
		26-03-2015 (10 Shares)	0.00	456	0.01
		27-03-2015 (20 Shares)	0.00	436	0.01
3	At the end of the year	436	0.01	436	0.01
<b>SI. No. 7</b>		<b>Shareholding at the beginning of the year</b>		<b>Cumulative shareholding during the year</b>	
<b>Mr. Arun Kathpalia, Director</b>		<b>No. of Shares</b>	<b>% of total shares of the Company</b>	<b>No. of shares</b>	<b>% of total shares of the Company</b>
1	At the beginning of the year	120	0.00	120	0.00
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for Increase / Decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No change.			
3	At the end of the year	120	0.00	120	0.00
<b>SI. No. 8</b>		<b>Shareholding at the beginning of the year</b>		<b>Cumulative shareholding during the year</b>	
<b>Mr. Sudershan Kumar Khorana, Executive Director &amp; Company Secretary</b>		<b>No. of Shares</b>	<b>% of total shares of the Company</b>	<b>No. of shares</b>	<b>% of total shares of the Company</b>
1	At the beginning of the year	1,870	0.03	1,870	0.03
2	Date wise Increase / (Decrease) in Shareholding during the year specifying the reasons for Increase / Decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	07-11-2014 50 Shares Transfer	0.00	1,920	0.03
3	At the end of the year	1,920	0.03	1,920	0.03
<b>SI. No. 9</b>		<b>Shareholding at the beginning of the year</b>		<b>Cumulative shareholding during the year</b>	
<b>Mr. Kishore Chatnani, Head-Corporate Accounts &amp; Treasury and Chief Financial Officer</b>		<b>No. of Shares</b>	<b>% of total shares of the Company</b>	<b>No. of shares</b>	<b>% of total shares of the Company</b>
1	At the beginning of the year	-	-	-	-
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for Increase / Decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No change.			
3	At the end of the year	-	-	-	-

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

₹ in Lacs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	₹/ Lacs	₹/ Lacs	₹/ Lacs	₹/ Lacs
i) Principal Amount	30,592.15	6,500.00	2,397.10	39,489.25
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	253.25	-	236.64	489.89
<b>Total (i+ii+iii)</b>	<b>30,845.40</b>	<b>6,500.00</b>	<b>2,633.74</b>	<b>39,979.14</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	21,245.88	1,251.82	-	22,497.70
Reduction	25,828.91	6,500.00	2,633.74	34,962.65
<b>Net Change</b>	<b>(4,583.03)</b>	<b>(5,248.18)</b>	<b>(2,633.74)</b>	<b>(12,464.95)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	25,957.63	1,251.82	-	27,209.45
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	304.74	-	-	304.74
<b>Total (i+ii+iii)</b>	<b>26,262.37</b>	<b>1,251.82</b>	<b>-</b>	<b>27,514.19</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/ or Manager:

₹ in Lacs

SI. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Aditya Puri, Managing Director	Mrs. Nina Puri, Whole Time Director	
		₹/ Lacs	₹/ Lacs	₹/ Lacs
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	46.80	22.80	69.60
(b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.94	0.89	1.83
(c)	Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission-as % of profit	1,167.10	1,194.02	2,361.12
5	Others, please specify	0.00	0.00	0.00
	-Contribution to PF, Group Gratuity & Superannuation	6.61	3.74	10.35
	-Tax-free perquisites	0.15	0.15	0.30
	<b>Total (A)</b>	<b>1,221.60</b>	<b>1,221.60</b>	<b>2,443.20</b>
	<b>Ceiling as per the Act</b>			<b>2,443.91</b>

**B. Remuneration to other Directors:**

₹ in Lacs

SI. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Vinod K. Nagpal, Director	Mr. Tahir Hasan, Director	Mr. Arun Kathpalia, Director	Mr. Vinod Kumar Sachdeva, Director	
		₹/Lacs	₹/Lacs	₹/Lacs	₹/Lacs	₹/Lacs
1	Independent Directors					
	Fee for attending board/ committee meetings	1.00	0.44	0.90	0.55	2.89
	Commission	0.26	0.26	0.26	0.26	1.04
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>					<b>3.94</b>
2	Other Non-Executive Directors	Mr. Ranjit Puri, Chairman				
	Fee for attending board/ committee meetings	0.55				
	Commission	0.26				
	Others, please specify	-				
	<b>Total (2)</b>	<b>0.81</b>				<b>0.81</b>
	<b>Total (B)=(1+2)</b>					<b>4.74</b>
	<b>Total Managerial Remuneration</b>					<b>2,447.94</b>
	<b>Overall Ceiling as per the Act</b>					<b>2,688.30</b>

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

₹ in Lacs

SI. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Sudershan Kumar Khorana, Executive Director & Company Secretary	Mr. Kishore Chatnani, Head-Corporate Accounts & Treasury and Chief Financial Officer	
		₹/Lacs	₹/Lacs	₹/Lacs
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	87.57	49.26	136.83
(b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.62	1.58	2.20
(c)	Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission-as % of profit	-	-	-
5	Others, please specify	-	-	-
	-Contribution to PF	3.30	2.21	5.51
	-Tax-free Perquisites	0.90	0.77	1.67
	<b>Total</b>	<b>92.39</b>	<b>53.82</b>	<b>146.21</b>

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of penalty / punishment / compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

**ANNEXURE-2**

**Particulars of Loans, Guarantees and Investment under Section 186 of Companies Act 2013, as on 31.03.2015**

(₹ in lacs)

(1) **Loan to wholly owned Subsidiary Company**

Saraswati Sugar Mills Limited*	7.49
<b>Total</b>	<b>7.49</b>

(2) **Guarantees to Banks for Isgec Hitachi Zosen Limited**

Standard Chartered Bank	15,136.08
Kotak Mahindra Bank (earlier ING Vysya Bank Limited)	7,500.00
HDFC Bank Limited	6,000.00
HSBC Bank	2,500.00
<b>Total :</b>	<b>31,136.08</b>

(3) **Investment**

<b>a) Shares of Subsidiary Companies :</b>	
2000000 Shares (Face value ₹10 each) of Isgec Covema Limited, at Book value - Wholly owned subsidiary	200.00
100000 Shares (Face value ₹10 each) of Isgec Exports Limited, at Book value - Wholly owned subsidiary	10.00
3600000 Shares (Face value ₹10 each) of Isgec Engineering & Projects Limited, at Book value - Wholly owned subsidiary	360.00
7099900 Shares (Face value ₹10 each) of Saraswati Sugar Mills Limited, at Book value - Wholly owned subsidiary	7,009.99
21750 Shares (Face value ₹10 each) of Freelook Software Private Limited, at Book value - Wholly owned subsidiary	1,152.75
5100000 Shares (Face value ₹10 each) of Isgec Hitachi Zosen Limited, at Book value - Subsidiary and Joint Venture Company	5,100.00
<b>b) Other Companies :</b>	
704 Shares (Face value ₹10 each) of Reliance Industries Limited, at Book value	3.36
872 Shares (Face value ₹10 each) of Reliance Power Limited, at Book value	2.46
50 Non Convertible Debentures (Face value ₹1000000 each) of Canara Bank, at Book value	500.00
195 Non Convertible Debentures (Face value ₹100000 each) of Reliance Capital Limited, at Book value	195.00
50000 Non Convertible Debentures (Face value ₹1000 each) of Edelweiss Finance & Investment Limited, at Book value	500.00
225 Non Convertible Debentures (Face value ₹100000 each) of Edelweiss Finance & Investment Limited, at Book value	225.00
<b>c) Fixed Deposits with :</b>	
HDFC Limited	800.00
PNB Housing Finance Limited	500.00
<b>Total :</b>	<b>16,558.56</b>

\* Since Repaid

## Form No. AOC-2

(Pursuant to clause (b) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1 Details of contracts or arrangements or transactions not at Arm's length basis: NIL

2 Details of material contracts or arrangements or transactions at Arm's length basis are as under:

Sr. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1	Saraswati Sugar Mills Limited	Subsidiary Company	Sale of Goods	1 Year	Sale of material of ₹8.95 lacs during the year	-	NIL
2	Saraswati Sugar Mills Limited	Subsidiary Company	Sale of Goods	1 Year	Supply of Sugar Machinery & Equipment of ₹ 880.22 lacs during the year	-	NIL
3	Saraswati Sugar Mills Limited	Subsidiary Company	Rendering of services	1 Year	Rendering of Engineering Services of ₹ 3.66 lacs during the year	-	NIL
4	Isgec Hitachi Zosen Limited	Subsidiary and Joint Venture Company	Sub Lease of plant & Machinery, equipments and other movable assets.	10 Years	Sub-leasing of Equipments, Plant & Machinery and other movable assets. Lease rent of ₹ 2749.80 lacs received during the year.	13-01-2012	NIL
5	Isgec Hitachi Zosen Limited	Subsidiary and Joint Venture Company	Purchase of Raw Materials/ input as such	1 Year	Purchase of Raw Materials of ₹ 318.84 lacs during the year	-	NIL
6	Isgec Hitachi Zosen Limited	Subsidiary and Joint Venture Company	Sale of Raw Materials/ inputs	1 Year	Sale of Raw Materials/ input material of ₹ 81.42 lacs during the year	-	NIL
7	Isgec Hitachi Zosen Limited	Subsidiary and Joint Venture Company	Rendering of Services	1 Year	Rendering of services of ₹ 43.16 lacs during the year	-	NIL
8	Isgec Hitachi Zosen Limited	Subsidiary and Joint Venture Company	Services Received	1 Year	Services received of ₹ 95.00 lacs during the year	-	NIL
9	The Yamuna Syndicate Limited	Public Company in which Directors and their relatives hold more than 2 % of paid up Share Capital	Purchase of Goods	1 Year	Purchase of electrical goods, Oil & Lubricants of ₹ 164.43 lacs during the year	-	NIL
10	The Yamuna Syndicate Limited	Public Company in which Directors and their relatives hold more than 2 % of paid up Share Capital	Purchase of Capital Goods	1 Year	Purchase of Capital Goods of ₹ 2.91 lacs during the year	-	NIL
11	The Yamuna Syndicate Limited	Public Company in which Directors and their relatives hold more than 2 % of paid up Share Capital	Rendering of services	1 Year	Rendering of Services of ₹ 29.39 lacs during the year	-	NIL



Sr No	Name(s) of the related party	Nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
12	The Yamuna Syndicate Limited	Public Company in which Directors and their relatives hold more than 2 % of paid up Share Capital	Services received	1 Year	Services received of ₹0.36 lacs during the year.	-	NIL
13	The Yamuna Syndicate Limited	Public Company in which Directors and their relatives hold more than 2 % of paid up Share Capital	Rent received	1 Year	Rent received ₹0.39 lacs during the year on lease of office building.	-	NIL
14	Bluewater Enterprises	Firm in which director is partner	Rent Paid	10 Years	Rent of ₹60.09 lacs paid during the year on lease of Office Building.	-	NIL
15	Mr Ranjit Puri	Chairman	Chairman	1 Year	Remuneration of ₹0.26 lacs and Directors sitting fee of ₹0.56 lacs incurred during the year.	-	NIL
16	Mr Aditya Puri	Managing Director	Managing Director	1 Year	Remuneration of ₹1221.60 lacs incurred during the year.	-	NIL
17	Mrs. Nina Puri	Wholetime Director	Wholetime Director	1 Year	Remuneration of ₹1221.60 lacs incurred during the year.	-	NIL
18	Mr. Vinod K. Nagpal	Director	Director	1 Year	Remuneration of ₹0.26 lacs and Directors sitting fee of ₹1.00 lac incurred during the year.	-	NIL
19	Mr. Tahir Hasan	Director	Director	1 Year	Remuneration of ₹0.26 lacs and Directors sitting fee of ₹0.44 lacs incurred during the year.	-	NIL
20	Mr. Arun Kathpalia	Director	Director	1 Year	Remuneration of ₹0.26 lacs and Directors sitting fee of ₹0.89 lacs incurred during the year.	-	NIL
21	Mr. Vinod Kumar Sachdeva	Director	Director	1 Year	Remuneration of ₹0.26 lacs and Directors sitting fee of ₹0.55 lacs incurred during the year.	-	NIL

## PARTICULARS REQUIRED UNDER RULE 8 (3) OF COMPANIES (ACCOUNTS) RULES 2014.

## A. CONSERVATION OF ENERGY:

- (a) **The steps taken or Impact on Conservation of Energy:** Efforts for Energy Conservation are a continuing process. These efforts continued in 2014-15 also.
- (b) **Steps taken by the Company for utilizing alternate sources of energy:**
1. Replacement of old roofing sheets in the workshops with polycarbonate transparent sheets to improve natural lighting and avoid the usage of electric lights during day light hours.
  2. Installation of wind energy operated ventilator fans on the roofs of workshops to improve ventilation, light and natural air cooling of the workspace.
- (c) **The capital Investment on energy conservation equipments:** ₹179 Lacs

## B. TECHNOLOGY ABSORPTION:

(i) **The efforts made towards technology absorption**

The Company has the following Technology Agreements:

1. With Amec Foster Wheeler North America Corp:
  - (i) For Circulating Fluidized Bed Combustion (CFBC) Boilers up to 99.9 Mwe;
  - (ii) For Oil & Gas, Shop Assembled Water Tube Packaged Boilers up to 260 Tonnes per hour;
  - (iii) For Pulverized Coal Fired Sub-Critical Boilers and Super-Critical Boilers (60 Mwe to 1000 Mwe);
  - (iv) For Feed Water Heaters and Surface Condensers.
  - (v) For Reheat design for CFBC Boilers upto 100 MW
2. With BOSCH Projects, South Africa, for transfer of technology for manufacture of Chainless Cane Diffusers and other sugar machinery equipments.
3. With Envirotherm GmbH, Germany, for manufacture of Electrostatic Precipitators (ESP) up to 1000 Mwe.
4. With Hitachi Zosen Corporation, Japan, for critical equipments for Fertilizer and Oil & Gas Sectors with their back-up for engineering and supervision during manufacturing in India.
5. With Belleli, Italy, for manufacture of Breech Lock Exchangers.
6. With NEM Energy b.v Netherlands for design, fabrication and installation of Drum type Heat Recovery Steam Generators

The technology under these Agreements has been absorbed by transfer of designs and through deputing our personnel for training at the shops, offices and installation sites of our collaborators. In case of clarification, some designs are got vetted from the collaborators to be absorbed subsequently. This process continued during the year.

(ii) **The benefits derived like product improvement, cost reduction, product development or import substitution :**

With the technology absorption under the Collaboration Agreements and efforts of our technical people, there has been improvement in design and controls in cost enabling the Company to grow both in terms of turnover as well as profit.

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

In case of imported technology, the Company did not import or buy any technology as such during the previous three financial years. However, it entered into Technical Collaboration Agreements as per required details given below:-

<b>(a) Details of technology imported</b>	Electrostatic Precipitator from Envirotherm Germany	Re-heat design for CFBC Boilers upto 100 MW with Amec Foster Wheeler, USA	Heat Recovery Steam Generators with NEM Netherlands
<b>(b) Year of Import</b>	Year ended 30 <sup>th</sup> Sept. 2013	Year ended 30 <sup>th</sup> Sept. 2013	Period ended 31 <sup>st</sup> March, 2014
<b>(c) Whether technology has been fully absorbed</b>	Yes	Yes	Yes
<b>(d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof</b>	Not applicable	Not applicable	Not Applicable

**(iv) the expenditure incurred on Research and Development: ₹12.45 Lacs**

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

**(in terms of actual inflows and actual outflows)**

**(i) Total Foreign Exchange Earnings and Outgo (2014-15)**

	<b>(₹ in Crores)</b>
- Total Foreign Exchange Earnings	1,389.70
- Total Foreign Exchange Outgo	338.54

## ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

Due to time constraints, the Corporate Social Responsibility expenditure of ₹172.76 lacs pertaining to year ended 31st March 2015 could not be spent. The CSR expenditure has, however, been provided in the Profit & Loss Account. It will be spent during the year ending 31st March 2016. While spending the amount, preference shall be given to the local area and areas around which the Company's Units operate.

2. The Composition of the CSR Committee:

S.No.	Name of the Committee Member	Position
1	Mr. Ranjit Puri (DIN: 00052459)	Chairman
2	Mr. Aditya Puri (DIN: 00052534)	Member
3	Mr. Vinod Kumar Sachdeva (DIN: 00454458)	Member

3. Average net profit of the company for last three financial years : ₹8638.24 Lacs  
 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) : ₹172.76 Lacs  
 5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year: ₹172.76 lacs

(b) Amount unspent, if any: ₹172.76 lacs

(c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs-wise	Amount spent on the projects or programs Sub-heads (1) Direct expenditure on projects or programs (2) Over-heads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency.*
1.	As mentioned in paragraph 17.02 in the Board Report, the company has made a provision of the amount required to be spent i.e. ₹ 172.76 Lacs in the Profit and Loss statement and this amount will be spent during the year ending 31st March 2016						
	TOTAL						

\*Give details of implementing agency:

6. **In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report :**

The reasons for not spending the amount have been mentioned in the Board report.

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:**

As mentioned above, the amount will be spent in accordance with the CSR Objectives and Policy of the company.

**Aditya Puri**  
(Managing Director)

**Ranjit Puri**  
(Chairman CSR Committee)

**MANAGEMENT DISCUSSION & ANALYSIS**

1. The expected increase in the Industrial activity due to new Government's taking over was not on the expected lines. In spite of this, there was growth in the turnover, revenue, margins and order booking during the year.
  2. With aggressive marketing and improved position in the market vis-a-vis our competitors, we were able to have a record order booking as on the close of the year. The sales are expected to be higher in the next financial year.
  3. The depreciation of some of the currencies in the world such as Japan, Korea and Brazil, is to our dis-advantage in our export efforts.
  4. Certain businesses (Process Equipment Division) are likely to be affected due to deferment of some of the projects as a result of continued decrease in the crude prices.
  5. The Management continues to make efforts to diversify and up-grade the technology of various Units.
-

ANNEXURE-7

## Report on Corporate Governance

**1. A brief statement on Company's philosophy on code of governance:**

Clause 49 of the Listing Agreement with Stock Exchange set the benchmark compliance rules for a listed company and the baseline for governance standards. The Company adheres to the prescribed corporate practices as per Clause 49. It also follows transparency in business dealings, timely disclosures, effective internal and external communications.

**2. Board of Directors:**

i. Composition:

As on 31st March, 2015, the Board of Directors comprises of a Non-Executive Chairman, two Executive Directors and four Non-Executive Independent Directors.

ii. Attendance of each Director at the Board Meetings and at the last Annual General Meeting, and

iii. Number of other Boards or Board Committees in which he/she is a Member or Chairman:

Name of the Director	Director Identification Number (DIN)	No. of Board Meetings attended	Whether attended the last Annual General Meeting	Directorships and Committee Memberships in other companies as disclosed			
				Public	Private	Committee Membership	Committee Chairmanship
<b>Non-Executive Chairman &amp; Promoter</b>							
Mr. Ranjit Puri	00052459	5	Yes	4	-	1	-
<b>Executive Directors &amp; Promoters</b>							
Mr. Aditya Puri, Managing Director	00052534	5	Yes	8	1	4	1
Mrs. Nina Puri, Whole-time Director	01316769	2	No	1	-	-	-
<b>Non-Executive Independent Directors</b>							
Mr. Vinod K. Nagpal	00147777	5	Yes	1	3	-	1
Mr. Tahir Hasan	00074282	4	Yes	3	2	-	2
Mr. Arun Kathpalia	00177320	4	No	1	3	-	-
Mr. Vinod Kumar Sachdeva	00454458	5	Yes	1	-	-	-

iv. Number of Board Meetings held and dates on which held:

During the year, five Board Meetings were held as under:-

- May 26, 2014
- August 4, 2014
- October 18, 2014
- November 8, 2014
- February 13, 2015

v. Familiarisation programme for Independent Directors:

The Company has familiarisation programme for the Independent directors which is disclosed on company's website at web link namely <http://www.isgrec.com/aboutus-independent-directors.asp?lk=ab15>

**3. Audit Committee:**

i. Brief description of terms of reference:

The Board, as required under section 177 of the Companies Act, 2013 has laid down terms of reference, which briefly are:-

- (a) To recommend for the appointment, remuneration and terms of appointment of auditors;
- (b) To review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (c) To examine the financial statement and the auditors' report thereon;
- (d) To approve transactions with related parties;
- (e) To scrutinize inter-corporate loans and investments;
- (f) To evaluate internal financial controls and risk management systems.

In addition, the Audit Committee keeps in view its role as provided under Clause 49 of the Listing Agreement including review of financial statement of material unlisted subsidiary company.

ii. Composition, Name of Members and Chairman:

S. No.	Name of the Committee Member	Position	No. of Meetings attended
1.	Mr. Vinod K. Nagpal	Chairman	4
2.	Mr. Arun Kathpalia	Member	4
3.	Mr. Aditya Puri	Member	4

Mr. S.K. Khorana, Company Secretary, is the Secretary of the Audit Committee.

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iii. Meetings and attendance during the year:

During the year, four meetings of the Audit Committee were held as under:-

- May 26, 2014
- August 2, 2014
- November 8, 2014
- February 13, 2015

Detail of attendance by each Member is given in the above table.

4. **Nomination and Remuneration Committee:**

i. Brief description of Terms of Reference:

As required under section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee:-

- (a) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- (b) Carry out evaluation of every director's performance;
- (c) 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.

In addition, the Nomination and Remuneration Committee keeps in view its role as provided under Clause 49 of the Listing Agreement.

ii. Composition, Name of Members and Chairman:

S.No.	Name of the Committee Member	Position	No. of Meetings attended
1.	Mr. Vinod K. Nagpal	Chairman	1
2.	Mr. Vinod Kumar Sachdeva	Member	1
3.	Mr. Arun Kathpalia	Member	1

All the members of the Nomination and Remuneration Committee are non-executive and Independent Directors. Mr. S. K. Khorana, Company Secretary is the Secretary of the Nomination and Remuneration Committee.

iii. Meetings and attendance during the year:

During the year, one meeting of the Nomination and Remuneration Committee was held on February 13, 2015 and all members attended the meeting.

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iv. Remuneration policy:

The Nomination and Remuneration Committee has formulated criteria for determining qualifications, positive attributes and independence of the Directors. The Committee has also recommended to the Board a Policy relating to remuneration ensuring:

- a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate key managerial personnel of the quality required to run the company successfully;
- b) relation of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) remuneration to key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Under this Policy the Company retained a third party agency to assess the attributes of employees.

v. Details of remuneration paid to Directors:

Details are given in 'Note no. 28.1 of Notes on Financial Statements'.

vi. Details of Remuneration paid to Non-Executive Directors:

Sl. No.	Name of Director	Nature of Payment & Amount (₹)		Total Amount (₹)
		Remuneration*	Sitting Fees*	
01.	Mr. Vinod K. Nagpal	26,110	99,730	1,25,840
02.	Mr. Tahir Hasan	26,110	44,248	70,358
03.	Mr. Ranjit Puri	26,110	55,484	81,594
04.	Mr. Arun Kathpalia	26,110	88,844	1,14,954
05.	Mr. Vinod Kumar Sachdeva	26,109	55,484	81,593
			<b>Total</b>	<b>4,74,339</b>

\* Remuneration and Sitting Fees are inclusive of service tax.

5. Stakeholders' Relationship Committee:i. Composition, Name of Members and Chairman:

S. No.	Name of the Committee Member	Position
1.	Mr. Ranjit Puri	Chairman
2.	Mr. Vinod Kumar Sachdeva	Member

ii. Name and designation of Compliance Officer:

Mr. S.K. Khorana, Company Secretary.

iii. Number of Shareholders' complaints received:

One.

iv. Number of complaints not solved to the satisfaction of Shareholders:

Nil.

v. Number of pending complaints:

Nil.

**6. Subsidiary Company:**

The Company has formulated a policy for determining material subsidiaries which is disclosed on the Company's website at web link namely <http://www.isgect.com/aboutus-policy-dms.asp?lk=ab18>. The Company has a material unlisted subsidiary company namely Saraswati Sugar Mills Limited. Mr. Tahir Hasan, Independent Director is also Director of the material unlisted subsidiary company in compliance with clause 49 of the Listing Agreement.

**7. Related Party Transactions:**

The Company has formulated a Policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions which is disclosed on the Company's website at web link namely <http://www.isgect.com/aboutus-policy-related-parted.asp?lk=ab16>.

**8. General Body Meetings:**

i. Location and time of last three Annual General Meetings (AGM) held:

<b>Date</b>	<b>Location</b>	<b>Time</b>
February 9, 2013	Office premises of Saraswati Sugar Mills Limited, Radaur Road, Yamunanagar-135001, Haryana.	12:00 Noon
February 11, 2014		12:00 Noon
August 4, 2014		11:00 A.M.

ii. Whether any Special Resolution passed in the previous three AGM:

Yes. Special Resolutions regarding remuneration to Non-executive Directors and increase in borrowing limits under section 180(1)(c) of the Companies Act, 2013 were passed in the AGM held on February 11, 2014 and August 4, 2014 respectively.

iii. Whether any Special Resolution passed last year through postal ballot – details of voting pattern:

No.

iv. Person who conducted the postal ballot exercise:

Not applicable.

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v. Whether any Special Resolution is proposed to be conducted through postal ballot:

No.

vi. Procedure for Postal Ballot:

Not applicable.

9. **Disclosures:**

i. Disclosures on materially significant related party transactions that may have potential conflict with the interests of the company at large:

Nil.

ii. Details of non-compliance by the company, penalties, strictures imposed on the company by Bombay Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

None.

iii. Code of Conduct for Directors and Senior Executives:

The Company has laid down a Code of Conduct for all Board Members and Senior Executives of the Company. The Code of Conduct is available on the Company's website [www.isgec.com](http://www.isgec.com). The Managing Director has given a declaration that all the Directors and concerned Executives have affirmed compliance with the Code of Conduct.

iv. CEO/ CFO certification:

A certificate, duly signed by the Managing Director and the Chief Financial Officer relating to financial statements, internal controls and internal control systems for financial reporting as per the format provided in Clause 49(IX) of the Listing Agreement, was placed before the Board, who took the same on record.

v. Whistle Blower Policy:

The Company has established the Vigil Mechanism for Directors and Employees to report genuine concerns or grievances. The Audit Committee of the Company oversees the Vigil Mechanism. The Vigil Mechanism has been disclosed on website of the Company. In case complaints relates to the Managing Director and Non-independent Directors, and in exceptional or appropriate cases any employee may report his concern to Mr. Vinod K. Nagpal, Chairman of the Audit Committee.

vi. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause:

Complied with all mandatory requirements as detailed above.

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**10. Means of Communication:**

- i. Financial Results:  
Yes. Published in Newspaper.
- ii. Newspapers wherein results normally published:  
(a) Business Standard (English) and  
(b) Vir Arjun (Hindi) or Hari Bhoomi (Hindi).
- iii. Any website, where displayed:  
(a) On Company's website: www.isgec.com  
(b) On BSE's website: www.bseindia.com
- iv. Whether it also displays official news releases:  
There was no official news release.
- v. The presentations made to institutional investors or to the analysts:  
No presentation was made to institutional investors or to the analysts.

**11. Shareholding of Non-executive Independent Directors:**

Sl. No.	Name of Directors	Number of Shares held
01.	Mr. Vinod K. Nagpal	436
02.	Mr. Tahir Hasan	1,640
03.	Mr. Arun Kathpalia	120
04.	Mr. Vinod Kumar Sachdeva	390

**12. General Shareholder information:**

- i. Annual General Meeting date, time and venue:  
Annual General Meeting will be held on Saturday, August 8, 2015 at 11:00 a.m. at the office premises of Saraswati Sugar Mills Limited, Radaur Road, Yamunanagar- 135001, Haryana.
  - ii. Financial Year:  
1st April, 2014 to 31st March, 2015.
  - iii. Dates of Book closure:  
From August 1, 2015 to August 8, 2015 (both days inclusive).
  - iv. Dividend Payment Dates:
    - (a) 27th February, 2015 for Interim Dividend.
    - (b) 14th August, 2015 for Final Dividend.
-

v. Listing on Stock Exchange:

Listed on Bombay Stock Exchange (BSE).

vi. Stock Code:

The Stock Code Number is ISIN - INE858B01011.

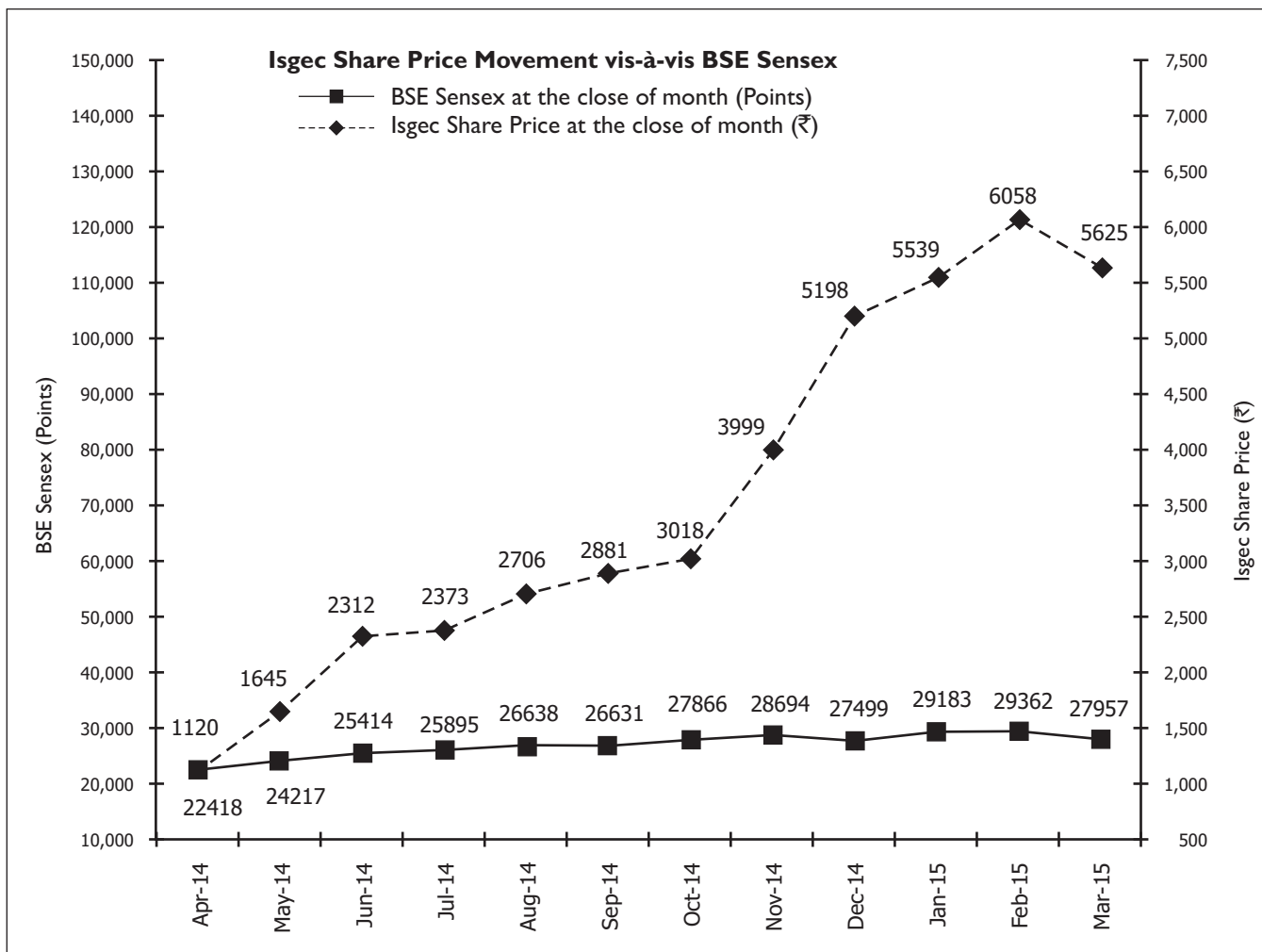
Bombay Stock Exchange has allotted scrip name as ISGEC and scrip code as 533033.

vii. Stock Market Price Data: High and Low during each month in the year on BSE:

Month	Bombay Stock Exchange	
	Highest (₹)	Lowest (₹)
April, 2014	1,169.85	1,010.60
May, 2014	1,700.00	1,095.00
June, 2014	2,663.10	1,646.00
July, 2014	2,449.80	1,980.00
August, 2014	2,839.00	2,330.00
September, 2014	3,338.00	2,725.25
October, 2014	3,100.00	2,727.00
November, 2014	4,274.95	2,950.00
December, 2014	5,352.00	3,815.00
January, 2015	6,185.00	5,155.05
February, 2015	6,374.00	5,202.00
March, 2015	6,269.00	5,180.00

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viii. Share Price Performance in comparison to BSE Sensex:



ix. Registrar and Transfer Agents:

M/s. Alankit Assignments Limited, 'Alankit House', 2E/21, Jhandewalan Extension, New Delhi - 110055.

Phone: +91-11-42541234, 23541234, Fax: +91-11-41540064,

Email: alankit@alankit.com

x. Share Transfer System:

The share transfers are attended, registered and returned within 30 days from the date of receipt, if the documents are in order in all respects.

xi. The Company ensured that its Registrar and Transfer Agent produces a half yearly certificate from the Company Secretary in Practice as required under clause 47(c) of the Listing Agreement and file a copy of the said Certificate with the Stock Exchange.

xii. There is no equity share lying in Equity Share Suspense account.

xiii. Distribution of shareholding:

The Distribution of shareholding as on March 31, 2015 is:

Shareholding of Nominal Value		Shareholders		Share Amount	
₹	₹	Number	% of Total	(In ₹)	% of Total
Up-to	5,000	6,296	93.41	37,76,890	5.13
5,001 -	10,000	172	2.55	13,09,910	1.78
10,001 -	20,000	117	1.74	17,79,100	2.42
20,001 -	30,000	45	0.67	11,31,010	1.54
30,001 -	40,000	20	0.30	7,10,750	0.97
40,001 -	50,000	15	0.22	6,99,830	0.95
50,001 -	1,00,000	31	0.46	23,06,820	3.14
1,00,001	and above	44	0.65	6,18,15,200	84.07
<b>TOTAL</b>		<b>6,740</b>	<b>100.00</b>	<b>7,35,29,510</b>	<b>100.00</b>

**Shareholding pattern as on March 31, 2015:**

Category	No. of Shareholders	No. of Shares held	Percentage
Promoters	5	45,73,780	62.20
FIs, Banks & Mutual Funds	13	2,02,677	2.76
Others (Public)	6,722	25,76,494	35.04

xiv. Dematerialization of shares and liquidity :

94.99% of share capital has been dematerialized as on March 31, 2015.

xv. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity:

There is no outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments and therefore there is no impact on equity.

xvi. Compliance under Listing Agreement:

Company is regularly complying with the provisions of the Listing Agreement. Information, certificates and returns as required under Listing Agreement are sent to the Stock Exchange within the prescribed time.

xvii. Information on deviation from Accounting Standards, if any:

There has been no deviation from the Accounting Standards in preparation of Annual Accounts for the year ended 31st March, 2015.



xviii. Plant locations:

	<b>Plant Location</b>	<b>Item of Manufacture</b>	<b>Address for correspondence</b>
a)	Isgec, Radaur Road, Yamunanagar	Pressure Vessels & Heat Exchangers, Presses- Mechanical & Hydraulic, Boilers, Container, Castings, Sugar and other Industrial Machinery.	Radaur Road, Yamunanagar-135001 Haryana.
b)	Isgec, Rattangarh, Yamunanagar	Pressure Parts for Water Tube Boilers	Rattangarh, Yamunanagar-135001 Haryana.
c)	Isgec, Dahej	Pressure Vessels, Columns, Heat Exchangers and Boilers.	13/B, G.I.D.C, Industrial Estate, Dahej, Taluka- Vagara, Distt. Bharuch - 392130. Gujarat.
d)	Isgec, Muzaffarnagar	Castings - Steel & Iron	Village Nara, P.O. Mansurpur -251203, District Muzaffarnagar, U.P.
e)	Isgec, Bawal	Standard Mechanical Presses and other Industrial Machinery	Plot No. 123, Sector-6, HSIIDC, Industrial Growth Centre, Bawal, Distt. Rewari-123501 Haryana.

xix. Engineering, Procurement and Construction Division:

	<b>Name</b>	<b>Item</b>	<b>Address for correspondence</b>
a)	Isgec	Boilers	A-5, A-7 and A-8, Sector - 63, Noida - 201301, U.P.
b)	Isgec	Sugar Machinery	A-4, Sector - 24 Noida - 201301, U.P.

xx. Address for correspondence:

Corporate Office: A-4, Sector - 24, Noida - 201 301, U.P.  
Tel. : +91-120-408 5001/ 5002  
Fax.: +91-120-241 2250  
e-mail: skkhorana@isgec.com

Registered Office: Radaur Road,  
Yamunanagar-135 001, Haryana.  
Tel: 01732-661061/ 62  
Email : roynr@isgec.com

xxi. Details of the Director seeking re-appointment in Annual General Meeting to be held on, August 08, 2015 (In pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Mrs. Nina Puri	Mr. Aditya Puri
Date of Birth (dd/mm/yyyy)	23.05.1943	04.12.1967
Date of Appointment	16.02.2007	01.05.1996
Age (in years)	72	47
Qualification	B.A.Honours (History) - Delhi University, M.A.(History)- Georgetown University, Washington D.C., Ph.D-Modern India History - Kurukshetra University	B.A. (Honours), M.A. (CANTAB) ECON. from Cambridge University (U.K.)
Board position held	Whole-time Director	Managing Director
Terms and conditions of re-appointment	Liable to retire by rotation	As per resolution given in the AGM Notice
Nature of his /her expertise in specific function areas	Company Director Experience: 49 years	Industrialist, Managing Companies Experience: 23 years
Other Directorship	Jullundur Auto Sales Corporation Limited	<ul style="list-style-type: none"> <li>i) The Yamuna Syndicate Limited</li> <li>ii) Isgec Covema Limited</li> <li>iii) Isgec Exports Limited</li> <li>iv) Saraswati Sugar Mills Limited</li> <li>v) Jullundur Motor Agency (Delhi) Limited</li> <li>vi) JMA Rane Marketing Limited</li> <li>vii) Isgec Engineering &amp; Projects Limited</li> <li>viii) Isgec Hitachi Zosen Limited</li> <li>ix) Isgec Foster Wheeler Boilers Private Limited</li> <li>x) Isgec Titan Metal Fabricators Private Limited</li> </ul>
Chairman/ Member of Committee of the Board of Companies of which he/ she is a Director	-	<p><b>Isgec Hitachi Zosen Limited:</b> - Chairman-Audit Committee</p> <p><b>The Yamuna Syndicate Limited:-</b> - Member- Audit Committee, Nomination &amp; Remuneration Committee and Stakeholders Relationship Committee</p> <p><b>Saraswati Sugar Mills Limited:</b> - Member- Stakeholders Relationship Committee, and Corporate Social Responsibility Committee</p> <p><b>Jullundur Motor Agency (Delhi) Limited:</b> Member- Audit Committee</p>
Shareholding of Non-Executive Directors as stated in Clause 49 (IV)(E)(v)	Not Applicable	Not Applicable

**Annual Declaration by the Managing Director pursuant to Clause 49(II)(E)(2) of the Listing Agreement**

As required under Clause 49(II)(E)(2) of the Listing Agreement with the Stock Exchange, I declare that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct and Ethics for the year ended March 31, 2015.

Dated: May 26, 2015

Aditya Puri  
Managing Director  
(DIN: 00052534)

## **Auditors' Certificate on Compliance of Corporate Governance Under Corporate Governance Clause of the Listing Agreement**

**TO THE MEMBERS**

**ISGEC HEAVY ENGINEERING LIMITED**

We have examined the compliance of conditions of Corporate Governance by Isgec Heavy Engineering Limited ,(the 'Company') for the year ended 31st March, 2015 as stipulated in clause 49 of the listing agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of 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 and the representation made by the Directors and Management of the Company, we certify that the Company has substantially complied with the conditions of the Corporate Governance as stipulated in the above mentioned listing agreement.

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

**For S. S. KOTHARI MEHTA & CO.**

Chartered Accountants  
Firm Regn.No. 000756N

**(K. K. TULSHAN )**

Partner  
Membership No. 085033

Place: Noida

Dated: 26<sup>th</sup> May, 2015

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## ANNEXURE-8

**Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures**  
The disclosure under first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014.

**Part " A " : Subsidiaries**

(₹ in lacs)

Description	2014-15					2013-14						
	Isgec Covema Ltd.	Isgec Exports Ltd.	Saraswati Sugar Mills Ltd.	Isgec Engineering & Projects Ltd.	Free Look Software Private Limited	Isgec Hitachi Zosen Ltd. #	Isgec Covema Ltd.	Isgec Exports Ltd.	Saraswati Sugar Mills Ltd.	Isgec Engineering & Projects Ltd.	Free Look Software Private Limited	Isgec Hitachi Zosen Ltd. #
1 Name of the Subsidiary Companies	Year Ended 31st March 2015	Year Ended 31st March 2015	Year Ended 31st March 2015	Year Ended 31st March 2015	Year Ended 31st March 2015	Year Ended 31st March 2015	Year Ended 31st March 2014	Year Ended 31st March 2014	Period Ended 31st March 2014*	Period Ended 31st March 2014*	Year Ended 31st March 2014	Period Ended 31st March 2014**
2 Reporting Period	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees
3 Reporting Currency	200.00	10.00	709.99	360.00	2.18	10,000.00	200.00	10.00	709.99	330.00	2.18	10,000.00
4 Share Capital	71.03	92.39	13,898.92	0.36	620.21	(512.85)	78.29	89.12	17,270.89	0.39	620.51	(1,642.22)
5 Reserves & surplus	278.20	102.67	46,848.40	362.52	622.61	29,592.30	285.26	99.35	40,767.23	330.45	702.70	26,080.44
6 Total Assets	7.17	0.29	32,239.49	2.16	0.23	20,105.16	6.96	0.22	22,786.35	0.06	80.01	17,722.66
7 Total Liabilities	-	-	960.35	-	-	-	-	-	305.35	-	-	-
8 Investments	6.02	5.40	39,151.02	0.34	-	33,346.02	4.59	4.86	22,708.37	0.06	-	3,777.31
9 Turnover ***	(10.48)	4.76	(4,520.23)	(0.03)	(0.30)	1,451.29	1.50	4.36	(278.78)	(0.35)	(0.11)	(953.99)
10 Profit/(Loss) before Taxation	-	1.49	-	-	-	-	-	1.35	(221.35)	(0.08)	-	(14.57)
11 Provision for Taxation	(3.24)	-	(1,408.79)	-	-	321.93	0.46	-	(38.02)	-	-	(221.42)
a. Current Tax	(7.24)	3.27	(3,111.44)	(0.03)	(0.30)	1,129.37	1.04	3.01	(19.41)	(0.27)	(0.11)	(718.00)
b. Deferred Tax	-	-	-	-	-	-	-	-	-	-	-	-
12 Profit/(Loss) after Taxation	100%	100%	100%	100%	100%	51%	100%	100%	100%	100%	100%	51%
13 Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-
14 % of shareholding												

\* The financial year has been changed from year ending 30th September to year ending 31st March. Figures reported are for six months period ended 31st March 2014.

\*\* The financial year is from 1st April to 31st March. The figures drawn and reported are from 1st October 2013 to 31st March 2014, as were reported in last year's financial statements.

\*\*\* Includes Other Income

Notes :

1 Names of subsidiaries which are yet to commence operations :

- Isgec Foster Wheeler Boilers Private Limited

2. Names of subsidiaries which have been liquidated or sold during the year : Nil

**Part " B " : Associates and Joint Ventures # Isgec Hitachi Zosen Ltd. is also a Joint Venture Company.**

**ANNEXURE-9**

**STATEMENT OF INFORMATION TO BE FURNISHED PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT 2013 AND RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL RULES, 2014)**

<b>(I) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;</b>	1) Mr. Ranjit Puri (Chairman) 0.18 2) Mr. Aditya Puri (Managing Director) 277 3) Mrs. Nina Puri (Whole Time Director) 277 4) Mr. Vinod Nagpal (Independent Director) 0.29 5) Mr. Tahir Hasan (Independent Director) 0.16 6) Mr. Arun Kathpalia (Independent Director) 0.26 7) Mr. Vinod Kumar Sachdeva (Independent Director) 0.18		
<b>(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;</b>	1) Mr. Ranjit Puri (Chairman) 0% 2) Mr. Aditya Puri (Managing Director) 28.3% 3) Mrs. Nina Puri (Whole Time Director) 28.3% 4) Mr. Vinod Nagpal (Independent Director) 0% 5) Mr. Tahir Hasan (Independent Director) 0% 6) Mr. Arun Kathpalia (Independent Director) 0% 7) Mr. Vinod Kumar Sachdeva (Independent Director) 0% 8) Mr. SK Khorana (Company Secretary) 5.7% 9) Mr. Kishore Chatnani, Chief Financial Officer 8.0%		
<b>(iii) the percentage increase in the median remuneration of employees in the financial year;</b>	8.8%		
<b>(iv) the number of permanent employees on the rolls of company;</b>	3066 as on 31st March 2015 (2995 as on 31st March 2014)		
<b>(v) the explanation on the relationship between average increase in remuneration and company performance;</b>	Average increase in remuneration of Employees is 6%. The profit before tax of the company has increased by 55% (compared to annualised for previous period which was of six months duration)		
<b>(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;</b>	The Remuneration of Mr. Aditya Puri (Managing Director) and Mrs. Nina Puri (Whole Time Director) during the year was ₹ 1,221 Lacs each against the Net Profit before tax of the company of ₹ 21,831 Lacs.		
<b>(vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;</b>		<b>31.3.2015</b>	<b>31.3.2014</b>
	Market Capitalisation (₹ Lakhs) as on	413,603	80,220
	Price to Earning Ratio (standalone earnings)	28.88	8.68
	Networth (₹ Lakhs) - Standalone	77,861	64,810

<b>(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;</b>	The average increase in salaries of employees other than managerial personnel in 2014-15 was 6%. Percentage increase in Managerial Remuneration for the year is 28.3%.				
<b>(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company</b>	<b>Particulars</b>	<b>Managing Director</b>	<b>Whole Time Director</b>	<b>Chief Financial officer</b>	<b>Company Secretary</b>
	Remuneration (₹ in lacs)	1,221.60	1,221.60	53.82	92.39
	Revenue (₹ in lacs)	331,973.51	331,973.51	331,973.51	331,973.51
	Remuneration (as % of revenue)	0.37%	0.37%	0.02%	0.03%
	Profits before tax (PBT) (₹ in lacs)	21,831.98	21,831.98	21,831.98	21,831.98
	Remuneration (as % of PBT)	5.60%	5.60%	0.25%	0.42%
<b>(x) the key parameters for any variable component of remuneration availed by the directors;</b>	The Managing Director and the Whole Time Director are paid remuneration by way of monthly salary and commission, which is a percentage of the profit. The total remuneration of the Managing Director is 5% of the profit of the company. The total remuneration of the whole time director is also 5% of the profit of the company. The profit for this purpose is determined as per Section 198 of the Companies Act, 2013				
<b>(xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;</b>	There is no employee who received higher remuneration than the highest paid director				
<b>(xii) affirmation that the remuneration is as per the remuneration policy of the company.</b>	Remuneration is paid as per the remuneration policy of the company				

**ANNEXURE-10**

**Particulars of Employees under Section 197(12) of the Companies Act, 2013 and rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 as on 31st March 2015**

**(A) Employed throughout the year and were in receipt of Remuneration aggregating not less than ₹60,00,000/- per year.**

Sl. No.	Name of Employee	Age	Qualification	Experience in years	Date of Commencement of Employment	Designation	Remuneration (Amount in ₹)	Last Employment		Nos. of Shares held in the Co.*	% of Share held to total Share Capital of Co.
								Name of Employer	Post Held		
1	Gupta, Mahesh	52	BE (Mech.), M. Tech.	28	27.07.1991	Chief Operating Officer-Steel Casting Division	6,012,000	M/ s. Bhartiya Caccia Lanza Fire System Ltd.	Works Manager	200	0.0027%
2	Jaidka, Ravi	68	B.E. (Mech), Hons.	46	04.07.1968	Executive Director	8,196,058	-	-	200	0.0027%
3	Jain, Suman Kumar	49	B.E. (Mech.)	28	29.02.1988	Group Head - Utility Boilers, Product Packages & New Technology Development	8,503,863	SIMCO, Bharatpur	Engineer	491	0.0067%
4	Khorana, S.K.	68	B.Com. (Hons.), M.Com., F.C.A.,	44	01.02.1975	Executive Director & Company Secretary	9,238,637	Jay Engineering Works Ltd.	Officer on Special duty	1,920	0.0261%
5	Luthra, V.K.	54	Post Diploma in Mechanical Engineering	33	16.01.1985	Business Head - Industrial & Green Energy Boiler Division	6,241,600	Bandekar Engineers	Sales Engineer	-	-
6	Puri, Aditya	47	B.A. (Hons.), M.A. (CANTAB) ECON from Cambridge University (U.K.)	23	01.10.1991	Managing Director	122,160,077	-	-	456,808	6.2126%
7	Puri, Nina	71	B.A. (Hons.), M.A., Ph. D.	45	16.02.2007	Whole-time Director	122,160,077	-	-	675,154	9.1821%
8	Sanjay, P.V. Narasimha	49	BE (Mech.)	29	28.01.2010	Business Head - EPC Power Plant Division	7,105,845	NELCO	Business Head	-	-
9	Talwar, L.M.	68	B.Sc. Engg. Elect., A.S.T.A.	46	01.08.1968	Executive Director	9,854,852	-	-	500	0.0068%
10	Vishwanathan, K.	57	M.E. (Mech.), PGDM	35	01.12.2010	Head - Engineering, Utility Boilers	6,772,534	Alstom India	Head of Engineering	-	-

**(B) Employed throughout the year and were in receipt of Remuneration aggregating not less the ₹5,00,000/- per month.**

Sl. No.	Name of Employee	Age	Qualification	Experience in years	Date of Commencement of Employment	Designation	Remuneration (Amount in ₹)	Last Employment		Nos. of Shares held in the Co.*	% of Share held to total Share Capital of Co.
								Name of Employer	Post Held		
1	Hussain, Murtaza	55	B. Tech.	31	26.05.1983	Business Head- Machine Building Division	3,752,321	-	-	-	-
2	Verma, V.D.	73	B.A., LLB	54	01.01.2015	Head - Corporate Legal	1,634,314	Saraswati Sugar Mills	Head - Corporate Legal	4,732	0.0644%

**NOTES:** 1. Nature of Employment : All appointments are/were contractual and terminatable by notice on either side.

2. Other Terms and conditions : As per Company rules.

3. All the employees have adequate experience to discharge the responsibilities assigned to them.

4. None of the employees mentioned above is the relative of any director of the company, excepting Shri Aditya Puri, Managing director and Smt. Nina Puri, Whole-time Director who are related to each other and to Shri Ranjit Puri, Chairman

5. Remuneration includes, salary, company's contribution to provident fund, leave travel concession/allowance, leave encashment, house rent allowance/assistance, medical expenses reimbursement/allowance but excluding gratuity paid or provided and provision for pension. Where it is not possible to ascertain the actual expenditure incurred by the company in providing perquisites the monetary value of such perquisites has been calculated in accordance with the Income Tax Act, 1961 and the Rules made there under.

\* Numbers and percentage of the shares held in the Company by the employee along with his spouse and children as per Rule 5(3)(viii) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.



**ANNEXURE-11**

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**(FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015)**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule**  
**No.9 of the Companies (Appointment and Remuneration Personnel)**  
**Rules, 2014]**

To,  
The Members,  
Isgec Heavy Engineering Limited

I/We have conducted the secretarial audit of the companies of applicable statutory provisions and the adherence to good corporate practices by Isgec Heavy Engineering Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my/our verification of the Isgec Heavy Engineering Limited books, papers, minute books, forms and returns filed and other records maintained by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/We have examined the books, papers, minute books, forms, and returns filed and other records maintained by Isgec Heavy Engineering Limited ("the Company") for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under.
- (ii) The Securities Contracts (Regulations) Act, 1956 (SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the regulations and bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of foreign Direct investment, overseas Direct investment and external commercial borrowing;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") :-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and Dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Following are some other laws specially applicable to the company:-
  - (a) Environment pollution Act
  - (b) Disposal of hazardous waste rules.

During the period under review, the company has complied with the provisions of the Act, Rules Regulations, Guidelines, standards etc mentioned above.

During the period under review I have not found any substance, records that lead to qualification, reservation or adverse remarks in respect of above para, and also compliance on labour law has been properly complied with.

**For Ranjeet Verma & Associates**  
**Company Secretaries**  
Sd/-  
**(CS Ranjeet Kumar Verma)**  
**Proprietor, C.P. No. 7463**

**Place: Delhi**  
**Dated: May 26, 2015**

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## INDEPENDENT AUDITORS' REPORT

To

**The Members of Isgec Heavy Engineering Limited**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Isgec Heavy Engineering Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of these standalone 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 21 to the financial statements;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For S S Kothari Mehta & Co.**  
**Chartered Accountants**  
**Firm Registration No.: 000756N**

**KK Tulshan**  
Partner  
Membership No.: 085033

Place : Noida  
Dated : 26th May, 2015

Annexure referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of the Independent Auditor's Report of even date to the members of Isgec Heavy Engineering Limited on its standalone financial statements as of and for the year ended March 31, 2015.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) The fixed assets of the Company have been physically verified during the period by the management in accordance with a program designed to cover all assets except for certain building and vehicles situated in Pakistan (carrying value – ₹ 1) and no material discrepancies between the book records and the physical inventory were noticed on such verification. In our opinion, the frequency of verification is reasonable.
  - (ii) (a) The inventory has been physically verified during the period by the management at reasonable intervals in respect of finished goods, stores, spare parts and raw material. Further, stock in the possession and custody of third parties and stock in transit as at 31st March, 2015 have been verified by the management with reference to confirmations or statement of accounts or correspondence of the third parties or subsequent receipt of goods. In our opinion, the frequency of such verification is reasonable;
  - (b) The procedures of physical verification of inventory followed by the management are, in our opinion, 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 the discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
  - (iii) (a) The Company has granted unsecured loan to one of its subsidiaries company covered in the register maintained under section 189 of the Companies Act, 2013. Apart from this loan, the Company has not granted any other loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013;
  - (b) In respect of the aforesaid loan, we are informed that this is repayable on demand. The party is regular in payment of interest;
  - (c) In respect of the aforesaid loan, we are informed that there are no overdue amounts.
  - (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system;
  - (v) As the Company has accepted deposits, the directives issued by the Reserve Bank of India and the provisions of
-

sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, have been complied with;

- (vi) We have broadly reviewed the books and records required to be maintained as specified by the Central Government under sub-section (l) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We are, however, not required to make a detailed examination of such books and records.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable;
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess that have not been deposited on account of any dispute are as under:

Name of Statute	Duty/Tax	Year	Forum where dispute is pending	Amount (₹ in lacs) As at 31st March 2015	Amount (₹ in lacs) As at 31st March 2014
Central Excise Act	Excise Duty	1994-95	Hon'ble High Court, Allahabad	5.00	5.00
		1994-96	Tribunal New Delhi	8.00	8.00
		2002-10	CESTAT, New Delhi	53.25	53.25
		2009-13	Joint Commissioner Central Excise, Muzaffarnagar	14.98	-
		2013-14	Joint Commissioner Central Excise, Muzaffarnagar	3.00	-
Service Tax	Service Tax	2004-06	CESTAT, New Delhi	6.00	6.00
		2005-07	CESTAT, New Delhi	22.31	22.31
		2008-09	CESTAT, New Delhi	8.36	8.36
		2009-12	Commissioner Central Excise (Panchkula)	63.56	63.56
		2011-12	Commissioner Central Excise (Panchkula)	61.28	61.28
		2008-09	Commissioner, Central Excise (Vadodara)	60.31	60.31
		2008-13	Commissioner Central Excise (Panchkula)	36.97	36.97
		2011-12	Commissioner Central Excise (Panchkula)	25.56	-
		2007-10	Commissioner Central Excise (Panchkula)	9.22	-
		2008-09	Commissioner Central Excise (Panchkula)	9.69	-

Name of Statute	Duty/Tax	Year	Forum where dispute is pending	Amount (₹ in lacs) As at 31st March 2015	Amount (₹ in lacs) As at 31st March 2014
Sales Tax Act	Sales Tax	1993-94	Sales Tax Tribunal, Orissa	9.02	9.02
		1995-96	Sales Tax Tribunal, Orissa	17.00	17.00
		1996-97	Sales Tax Tribunal, Orissa	5.00	5.00
		1992-93	Appellant Tribunal - West Bengal	90.00	90.00
		1993-94	Appellant Tribunal - West Bengal	155.00	155.00
		1971-73	Commissioner Sales Tax, Lucknow	6.00	6.00
		1987-88	Dy Comm. of Commercial Taxes, Kolkata	4.00	4.00
		1995-96	Dy Comm. of Commercial Taxes, Kolkata	34.00	34.00
		1994-95	Commercial Tax Officer, Kolkata	61.00	61.00
		2006-07	Dy Comm. Of Commercial Tax, Tamilnadu	0.82	0.82
		2007-08	Dy Comm. Of Commercial Tax, Tamilnadu	2.41	2.41
		2008-09	Dy Comm. Of Commercial Tax, Tamilnadu	0.58	0.58
		2009-10	Joint Comm. of Commercial Taxes, Kolkata	4.72	4.72
		2009-10	Joint Comm. of Commercial Taxes, Kolkata	9.51	9.51
		2009-10	DETC	0.00	19.67
		2008-09	Additional commissioner of Central Excise-UP	320.42	0.25
		2008-09	Additional commissioner of Central Excise-UP	6.62	13.51
Local Area development Tax Act, 2002	Local area tax	2006-07	Hon'ble High Court of Punjab & Haryana	14.00	12.00
Haryana State Pollution Control Law	Water Cess	1992-93	Hon'ble Supreme Court of India	13.20	13.20
			<b>Total</b>	<b>1140.79</b>	<b>782.73</b>

(c) The amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time;

(viii) The Company has been registered for a period of more than five years. The Company has no accumulated losses at the end of the financial year. It has neither incurred cash losses in this financial year nor in the immediately preceding financial year;

(ix) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to a financial institution or bank. The Company has not issued any debentures;

- (x) The Company has given corporate guarantees to bank for loan granted to its joint venture, Isgec Hitachi Zosen Limited, during the period. In our opinion, the terms and conditions of these guarantees are not prima facie prejudicial to the interest of the Company;
- (xi) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans were applied for the purpose for which the loans were obtained;
- (xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of significant fraud on or by the Company, noticed or reported during the period, nor have we been informed of such case by the management.

**For S S Kothari Mehta & Co.**  
**Chartered Accountants**  
**Firm Registration No.: 000756N**

**K K Tulshan**  
Partner  
Membership No.: 085033

Place : Noida  
Dated : 26th May, 2015

**BALANCE SHEET as at 31st March, 2015**

(₹ in lacs)

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholders' Funds			
(a) Share Capital	1	735.29	735.29
(b) Reserves and Surplus	2	76,240.77	64,074.87
		<b>76,976.06</b>	<b>64,810.16</b>
(2) Non-current Liabilities			
(a) Long-term Borrowings	3	1,648.33	7,052.18
(b) Deferred Tax Liabilities (Net)	4	1,156.12	1,965.25
(c) Other Long-term Liabilities	5	14,025.69	10,431.52
(d) Long-term Provisions	6	13,965.90	13,274.34
		<b>30,796.04</b>	<b>32,723.29</b>
(3) Current Liabilities			
(a) Short-term Borrowings	7	22,192.96	27,776.79
(b) Trade Payables	8	103,076.09	74,461.27
(c) Other Current Liabilities	9	43,971.03	50,944.43
(d) Short-term Provisions	10	7,835.17	5,365.48
		<b>177,075.25</b>	<b>158,547.97</b>
<b>Total</b>		<b>284,847.35</b>	<b>256,081.42</b>
<b>II. ASSETS</b>			
(1) Non-current Assets			
(a) Fixed Assets	11		
(i) Tangible Assets		35,012.93	36,076.32
(ii) Intangible Assets		4,931.04	5,328.97
(iii) Capital Work-in-progress		1,034.83	2,722.60
		<b>40,978.80</b>	<b>44,127.89</b>
(b) Non-current Investments	12	13,838.56	12,655.81
(c) Deferred Tax Assets (Net)		-	-
(d) Long-term Loans and Advances	13	1,039.27	1,351.22
(e) Other Non-current Assets	14	-	166.36
		<b>55,856.63</b>	<b>58,301.28</b>
(2) Current Assets			
(a) Current Investments	15	33,876.14	14,032.67
(b) Inventories	16	40,427.04	41,849.12
(c) Trade Receivables	17	92,656.77	78,679.82
(d) Cash and Bank Balances	18	37,134.82	39,061.34
(e) Short-term Loans and Advances	19	23,812.90	22,003.45
(f) Other Current Assets	20	1,083.05	2,153.74
		<b>228,990.72</b>	<b>197,780.14</b>
<b>Total</b>		<b>284,847.35</b>	<b>256,081.42</b>
Notes to the Financial Statements	1 to 44		

The Notes referred to above form an integral part of the financial statements

As per our report of even date.

for S.S. Kothari Mehta & Co.

Chartered Accountants

(Firm Registration No. 000756N)

Sanjay Kumar

Deputy General Manager(Accounts)

Kishore Chatnani

Head - Corporate Accounts & Treasury  
& Chief Financial Officer

For and on behalf of Board of Directors

CA. K.K. Tulshan

Partner

M.No. 085033

S. K. Khorana

Executive Director & Company Secretary

Aditya Puri

Managing Director

DIN: 00052534

Vinod K. Nagpal

Director

DIN: 00147777

Place : Noida

Dated : 26<sup>th</sup> May, 2015



**STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2015**

(₹ in lacs)

Particulars	Note No.	Year ended 31.03.2015	Six months period ended 31.03.2014
<b>I. Revenue from Operations</b>	22	<b>333,225.03</b>	147,100.80
Less: Excise Duty		<b>5,482.93</b>	3,056.95
		<b>327,742.10</b>	144,043.85
<b>II. Other Income</b>	23	<b>4,231.41</b>	2,338.74
<b>III. Total Revenue</b>		<b>331,973.51</b>	146,382.59
<b>IV. Expenses:</b>			
(a) Cost of Material Consumed	24	<b>49,031.06</b>	25,644.51
(b) Purchase of goods for resale		<b>150,924.63</b>	64,668.12
(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-trade	25	<b>(2,662.12)</b>	(5,796.90)
(d) Employee Benefits Expenses	26	<b>22,352.55</b>	10,348.30
(e) Financial Costs	27	<b>1,770.82</b>	1,303.81
(f) Depreciation	11	<b>7,184.30</b>	2,786.79
(g) Erection & Civil Cost		<b>23,493.89</b>	13,038.88
(h) Other Expenses	28	<b>58,046.40</b>	27,363.21
<b>Total Expenses (IV)</b>		<b>310,141.53</b>	139,356.72
<b>V. Profit before Tax (III-IV)</b>		<b>21,831.98</b>	7,025.87
<b>VI. Tax Expense:</b>			
(a) Current Tax	29	<b>8,122.90</b>	2,305.43
(b) Deferred Tax	4	<b>(610.29)</b>	95.21
		<b>7,512.61</b>	2,400.64
<b>VII Profit after Tax for the period (V-VI)</b>		<b>14,319.37</b>	4,625.23
<b>VIII Basic /Diluted earning per share of ₹10 Each (In ₹)</b>	30	<b>194.74</b>	62.78
Notes to the financial statements	1 to 44		

The Notes referred to above form an integral part of the financial statements

As per our report of even date.  
for S.S. Kothari Mehta & Co.  
Chartered Accountants  
(Firm Registration No. 000756N)

Sanjay Kumar  
Deputy General Manager(Accounts)

Kishore Chatnani  
Head - Corporate Accounts & Treasury  
& Chief Financial Officer

For and on behalf of Board of Directors

CA. K.K. Tulshan  
Partner  
M.No. 085033

S. K. Khorana  
Executive Director & Company Secretary

Aditya Puri  
Managing Director  
DIN: 00052534

Place : Noida  
Dated : 26<sup>th</sup> May, 2015

Vinod K. Nagpal  
Director  
DIN: 00147777

**CASH FLOW STATEMENT for the year ended 31st March, 2015**

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
<b>A. Cash flow from Operating activities:</b>		
Net (loss)/profit before tax but after exceptional /extraordinary items	21,831.98	7,025.87
<b>Adjustments for:</b>		
Depreciation	7,184.37	2,786.79
Interest Expense	1,770.82	1,303.81
Interest Income	(2,895.47)	(1,697.14)
Income from Investment - Dividends	(0.07)	-
(Profit)/Loss on Fixed Assets sold (Net)	(13.57)	9.82
(Profit)/Loss on Sale of Investment	(963.64)	(548.42)
Debts / Advances Written off	13.09	-
Liability no longer required written back	(540.74)	(444.56)
<b>Operating profit before working capital changes</b>	<b>26,386.77</b>	<b>8,436.17</b>
<b>Adjustments for changes in working capital :</b>		
- (Increase)/Decrease in Trade Receivables	(13,827.82)	(2,692.48)
- (Increase)/Decrease in Other Receivables	(1,458.09)	(4,075.93)
- (Increase)/Decrease in Inventories	1,422.08	(8,537.25)
- Increase/(Decrease) in Trade, Other Payables and Provisions	29,620.82	6,664.83
<b>Cash generated from operations</b>	<b>42,143.76</b>	<b>(204.66)</b>
- Taxes (Paid) / Received (Net of TDS)	(7,674.45)	(2,465.50)
<b>Net cash from operating activities</b>	<b>34,469.31</b>	<b>(2,670.16)</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of Fixed Assets	(4,705.09)	(3,309.79)
Proceeds from Sale of Fixed Assets	98.37	17.63
Buyback of Equity Shares	-	(147.64)
Sale/(Purchase) of Investments	(20,062.58)	7,229.92
Dividend Received	0.07	-
Interest Received (Revenue)	3,930.89	284.29
<b>Net cash used in investing activities</b>	<b>(20,738.34)</b>	<b>4,074.41</b>

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
<b>C Cash flow from Financing activities:</b>		
Proceeds/(Repayment) from Secured loans	(4,634.52)	8,250.62
Proceeds/(Repayment) of unsecured loans	(7,585.52)	(1,840.78)
Interest and other Borrowing cost Paid	(1,955.97)	(1,356.42)
Dividend Paid	(1,247.00)	(725.01)
Dividend Tax paid	(234.49)	-
<b>Net cash used in financing activities</b>	<b>(15,657.49)</b>	<b>4,328.41</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(1,926.52)</b>	<b>5,732.65</b>
<b>Cash and cash equivalents as at 31.03.2014</b>	<b>39,061.34</b>	<b>33,328.69</b>
<b>Cash and cash equivalents as at 31.03.2015</b>	<b>37,134.82</b>	<b>39,061.34</b>
<b>Cash and cash equivalents comprise</b>		
Cash, Cheques & Drafts (in hand) and Remittances in transit	38.99	71.91
Current Account (Dividend Account)	108.09	105.08
Balance with Scheduled Banks	2,227.71	2,143.59
Term Deposit & Margin Money with Banks (against Bank Guarantees & Letter of Credit issued by Bank)	34,760.03	36,740.76
	<b>37,134.82</b>	<b>39,061.34</b>

**Notes :**

- 1 The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3.
- 2 Figures in brackets indicate cash outgo.
- 3 Previous period figures have been regrouped and recast wherever necessary to conform to the current period classification.

As per our report of even date.  
for S.S. Kothari Mehta & Co.  
Chartered Accountants  
(Firm Registration No. 000756N)

Sanjay Kumar  
Deputy General Manager(Accounts)

Kishore Chatnani  
Head - Corporate Accounts & Treasury  
& Chief Financial Officer

For and on behalf of Board of Directors

CA. K.K. Tulshan  
Partner  
M.No. 085033

S. K. Khorana  
Executive Director & Company Secretary

Aditya Puri  
Managing Director  
DIN: 00052534

Place : Noida  
Dated : 26<sup>th</sup> May, 2015

Vinod K. Nagpal  
Director  
DIN: 00147777

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 1 : SHARE CAPITAL

Particulars	As at 31.03.2015		As at 31.03.2014	
	Number of shares	(₹ in lacs)	Number of shares	(₹ in lacs)
<b>Authorised</b>				
Equity shares of ₹10/-each with voting rights	8,500,000	850.00	8,500,000	850.00
<b>Issued</b>				
Equity shares of ₹10/-each with voting rights	7,352,951	735.29	7,352,951	735.29
<b>Subscribed and Fully Paid-up</b>				
Equity shares of ₹10/-each with voting rights	7,352,951	735.29	7,352,951	735.29
	7,352,951	735.29	7,352,951	735.29

#### Notes:

- (a) The rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital are as under:

The Company has only one class of equity shares having a par value of ₹10 per share. Each share holder is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of the share holders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by each of the equity share holders.

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

- (b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31.03.2015		As at 31.03.2014	
	Number of shares	(₹ in lacs)	Number of shares	(₹ in lacs)
Equity Shares outstanding at the beginning of the period	7,352,951	735.29	7,369,540	736.95
Add: Issued during the period	-	-	-	-
Less: Shares bought back	-	-	16,589	1.66
Equity Shares outstanding at the close of the period	7,352,951	735.29	7,352,951	735.29

- (c) Detail of Shares held by each shareholder holding more than 5% Shares:

Class of shares/Name of the shareholders:	As at 31.03.2015		As at 31.03.2014	
	Number of shares held	% Holding in that class of shares	Number of shares held	% Holding in that class of shares
Equity shares with voting rights				
(i) Yamuna Syndicate Ltd.	3,296,526	44.83%	3,297,446	44.85%
(ii) Mr. Ranjit Puri (individually and/or jointly with others)	659,201	8.97%	659,201	8.97%
(iii) Mr. Aditya Puri (individually and/or jointly with others)	456,808	6.21%	456,808	6.21%
(iv) Mr. Ranjan Tandon (individually and/or jointly with others)	438,900	5.97%	438,900	5.97%

- (d) 40 Equity shares of ₹10/- each are yet to be allotted by way of Bonus Shares on receipt of fractional certificates, value of which has been shown under capital reserve.

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 2 : RESERVES AND SURPLUS

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>(a) Capital Reserve</b>		
Balance outstanding at the beginning of the period	0.01	0.01
Add: Additions during the period	-	-
Less: Utilised during the period	-	-
Balance outstanding at the close of the period	0.01	0.01
<b>(b) Capital Redemption Reserve</b>		
Balance outstanding at the beginning of the period	3.24	1.58
Add: Additions during the period	-	1.66
Less: Utilised during the period	-	-
Balance outstanding at the close of the period	3.24	3.24
<b>(c) Securities Premium Account</b>		
Balance outstanding at the beginning of the period	450.22	450.22
Add: Additions during the period	-	-
Less: Utilised during the period	-	-
Balance outstanding at the close of the period	450.22	450.22
<b>(d) General Reserve</b>		
Balance outstanding at the beginning of the period	16,007.60	15,545.08
Add: Additions during the period	1,431.94	462.52
Less: Utilised during the period	-	-
Balance outstanding at the close of the period	17,439.54	16,007.60
<b>(e) Surplus in Statement of Profit and Loss</b>		
Balance outstanding at the beginning of the period	47,613.80	44,200.91
Add: Additions during the period	14,319.37	4,625.23
Less: Appropriations		
- Proposed Dividend - @ ₹10/- per share (Previous year @ ₹7/- per share)	735.30	514.71
- Interim Dividend @ ₹10/- per share	735.30	-
- Dividend Tax	296.70	87.47
- Transfer to Capital Redemption Reserve	-	1.66
- Adjustment for Depreciation	386.17	-
- Buyback of Equity Shares	-	145.98
- Transfer to General Reserve	1,431.94	462.52
Balance outstanding at the close of the period	58,347.76	47,613.80
<b>Total</b>	<b>76,240.77</b>	<b>64,074.87</b>

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 3 : LONG-TERM BORROWINGS

(₹ in lacs)

Particulars	As at 31.03.2015			As at 31.03.2014		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Term loan						
(a) From Banks						
External Commercial Borrowings Refer Note-3.1 below	1,648.33	-	1,648.33	5,016.49	-	5,016.49
(b) Deposits - Refer Note 3.2 below						
Public	-	-	-	-	1,697.71	1,697.71
Shareholders	-	-	-	-	337.98	337.98
Directors	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,648.33</b>	<b>-</b>	<b>1,648.33</b>	<b>5,016.49</b>	<b>2,035.69</b>	<b>7,052.18</b>

#### Note 3.1: Details of Term Loans from Banks.

(₹ in lacs)

Initial Loan Amount	Loan outstanding as at 31.03.15	Current maturity	Long term	Rate of Interest (p.a.)	Term of repayment	Security
980.00	- (122.50)	- (122.50)	- -	9.40%	Repayable in quarterly installments of ₹ 61.25 lacs each. Last payment of ₹ 122.50 lacs paid on 09.06.2014	First charge on movable and immovable fixed assets of the company located at Dahej unit of the Company.
1446.00	- (90.41)	- (90.41)	- -	9.60%	Repayable in quarterly installments of ₹ 90.41 lacs. Last installment of ₹ 90.41 lacs paid on 23.06.2014	First charge on movable and immovable fixed assets of the company located at Dahej unit of the company.
5658.00	730.83 (2,192.48)	730.83 (1,461.65)	- (730.83)	8.23%	Repayable in quarterly installments. First installment of ₹ 176.81 lacs was due and paid on 24.10.2011 and balance repayable in equal quarterly installments of ₹ 365.41 lacs. Last installment of ₹ 365.41 lacs will be due on 22.07.2015	Exclusive charge on specific movable and immovable fixed assets at Yamunanagar, Muzaffarnagar and Dahej units of the company.
9890.00	4,285.66 (6,923.00)	2,637.33 (2,637.34)	1,648.33 (4,285.66)	7.10%	Repayable in quarterly installments. First installment of ₹ 329.67 lacs was due and paid on 05.01.2013 and balance in equal installments of ₹ 659.33 lacs. Last payment of ₹ 329.67 lacs due on 05.10.2016	Exclusive charge on specific movable and immovable fixed assets at Yamunanagar, Muzaffarnagar and Dahej units of the company.
<b>Total</b>	<b>5,016.49</b> (9,328.39)	<b>3,368.16</b> (4,311.90)	<b>1,648.33</b> (5,016.49)			

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 3.2: Details of Deposits.

(₹ in lacs)

Deposits	Deposits outstanding as on 31.03.2015	Current maturity	Short term	Long term	Period of Deposit : Rate of Interest (p.a.)	Term of repayment	Security
Public	- (1,949.16)	- (239.13)	- (12.32)	- (1,697.71)	6 Months 6.00% 1 Year 6.00% 2 Year 7.00% 3 Year 9.00%	Repayment on maturity date	Unsecured
Share-holder	- (383.01)	- (44.32)	- (0.71)	- (337.98)			
Director	- (0.66)	- (0.66)	- -	- -			
<b>Total</b>	- (2,332.83)	- (284.11)	- (13.03)	- (2,035.69)			

Note 3.3 : Figures in parenthesis pertain to previous year.

### Note 4 : DEFERRED TAX

The Company estimates the Deferred tax (charge)/ credit for the year using the applicable tax rate based on the impact of timing differences between items in the financial statements and the estimated taxable income for the current year. The movement in provision for Deferred tax is given below:-

(₹ in lacs)

Element of Deferred Tax	As at 01.10. 2013	Credit / (Charge) during the year	As at 01.04.2014	Credit / (Charge) during the period	As at 31.03.2015
<b>Depreciation</b>	(2,715.80)	(1.45)	(2,717.25)	610.29	<b>(2,106.96)</b>
<b>Depreciation charged to Retained Earning</b>	-	-	-	198.84	<b>198.84</b>
<b>Other Timing Differences</b>	845.76	(93.76)	752.00	-	<b>752.00</b>
<b>Net Deferred Tax</b>	(1,870.04)	(95.21)	(1,965.25)	809.13	<b>(1,156.12)</b>

### Note 5 : OTHER LONG TERM LIABILITIES

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>(a) Trade Payables:</b>		
(i) To Micro & Small Enterprises	-	-
(ii) To Other than Micro & Small Enterprises	6.25	-
<b>(b) Others:</b>		
(i) Interest accrued but not due on Public Deposits	-	159.41
(ii) Advance from Customers	13,810.95	10,085.46
(iii) Security and Other Deposits	208.49	186.65
<b>Total</b>	<b>14,025.69</b>	<b>10,431.52</b>



## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 6 : LONG-TERM PROVISIONS

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>(a) Provision for Employee Benefits:</b>		
(i) Provision for Leave Encashment (unfunded) (Refer Note 26.1)	1,305.32	1,124.56
(ii) Provision for Pension (Unfunded)	1,047.20	1,158.54
<b>(b) Provision Others</b>		
(i) Provision for Performance Warranties/ After Sales Service (Refer Note 6.1)	11,613.38	10,991.24
<b>Total</b>	<b>13,965.90</b>	<b>13,274.34</b>

### Note 6.1 : MOVEMENT OF PROVISION FOR LIABILITIES

Disclosure in terms of Accounting Standard AS - 29 on Provisions, Contingent Liabilities and Contingent Assets:-

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>(a) Movement of provision for Performance Warranties / After Sales Services</b>		
(i) Opening Balance	14,869.46	14,296.95
(ii) Provided for during the period	5,422.53	2,131.88
(iii) Used during the period	(2,951.12)	(1,379.05)
(iv) Reversed during the period	(312.44)	(180.31)
(v) Closing Balance	17,028.43	14,869.47
<b>(b) Timing of outflow/uncertainties</b>	Outflows will happen as and when claims are made by Customers.	

### Note 7 : SHORT-TERM BORROWINGS

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>a) Secured</b>		
(i) Cash Credit (Refer note 7.1 and 7.2)	3,455.46	6,263.76
(ii) Packing Credit Loan from Banks (Refer Note 7.1 & 7.3)		
-In Indian rupees	-	15,000.00
-In Foreign currency	17,485.68	-
	<b>20,941.14</b>	<b>21,263.76</b>

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>b) Unsecured</b>		
(i) Public Deposits (Refer Note 3.2)		
Public	-	12.32
Shareholders	-	0.71
Related Parties	-	-
(ii) Packing Credit Loan from Banks (Refer Note 7.3)		
-In Indian rupees	-	6,500.00
-In Foreign currency	1,251.82	-
	<b>1,251.82</b>	6,513.03
<b>Total</b>	<b>22,192.96</b>	27,776.79

**Note 7.1** Secured by hypothecation of inventories and by a charge on book debts and other assets of the Company, in favour of working capital consortium bankers on pari passu basis.

**Note 7.2** Repayable on demand

**Note 7.3** Average rate of interest on Packing Credit Loans from Banks is 1.13 % p.a in USD (previous year 7.37% in Indian rupees)

### Note 8: TRADE PAYABLES

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
(a) To Micro & Small Enterprises (Refer Note 8.1)	57.44	61.68
(b) To Other than Micro & Small Enterprises	102,998.14	74,284.62
(c) To Related Parties	20.51	114.97
<b>Total</b>	<b>103,076.09</b>	74,461.27

### Note 8.1 : TRADE PAYABLES TO MICRO AND SMALL ENTERPRISES

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
a) Amount remaining unpaid to any supplier		
Principal Amount	57.44	61.68
Interest due thereon	-	-
b) Interest paid under Micro, Small and Medium Enterprises (Development) Act, 2006	0.03	0.03
c) Interest due (other than (b) above)	-	-
d) Interest accrued and unpaid	-	-
e) Interest due and payable till actual payment	-	-

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 9 : OTHER CURRENT LIABILITIES

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
(a) Current maturities of long-term debt *		
(i) External Commercial Borrowing (Refer note 3.1)	3,368.16	4,311.90
(ii) Deposits (Refer note 3.2)		
Public	-	239.13
Shareholders	-	44.32
Directors	-	0.66
(b) Interest accrued but not due on borrowings	304.74	310.19
(c) Advance from customers	32,789.84	40,998.11
(d) Unpaid dividends	108.09	105.08
(e) Unpaid matured deposits	-	64.27
(f) Interest accrued on unpaid matured deposits	-	20.29
(g) Creditors for Capital expenditure	179.10	336.15
(h) Other creditors	1,101.87	421.42
(i) Other creditors related parties	2.86	1.19
(j) Statutory remittances		
(i) Taxes Payable	551.03	565.88
(ii) Employees' related Statutory Remittances	255.30	232.99
(k) Security and Other Deposits	89.04	73.29
(l) Director's Current Account	1.73	3.24
(m) Book Overdraft	7.11	11.62
(n) Director's Remuneration	2,362.36	742.18
(o) Payables to Employees	1,386.12	1,248.96
(p) Other Liabilities	1,463.68	1,213.56
<b>Total</b>	<b>43,971.03</b>	<b>50,944.43</b>

\* For details of Security for Current maturities of long term debt please refer Note 3.1

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 10 : SHORT-TERM PROVISIONS

(₹ in lacs)

Particulars	As at 31.03.2015		As at 31.03.2014	
	<b>(a) Provision for Employee Benefits:</b>			
(i) Provision for Leave Encashment (Unfunded) (Refer note 26.1)		150.32		124.03
(ii) Provision for Pension (Unfunded)		143.67		141.10
<b>(b) Provision Others</b>				
(i) Provision for Performance, Warranties / After Sales Services (Refer Note 6.1)		5,415.05		3,878.23
(ii) Provision for Income Tax				
Provision for Income Tax	8,625.75		4,514.14	
Less: Prepaid Taxes	7,557.37	1068.38	3,894.20	619.94
(iii) Provision for Proposed Equity Dividend		735.30		514.71
(iv) Provision for Tax on Proposed Dividend		149.69		87.47
(v) Provision for CSR Expenditure		172.76		-
<b>Total</b>		<b>7,835.17</b>		<b>5,365.48</b>

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 11 : FIXED ASSETS

#### Note 11.1 : FIXED ASSETS - OWNED

	Gross Block						Depreciation				Net Block	
	Balance as at 01.04.2014	Additions	Deductions/ Adjustments	Deduction of Assets Leased to IHZL	Balance as at 31.03.2015	Balance as at 01.04.2014	Transfer to retained earnings	For the year	Deduction on disposal of assets	Deduction on assets Leased to IHZL	Balance as at 31.03.2015	Balance as at 31.03.2014
<b>Tangible Assets</b>												
Free Hold Land	2,957.44	24.65	-	-	2,982.09	-	-	-	-	-	2,982.09	2,957.44
Lease Hold Land	2,525.24	127.96	-	-	2,653.20	487.57	-	71.00	-	558.57	2,094.63	2,037.67
Building	9,970.89	3,162.99	1.22	-	13,132.66	3,516.06	40.29	935.56	1.03	4,490.88	8,641.78	6,454.83
Plant and Equipment	29,965.91	1,903.26	307.53	9.79	31,551.85	15,448.35	249.17	3,062.52	280.76	3.02	13,075.59	14,517.56
Furniture & Fixture	1,030.41	96.39	2.63	14.44	1,109.73	685.13	0.24	112.83	18.12	5.43	335.08	345.28
Office Equipments	3,006.63	349.49	45.94	17.08	3,229.10	2,124.86	83.13	519.68	26.27	10.79	602.49	881.77
Vehicle	1,364.82	225.73	171.98	11.90	1,406.67	756.35	2.49	250.63	118.32	9.81	525.33	608.47
<b>Total</b>	<b>50,821.34</b>	<b>5,890.47</b>	<b>529.30</b>	<b>53.21</b>	<b>56,129.30</b>	<b>23,018.32</b>	<b>375.32</b>	<b>4,952.22</b>	<b>444.50</b>	<b>29.05</b>	<b>27,872.31</b>	<b>27,803.02</b>
Previous Year - Tangible Assets	49,785.51	1,148.57	112.74	-	50,821.34	21,293.94	-	1,810.84	86.46	-	27,803.02	28,491.57
<b>Intangible Assets</b>												
Software (acquired)	1,574.04	502.39	102.66	-	1,973.77	925.77	-	251.54	102.66	-	899.12	648.27
Technical Know How (acquired)	6,582.77	-	-	-	6,582.77	1,906.25	-	646.53	-	-	4,029.99	4,676.52
<b>Total</b>	<b>8,156.81</b>	<b>502.39</b>	<b>102.66</b>	<b>-</b>	<b>8,556.54</b>	<b>2,832.02</b>	<b>-</b>	<b>898.07</b>	<b>102.66</b>	<b>-</b>	<b>4,929.11</b>	<b>5,324.79</b>
Previous Year - Intangible Assets	7,897.61	259.20	-	-	8,156.81	2,408.88	-	423.14	-	-	5,324.79	5,488.73
<b>Grand Total</b>	<b>58,978.15</b>	<b>6,392.86</b>	<b>631.96</b>	<b>53.21</b>	<b>64,685.84</b>	<b>25,850.34</b>	<b>375.32</b>	<b>5,850.29</b>	<b>547.16</b>	<b>29.05</b>	<b>33,186.10</b>	<b>33,127.81</b>
Previous Year	57,683.12	1,407.77	112.74	-	58,978.15	23,702.82	-	2,233.98	86.46	-	33,127.81	33,980.30

#### Notes :

- Cost of software includes Purchase Price, Duties & Taxes (Other than recoverable from taxing authorities).
- Useful Life of additions under Software is 5 years and for Technical Know How is 10 years.
- IHZL stands for Isgec Hitachi Zosen Ltd.
- As per the requirement of the Schedule II of the Companies Act 2013 w.e.f. 1st April 2014, the Company has charged depreciation based on revised remaining useful life of the assets. Due to, this depreciation charge for the year is higher by ₹1,325.83 lacs. Further, an amount of ₹386.17 lacs (Net of deferred tax of ₹198.85 lacs) has been adjusted against the opening balance of Retained Earnings as on that date in respect of residual value of Assets wherein the remaining useful life has become "Nil".

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

Note 11.2 FIXED ASSETS - OWNED AND LEASED OUT TO ISGEC HITACHI ZOSEN LTD.

	(₹ in lacs)										
	Gross Block				Depreciation				Net Block		
	Opening Balance as at 01.04.2014	Additions	Deductions/ Adjustments	Balance as at 31.03.2015	Balance as at 01.04.2014	Addition of transfer in	Transfer to retained earnings	For the Year	Deduction of disposal of Assets	Balance as at 31.03.2015	Balance as at 31.03.2014
<b>Tangible Assets</b>											
Free Hold Land	-	-	-	-	-	-	-	-	-	-	-
Lease Hold Land	132.65	-	-	132.65	9.76	-	-	1.35	-	11.11	121.54
Building	6,149.31	-	-	6,149.31	2,485.08	-	194.11	327.54	-	3,006.73	3,142.58
Plant and Equipment	7,362.79	9.79	-	7,372.58	2,952.24	3.02	8.85	968.58	-	3,932.69	3,439.89
Furniture & Fixture	143.81	14.44	-	158.25	94.69	5.43	3.39	18.90	-	122.41	35.84
Office Equipments	97.44	17.08	-	114.52	72.08	10.79	3.34	14.27	-	100.48	14.04
Vehicle	5.85	11.90	-	17.75	4.70	9.81	-	1.19	-	15.70	2.05
<b>TOTAL</b>	<b>13,891.85</b>	<b>53.21</b>	<b>-</b>	<b>13,945.06</b>	<b>5,618.55</b>	<b>29.05</b>	<b>209.69</b>	<b>1,331.83</b>	<b>-</b>	<b>7,189.12</b>	<b>6,755.94</b>
Previous Year - Tangible Assets	13,894.50	-	2.65	13,891.85	5,068.54	-	-	551.49	1.48	5,618.55	8,273.30
<b>Intangible Assets</b>											
Software (acquired)	13.38	-	-	13.38	9.20	-	-	2.25	-	11.45	1.93
Technical Know How (acquired)	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>13.38</b>	<b>-</b>	<b>-</b>	<b>13.38</b>	<b>9.20</b>	<b>-</b>	<b>-</b>	<b>2.25</b>	<b>-</b>	<b>11.45</b>	<b>1.93</b>
Previous Year - Intangible Assets	13.38	-	-	13.38	7.86	-	-	1.34	-	9.20	4.18
<b>GRAND TOTAL</b>	<b>13,905.23</b>	<b>53.21</b>	<b>-</b>	<b>13,958.44</b>	<b>5,627.75</b>	<b>29.05</b>	<b>209.69</b>	<b>1,334.08</b>	<b>-</b>	<b>7,200.57</b>	<b>6,757.87</b>
Previous Year	13,907.88	-	2.65	13,905.23	5,076.40	-	-	552.83	1.48	5,627.75	8,277.48

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 12 : NON-CURRENT INVESTMENTS - AT COST

Particulars	Face Value (₹)	As at 31.03.2015		As at 31.03.2014	
		No. of Shares	Value (₹ in lacs)	No. of Shares	Value (₹ in lacs)
<b>Investments (at cost)</b>					
<b>Investment in Equity Instruments</b>					
a) Subsidiary Companies fully paid up (Unquoted) - Trade					
Isgec Covema Limited*	10	2000000	200.00	2000000	200.00
Isgec Exports Limited*	10	100000	10.00	100000	10.00
Isgec Engineering & Projects Ltd*	10	3600000	360.00	3300000	330.00
b) Subsidiary Companies fully paid up (Unquoted)-Non Trade					
Saraswati Sugar Mills Limited*	10	7099900	7,009.99	7099900	7009.99
Freelook Software Private Limited*	10	21750	1,152.75	-	-
			8,732.74		7,549.99
c) Subsidiary and Joint Venture fully paid up (Unquoted) - Trade					
Isgec Hitachi Zosen Ltd.	10	5100000	5,100.00	5100000	5,100.00
d) Other Companies (Quoted) - Non Trade:					
Reliance Industries Ltd.	10	704	3.36	704	3.36
(Market Value ₹5.81 Lacs (Previous Year ₹6.54 Lacs))					
Reliance Power Ltd	10	872	2.46	872	2.46
(Market Value ₹0.49 Lacs (Previous Year ₹0.61 Lacs))					
			5.82		5.82
<b>Total</b>			<b>13,838.56</b>		<b>12,655.81</b>
<b>Aggregate Value of Investments :</b>					
Unquoted			13832.74		12649.99
Quoted (Aggregate market value ₹6.30 Lacs (Previous year ₹7.15 Lacs))			5.82		5.82
<b>Total</b>			<b>13,838.56</b>		<b>12,655.81</b>
<b>* Includes Equity shares held by Nominees</b>			<b>No of Shares</b>		<b>No of Shares</b>
Saraswati Sugar Mills Limited			600		600
Isgec Exports Ltd.			9		9
Isgec Engineering & Projects Ltd.			6		6
Isgec Hitachi Zosen Ltd.			3		3
Isgec Covema Ltd.			100		100
Freelook Software Pvt. Ltd.			400		-

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 13: LONG-TERM LOANS AND ADVANCES

(₹ in lacs)

Particulars	As at 31.03.2015			As at 31.03.2014		
	Secured, considered good	Unsecured, considered good	Total	Secured, considered good	Unsecured, considered good	Total
(a) Capital Advance	-	83.72	83.72	-	430.40	430.40
(b) Security Deposits						
- to Others	-	615.61	615.61	-	566.82	566.82
- to Related Parties	-	10.11	10.11	-	10.11	10.11
(c) Loans and Advances to employees	227.44	101.92	329.36	224.78	119.11	343.89
(d) Advance to suppliers	-	0.47	0.47	-	-	-
<b>Total</b>	<b>227.44</b>	<b>811.83</b>	<b>1,039.27</b>	<b>224.78</b>	<b>1,126.44</b>	<b>1,351.22</b>

### Note 14 : OTHER NON-CURRENT ASSETS

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
(a) Long-term Trade Receivables		
(I) Secured, considered good	-	-
(ii) Unsecured, considered good	-	162.22
(b) Security and Other Deposits	-	-
(c) Others (Refer note 18.1 (a) (iii))	-	4.14
<b>Total</b>	<b>-</b>	<b>166.36</b>

### Note 15 : CURRENT INVESTMENTS

Particulars	Face Value (₹)	As at 31.03.2015		As at 31.03.2014	
		No. of Units	Value (₹ in lacs)	No. of Units	Value (₹ in lacs)
<b>Investments (at cost) - Non Trade</b>					
<b>Investments in Debentures</b>					
<b>-Quoted</b>					
Canara Bank	1000000	50	500.00	-	-
(Market Value ₹495.90 Lacs (Previous Year ₹ Nil ))					
Edelweiss Finance & Investment Limited	1000	50000	500.00	-	-
(Market Value ₹500 Lacs (Previous Year ₹ Nil ))					
<b>-Unquoted</b>					
Reliance Capital Limited-Debenture series B/257	100000	195	195.00	-	-
Edelweiss Finance & Investment Limited					
-Market linked debenture	100000	225	225.00	-	-
			1,420.00		-



## Notes to the Financial Statements as at and for the year ended 31st March, 2015

Particulars	Face Value	As at 31.03.2015		As at 31.03.2014	
	(₹)	No. of Units	Value (₹ in lacs)	No. of Units	Value (₹ in lacs)
<b>Investment in Mutual Funds (Unquoted)</b>					
Birla Sunlife Dynamic Bond Fund - Retail- Growth - Regular Plan	10	-	-	4,942,586.761	1,013.86
DSP Blackrock Liquidity Fund -Direct - Growth	1000	26,014.292	500.00	28,485.162	520.49
DSP Blackrock FMP - Series 152-12.5M-Dir - Growth	10	5,000,000.000	500.00	5,000,000.000	500.00
DSP Blackrock Liquidity Fund-Institutional Plan-Growth	1000	42,575.501	800.00	-	-
DWS Short Maturity Fund - Regular Plan - Annual Bonus	10	4,182,952.688	601.25	4,182,952.688	601.25
DWS Treasury Fund - Investment - Regular Plan - Bonus	10	738,222.041	-	738,222.041	-
HDFC Banking and PSU Debt Fund-Direct Growth Option	10	4,539,470.698	500.00	-	-
HDFC Liquid Fund- Direct Plan-Growth Option	10	2,588,355.359	700.00	-	-
HSBC Cash Fund-Growth Direct Plan	1000	36,310.958	500.00	-	-
ICICI Prudential Intvl II Qtrly Intvl Plan F-Direct Plan- Growth	10	-	-	3,655,665.000	500.00
ICICI Prudential Money Market Fund-Direct Plan-Growth	100	343,047.446	652.02	119,430.461	206.57
ICICI Prudential Income - Direct Plan - Growth	10	1,127,466.898	500.00	-	-
ICICI Prudential Interval Fund III Quarterly Interval - Direct Plan - Growth	10	3,367,661.000	500.00	-	-
ICICI Prudential Interval Fund II Quarterly Interval Plan A- Direct Plan - Growth	10	4,342,086.981	500.00	-	-
ICICI Prudential Flexible Income-Direct Plan - Growth	100	765,081.380	2,000.00	-	-
ICICI Prudential Corporate Bond Fund-Direct Plan-Growth	10	2,324,521.846	500.00	-	-
JP Morgan India Liquid Fund - Direct Plan - Growth	10	601,818.696	100.00	601,818.696	100.00
JPMorgan India Government Securities Fund-Direct Plan	10	5,125,217.814	600.00	-	-
JPMorgan India Treasury Fund - Direct Plan-Growth Option	10	4,342,327.379	800.00	-	-
Kotak Floater Short Term - Direct Plan - Growth	1000	-	-	23,977.824	500.00
Kotak Treasury Advantage Fund - Direct Plan-Growth	10	2,460,481.568	545.65	-	-
Reliance Liquid Fund-Treasury Plan-GrowthPlan-Growth	1000	31,191.695	1,000.00	148,615.264	4,624.61
Reliance Liquid Fund-Treasury Plan-Direct Growth Plan - Growth Option	1000	64,590.476	2,200.58	-	-
Reliance Short Term Fund - Direct Growth Plan Growth Option	10	5,775,749.727	1,500.00	-	-
Reliance Dynamic Bond Fund-Direct Growth Plan	10	5,248,591.191	1,000.00	-	-
Reliance Regular Savings Fund-Debt Plan-Direct Growth Plan-Growth Option	10	1,050,574.664	200.00	-	-
Reliance Liquid Fund-Cash Plan-Direct Growth Plan	1000	67,206.490	1,500.00	-	-

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

Particulars	Face Value	As at 31.03.2015		As at 31.03.2014	
	(₹)	No. of Units	Value (₹ in lacs)	No. of Units	Value (₹ in lacs)
Reliance Quarterly Interval Fund-Series II-Direct Growth Plan-Growth Option	10	2,642,370.947	500.00	-	-
Reliance Fixed Horizon Fund - XXVII - Series 15 - Growth Plan	10	5,000,000.000	500.00	-	-
Reliance Fixed Horizon Fund - XXVIII - Series 2 - Direct Plan Growth Plan	10	5,000,000.000	500.00	-	-
SBI Magnum Income Fund- Regular Plan - Growth	10	7,285,529.585	2,256.64	4,321,284.311	1,256.64
SBI Premier Liquid Fund - Regular Plan - Growth	1000	-	-	119,394.832	2,403.38
SBI Debt Fund Series A 14-380 days-Regular-Growth	10	5,000,000.000	500.00	5,000,000.000	500.00
SBI Debt Fund Series A 16-366 days-Regular-Growth	10	6,000,000.000	600.00	6,000,000.000	600.00
SBI Debt Fund Series A 8 - 30 days -Direct - Growth	10	-	-	5,000,000.000	500.00
SBI Ultra Short Debt Fund - Regular Plan - Growth	1000	35,401.413	600.00	-	-
SBI Treasury Advantage Fund - Direct Plan - Growth	1000	97,173.741	1,500.00	-	-
SBI Magnum Insta Cash Fund - Regular Plan - Growth	1000	161,889.579	5,000.00	-	-
Franklin India Ultra Short Bond Fund Super Institutional Plan- Direct	10	2,776,142.938	500.00	-	-
UTI-Dynamic Bond Fund-Direct Plan-Growth	10	3,142,914.613	500.00	-	-
UTI Liquid Cash Plan -Institutional-Direct Plan-Growth	1000	-	-	9,942.677	205.87
			31,156.14		14,032.67
<b>Deposits (Unquoted)</b>					
HDFC Limited			800.00		-
PNB Housing Finance Ltd			500.00		-
			1,300.00		-
<b>Total</b>			33,876.14		14,032.67
Aggregate Value of Investments :					
Unquoted			32,876.14		14,032.67
Quoted			1,000.00		-
Provision for diminution in value of Investments			-		-
<b>Total</b>			33,876.14		14,032.67

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 16: INVENTORIES

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
Raw Materials (at lower of cost or net realisable value)	11,307.51	14,044.94
Raw Material in Transit (at lower of cost or net realisable value)	139.32	749.22
Stores and Spares Parts (at lower of cost or net realisable value)	2,009.41	3,074.64
Stores in transit (at lower of cost or net realisable value)	7.78	7.72
Goods for Resale in Transit (at lower of cost or net realisable value)	1,326.85	994.14
Work-in-Progress :		
a) Engineering Goods (at lower of cost or net realisable value)	23,775.88	19,149.38
b) Ingots and Steel Castings (at lower of cost or net realisable value)	1,670.45	1,452.03
c) Erection (at lower of cost or net realisable value)	167.85	2,246.71
Finished Stock :		
i) Ingots and Steel Castings (at lower of cost or net realisable value)	-	103.94
ii) Trading Goods	-	-
Loose Tools (at lower of cost or net realisable value)	18.41	16.32
Farm Stock & Standing Crops (at estimated market value and at estimated cost respectively)	3.58	10.08
<b>Total</b>	<b>40,427.04</b>	<b>41,849.12</b>

### Note 17 : TRADE RECEIVABLES

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Trade Receivables outstanding for a period exceeding six months from the date they were due for payment</b>		
Secured, considered good	-	-
Unsecured, considered good	20,920.14	13,060.86
Unsecured, considered doubtful	9.47	9.47
	20,929.61	13,070.33
Less: Provision For Doubtful Debts	9.47	9.47
	20,920.14	13,060.86
<b>Other Trade Receivables</b>		
Secured, considered good	-	-
Unsecured, considered good	71,659.11	65,553.25
Unsecured, considered good-related parties	77.52	65.71
Unsecured, considered doubtful	-	-
	71,736.63	65,618.96
Less: Provision For Doubtful Debts	-	-
	71,736.63	65,618.96
<b>Total</b>	<b>92,656.77</b>	<b>78,679.82</b>

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 18 : CASH AND BANK BALANCES

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>a) Cash and Cash equivalents</b>		
i) Cash in hand	28.49	25.03
ii) Cheques, Drafts in hand	10.50	46.88
iii) Balance with Banks:		
In Current and Cash Credit Accounts	2,227.71	2,143.59
In Fixed Deposits Accounts (refer Note 18.1 (a) (i))	800.00	-
	<b>3,066.70</b>	<b>2,215.50</b>
<b>b) Other Bank Balances</b>		
(i) In Fixed Deposits Accounts (refer Note 18.1 (a) (ii))	33,227.31	34,770.05
(ii) In Fixed Deposits Accounts (refer Note 18.1(b))	732.72	1,970.71
(iii) In earmarked Accounts:		
- Unpaid Dividend Accounts	108.09	105.08
	<b>34,068.12</b>	<b>36,845.84</b>
<b>Total</b>	<b>37,134.82</b>	<b>39,061.34</b>

### Note 18.1 : FIXED DEPOSITS WITH BANKS

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>a) Free From any Lien</b>		
i) Maturing within 3 months from date of deposit (classified as cash and cash equivalents)	800.00	-
ii) Maturing after 3 months from date of deposit but within one year of Balance Sheet date (classified as other bank balance)	33,227.31	34,770.05
iii) Maturing after one year of Balance Sheet date (classified as and included in non current asset)	-	-
	<b>34,027.31</b>	<b>34,770.05</b>
<b>b) Under Lien</b>		
i) Maturing within 3 months from date of deposit (classified as other bank balances)	150.00	1,525.75
ii) Maturing after 3 months from date of deposit but within one year of Balance Sheet date (classified as other bank balance)	582.72	444.96
iii) Maturing after one year of Balance Sheet date (classified as and included in non current asset)	-	-
	<b>732.72</b>	<b>1,970.71</b>
<b>Total</b>	<b>34,760.03</b>	<b>36,740.76</b>

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 19 : SHORT-TERM LOANS AND ADVANCES

(₹ in lacs)

Particulars	As at 31.03.2015			As at 31.03.2014		
	Secured, considered good	Unsecured, considered good	Total	Secured, considered good	Unsecured, considered good	Total
Loans and Advances to employees	63.11	462.95	526.06	60.78	536.15	596.93
Balance with Government Department and Others	-	4,044.01	4,044.01	-	3,100.97	3,100.97
Security Deposit	11.01	791.10	802.11	27.88	327.00	354.88
Prepaid Expenses	-	772.91	772.91	-	1,091.09	1,091.09
Advance to Suppliers	-	-	-	-	-	-
- to Others	-	14,860.39	14,860.39	2.20	13,388.48	13,390.68
- to Related Parties	-	-	-	-	709.15	709.15
Export Incentive Receivable	-	2,417.62	2,417.62	-	2,392.39	2,392.39
Loan to Subsidiary Companies:	-	-	-	-	-	-
- Saraswati Sugar Mills Limited	-	7.49	7.49	-	7.68	7.68
Gratuity Fund ( refer note 26.1)	-	151.26	151.26	-	71.66	71.66
Other advances	-	231.05	231.05	-	288.02	288.02
<b>Total</b>	<b>74.12</b>	<b>23,738.78</b>	<b>23,812.90</b>	<b>90.86</b>	<b>21,912.59</b>	<b>22,003.45</b>

### Note 20 : OTHER CURRENT ASSETS

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
Interest accrued but not due on Deposits	1,054.94	2,090.36
Others	28.11	63.38
<b>Total</b>	<b>1,083.05</b>	<b>2,153.74</b>

### Note 21 : CONTINGENT LIABILITIES & COMMITMENTS

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>I Contingent Liabilities:</b>		
a) Claims against the Company not acknowledged as debts (including sales tax under dispute)	1,221.41	886.61
b) Bonds executed in favour of President of India against Export Promotion Capital Goods license and advance authorisation * * includes Bonds given on behalf of Subsidiary and Joint Venture Company Isgec Hitachi Zosen Ltd.	14,862.00	19,382.14
c) Bills discounted with Banks / Financial Institutions outstanding at the year end	-	1,306.50
d) Corporate Guarantees given on behalf of joint venture Company Isgec Hitachi Zosen Limited to Banks	19,127.82	8,946.30
<b>II</b> Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	1,560.20	368.12

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 22 : REVENUE FROM OPERATIONS

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
Sale of products (Refer Note 22.1 below)	287,567.03	130,120.82
Erection, Commissioning and other receipts	27,437.44	11,499.62
Other operating revenues (Refer Note 22.2 below)	18,220.56	5,480.36
<b>Total</b>	<b>333,225.03</b>	<b>147,100.80</b>
Less: Excise Duty	5,482.93	3,056.95
<b>Net</b>	<b>327,742.10</b>	<b>144,043.85</b>

### Note 22.1 : SALE OF PRODUCTS(NET OF EXCISE DUTY)

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
Mechanical & Hydraulic Presses	14,557.63	6,712.83
Boiler Drums, Boiler Parts & Piping	22,565.73	12,015.35
Pressure Vessels, Columns, Reactors, Heat Exchangers	26,281.68	13,573.96
Ingots	246.71	99.11
Steel & CI Castings	12,124.11	4,551.81
Boiler, Sugar & Power Plants	206,308.24	90,110.81
<b>Total</b>	<b>282,084.10</b>	<b>127,063.87</b>

### Note 22.2 : OTHER OPERATING REVENUE

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
Commission Earned	231.05	89.91
Export Incentive	4,747.36	2,006.75
Packing Receipts	10.95	12.78
Unclaimed Balances Written Back	55.95	73.68
Excess Provision Written Back	484.79	370.88
Foreign Exchange Fluctuations	8,780.21	595.28
Scrap and Waste Sale	933.77	624.95
Lease rent receipts (Refer note 33.2)	2,749.80	1,249.80
Others	226.68	456.33
<b>Total</b>	<b>18,220.56</b>	<b>5,480.36</b>

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 23 : OTHER INCOME

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
<b>Interest Income</b>		
- On Loans to Subsidiary Companies	175.66	5.42
- Other Interest Income	239.02	16.64
- On Bank Deposits	2,480.79	1,675.08
<b>Dividend Income on Investments</b>		
<b>Long Term - Non Trade</b>		
- Subsidiary Companies	-	-
- Other Companies	0.07	-
<b>Current - Non Trade</b>		
- Mutual Funds	-	-
Net gain on sale of current investments	963.64	548.42
Profit on sale of Fixed Assets	34.38	7.60
Insurance Claim Receipts	188.14	19.07
Profit from Farm Operations (Refer Note No 23.1)	2.51	1.07
Other Non-operating Income	147.20	65.44
<b>Total</b>	<b>4,231.41</b>	<b>2,338.74</b>

### Note 23.1 : PROFIT FROM FARM OPERATIONS

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
<b>Income:</b>		
Sale of Farm Produce	19.51	6.31
Miscellaneous Income	0.29	0.02
<b>Total</b>	<b>19.80</b>	<b>6.33</b>
<b>Expenditure:</b>		
Salaries, Wages and Bonus	6.11	1.79
Cultivation Expenses	3.27	1.22
Miscellaneous Expenses	0.27	0.16
Repairs and Maintenance:		
- Machinery and Tractors	0.65	0.18
- Building	0.41	-
Depreciation	0.07	0.02
	10.78	3.37
(Increase)/Decrease in Stock	6.51	1.89
<b>Total</b>	<b>17.29</b>	<b>5.26</b>
<b>Profit</b>	<b>2.51</b>	<b>1.07</b>

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 24 : COST OF MATERIALS, COMPONENTS, STORES AND SPARES CONSUMED

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
Raw Materials & Components (Refer Note 24.1 & 24.2(i))	44,693.30	23,973.72
Consumption of Stores and Spares (Refer Note 24.2(ii))	4,337.76	1,670.79
<b>Total</b>	<b>49,031.06</b>	<b>25,644.51</b>

### Note 24.1 : DETAILS OF RAW MATERIALS AND COMPONENTS CONSUMED

(₹ in lacs)

Type of Materials	Units	Year ended 31.03.2015		Six months period ended 31.03.2014	
		Quantity	Value	Quantity	Value
Iron and Steel	MT	21,053.33	10,862.71	12130.07	6,355.89
Non-ferrous	MT	394.00	292.47	225.00	109.38
Alloys	MT	354.99	971.27	138.25	385.28
M.S. Scrap	MT	4,306.77	1,078.90	1560.81	351.03
Components issued for jobs			31,487.95		16,772.14
<b>Total</b>			<b>44,693.30</b>		<b>23,973.72</b>

### Note 24.2 : ANALYSIS OF MATERIAL CONSUMED

(₹ in lacs)

	Year ended 31.03.2015		Six months period ended 31.03.2014	
	%	Value	%	Value
<b>i) Raw Materials &amp; Components</b>				
Imported	16.87%	7,540.34	27.13%	6,502.92
Indigenous	83.13%	37,152.96	72.87%	17,470.80
<b>Total</b>	<b>100.00%</b>	<b>44,693.30</b>	<b>100.00%</b>	<b>23,973.72</b>
<b>ii) Stores &amp; Spares</b>				
Imported	3.41%	148.10	1.44%	24.04
Indigenous	96.59%	4,189.66	98.56%	1,646.75
<b>Total</b>	<b>100.00%</b>	<b>4,337.76</b>	<b>100.00%</b>	<b>1,670.79</b>



## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 25 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK - IN - PROGRESS AND STOCK - IN - TRADE

( ₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
<b>Opening stock:</b>		
Finished Goods	103.94	55.49
Work - in - Progress	22,848.12	17060.79
Trading Goods	-	38.88
<b>Total</b>	<b>22,952.06</b>	17155.16
<b>Closing stock:</b>		
Finished Goods	-	103.94
Work - in - Progress	25,614.18	22,848.12
Trading Goods	-	-
<b>Total</b>	<b>25,614.18</b>	22,952.06
<b>Net increase (-)/decrease</b>	<b>(2,662.12)</b>	(5,796.90)

### Note 26 : EMPLOYEES BENEFITS EXPENSES

( ₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
Salaries and wages	20,071.47	9,059.16
Contribution to Provident and other Funds (Refer Note 26(i)(a) & 26(i)(b) )	1,672.82	1,039.59
Staff Welfare Expenses	608.26	249.55
<b>Total</b>	<b>22,352.55</b>	10,348.30

### Note 26.1 : DETAILS OF EMPLOYEES BENEFITS EXPENSES

The disclosure of employee benefits as required in Accounting Standard - 15 is given below:-

a) **Defined Contribution Plan:**

The Company has recognised, in the statement of profit and loss, expenses for the following Defined Contribution Plans:

( ₹ in lacs)

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
Provident Fund	979.15	460.04	841.64	791.69	710.10
Employees State Insurance	12.50	7.15	48.51	87.62	108.11
Superannuation fund	38.31	13.51	62.08	-	-
<b>Total</b>	<b>1,029.96</b>	480.70	952.23	879.31	818.21

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### b) Defined Benefits Plan :

The liability for Employee Gratuity and Leave Encashment is determined on actuarial valuation using projected unit credit method. The obligations are as under:-

(₹ in lacs)

Description	Gratuity (Funded)					Leave Encashment (Non-funded)				
	2014-15	2013-14	2012-13	2011-12	2010-11	2014-15	2013-14	2012-13	2011-12	2010-11
<b>i. Change in Present value of Obligation</b>										
a. Present Value of Obligation at the beginning of the year	3,592.91	3,351.42	2,962.45	2,757.11	2,166.78	1,248.59	1,205.74	1,080.27	914.42	794.19
b. Interest cost	287.43	134.06	237.00	220.57	172.21	99.89	48.23	86.12	73.42	63.63
c. Current service cost	321.62	142.91	264.12	233.92	214.28	254.49	114.73	225.08	219.97	200.57
d. Benefits paid	(356.09)	(136.89)	(319.29)	(200.66)	(141.98)	(355.88)	(225.73)	(239.75)	(242.12)	(237.10)
e. Actuarial (gain) / loss	275.43	101.41	207.14	(48.48)	345.81	208.55	105.62	54.02	114.57	120.85
f. Present Value of Obligation at the end of the year	4,121.30	3,592.91	3,351.42	2,962.45	2,757.11	1,455.64	1,248.59	1,205.74	1,080.27	942.12
<b>ii. Change in the Fair Value of Plan Assets</b>										
a. Fair Value of Plan Assets at the beginning of the year	3,664.57	3,110.81	2,934.03	2,723.91	2,433.32	N.A.	N.A.	N.A.	N.A.	N.A.
b. Expected Return of Plan Assets	329.81	139.99	264.06	251.96	219.00	-	-	-	-	-
c. Contributions	642.86	572.12	223.58	158.24	202.07	-	-	-	-	-
d. Benefits paid	(356.09)	(136.89)	(319.29)	(200.66)	(141.98)	-	-	-	-	-
e. Actuarial Gain / (Loss) on Plan Assets	(8.59)	(21.46)	8.42	0.59	11.48	-	-	-	-	-
f. Fair Value of Plan Assets at the end	4,272.56	3,664.57	3,110.81	2,934.03	2,723.91	-	-	-	-	-
<b>iii. Reconciliation of Fair Value of Assets and Obligations</b>										
a. Fair Value of Plan Assets at the end of the year	4,272.56	3,664.57	3,110.81	2,934.03	2,723.91	-	-	-	-	-
b. Present Value of Obligation at the end of the year	4,121.30	3,592.91	3,351.42	2,962.45	2,757.11	1,455.64	1,248.59	1,205.74	1,080.27	942.12
c. Amount recognised in the Balance Sheet	151.26	71.66	(240.61)	(28.42)	(33.20)	(1,455.64)	(1,248.59)	(1,205.74)	(1,080.27)	(942.12)
- Current	151.26	71.66	-	-	-	(150.32)	(124.03)	(117.41)	(119.49)	(88.05)
- Non Current	-	-	(240.61)	(28.42)	(33.20)	(1,305.32)	(1,124.56)	(1,088.33)	(960.78)	(854.06)
<b>iv. Expenses recognised in the statement of Profit &amp; Loss</b>										
a. Current Service Cost	321.62	142.91	264.12	233.92	214.28	254.49	114.73	225.08	219.97	200.57
b. Interest Cost	287.43	134.06	237.00	220.57	172.21	99.89	48.23	86.12	73.42	63.63
c. Expected Return on Plan Assets	(329.81)	(139.99)	(264.06)	(251.96)	(219.00)	-	-	-	-	-
d. Actuarial (Gain) / Loss	284.02	122.87	198.72	(49.07)	334.33	208.55	105.62	54.02	114.57	120.85
e. Expenses recognised in the Profit & Loss	563.26	259.85	435.77	153.46	501.82	562.93	268.58	365.22	407.97	385.05
<b>v. Actuarial Assumptions</b>										
a. Discount Rate (per annum)	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
b. Estimated Rate of return on Plan Assets(p.a)	9.00%	9.00%	9.25%	9.25%	9.00%					
c. Rate of Escalation in Salary (p.a)	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%

### c) Amounts for the current and previous four periods in respect of Gratuity & Leave Encashment are as follows:

(₹ in lacs)

Particulars	Gratuity (Funded)					Leave Encashment (Non-funded)				
	2014-15	2013-14	2012-13	2011-12	2010-11	2014-15	2013-14	2012-13	2011-12	2010-11
Defined Benefit Obligation	4,121.30	3,592.91	3,351.42	2,962.45	2,757.11	1,455.64	1,248.59	1,205.74	1,080.27	942.12
Plan Assets	4,272.56	3,664.57	3,110.81	2,934.03	2,723.91	-	-	-	-	-
Surplus / (Deficit)	151.26	71.66	(240.61)	(28.42)	(33.20)	(1,455.64)	(1,248.59)	(1,205.74)	(1,080.27)	(942.12)
Experience adjustment on Plan Liabilities	(275.43)	(101.41)	(207.14)	48.48	(345.81)	(208.55)	(105.62)	(54.02)	(114.57)	(120.85)
Experience adjustment on Plan Assets	(8.59)	(21.46)	1.09	7.40	22.43	--	--	--	--	--

Note 26.2 : Figures for 2013-14 are for the period of six months only

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 27 : FINANCE COSTS

( ₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
Interest on Borrowings		
Banks	1,410.33	1,130.05
Public Deposits	168.96	118.06
Others	24.54	17.16
Other Borrowing Cost	166.99	38.54
<b>Total</b>	<b>1,770.82</b>	<b>1,303.81</b>

### Note 28 : OTHER EXPENSES

( ₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
Power & Fuel	2,232.81	918.03
Other Manufacturing Expenses	8,750.47	4,305.98
Repairs to:		
-Machinery	316.81	157.78
-Building	495.71	183.62
-Others	86.21	47.72
Rent (Refer Note 33.1)	594.02	286.69
Insurance	404.85	158.20
Rates and Taxes	51.44	88.71
Commission to Selling Agents and Others	7,819.48	3,758.07
Bank Charges	1,489.42	624.31
Royalty	701.52	485.34
Electricity and Water Charges	293.38	126.10
Donation	3.78	16.77
Office and Miscellaneous Expenses	5,424.85	2,435.86
Payment to Statutory Auditors		
-Statutory audit fees	9.00	9.00
-For Company Law Matters	-	0.51
-For Reimbursement of expenses	1.31	1.24
Packing, Forwarding and Transportation Expenses	18,883.56	8,602.22
Design & Technical Expenses	2,689.10	1,950.76
Travelling Expenses	5,009.31	2,247.60
Managerial Remuneration (Refer Note 28.1)	2,443.20	781.45
Directors' Commission / Fee	4.74	2.41
Rebate and Discount	134.77	157.42
CSR Expenses	172.76	-
Bad debts written off	13.09	-
Loss on Assets Sold / Written Off	20.81	17.42
<b>Total</b>	<b>58,046.40</b>	<b>27,363.21</b>

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 28.1 : MANAGERIAL REMUNERATION

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
<b>(a) To the Whole time Directors:</b>		
(i) Salary	71.60	34.80
(ii) Contribution to Provident Fund, Group Gratuity Fund and Superannuation Fund	8.35	4.18
(iii) Other Perquisites	2.13	0.97
(iv) Commission	2,361.12	741.50
	<b>2,443.20</b>	<b>781.45</b>
<b>(b) To Other Directors:</b>		
(i) Commission	1.30	0.63
(ii) Sitting Fee	3.44	1.78
	<b>4.74</b>	<b>2.41</b>
<b>Total Managerial Remuneration</b>	<b>2,447.94</b>	<b>783.86</b>
Calculation as per Section 198 of the Companies Act, 2013 in respect of Managerial Remuneration is as follows:		
Profit before tax	21,831.98	7,025.87
Add : Provision for doubtful Debts	-	-
Loss on sale of fixed assets	20.81	17.42
Provision for CSR Expenses	172.76	-
Loss on diminution in value of Investments	-	-
	<b>22,025.55</b>	<b>7,043.29</b>
Less: Profit on sale of fixed assets	34.38	7.60
Profit as per Section 198	<b>21,991.17</b>	<b>7,035.69</b>
Add : Managerial Remuneration	82.08	39.95
Commission to Whole time Directors	2,361.12	741.50
Commission to Non Executive Directors	1.30	0.63
Sitting Fees to Non Executive Directors	3.44	1.78
Net Profit as per Section 198	<b>24,439.11</b>	<b>7,819.55</b>
Maximum remuneration payable restricted to:		
- Whole time Directors 10% of above	2,443.91	781.95
- Other Directors 1% of above	244.39	78.20

### Note 29 : CURRENT TAX

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
Provision for Tax	8,122.90	2,305.43

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 30 : EARNING PER SHARE

In accordance with Accounting Standard (AS-20) on 'Earnings Per Share' the following table reconciles the numerator and denominator used to calculate Basic and Diluted Earnings Per Share:

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
a) Net Profit / (Loss) available to Equity Shareholders (₹ in lacs)	14,319.37	4,625.23
b) Number of Weighted Average Equity Shares outstanding during the period for the purpose of calculation of Earning Per Share	7,352,951	7,366,839
c) Nominal value of Equity Share (In ₹)	10.00	10.00
d) Basic & Diluted Earning per Share (In ₹)	194.74	62.78

### Note 31 : SEGMENT REPORTING

#### (a) Primary Segment

The Company operates in only one segment of Engineering business which comprises of production and sales of Engineering Equipments, identified in accordance with principles enunciated in Accounting Standard AS-17. Hence, separate segment information is not applicable.

#### (b) Secondary Segment

In respect of secondary segment information, the Company has identified Geographical segments as (i) domestic and (ii) Overseas.

- (i) Domestic Revenue includes sales to customers located within India and earnings in India.
- (ii) Overseas Revenue includes sales to customers located outside India and earnings outside India.

The required disclosure is as follows:-

#### Information about Secondary Business Segments

(₹ in lacs)

Description	Year ended 31.03.2015			Six months period ended 31.03.2014		
	Domestic	Overseas	Total	Domestic	Overseas	Total
(i) Revenue by geographical market	180,374.96	151,598.55	331,973.51	95,970.25	50,412.34	146,382.59
(ii) Carrying amount of segment assets	284,812.95	34.40	284,847.35	256,041.67	39.75	256,081.42
(iii) Addition to fixed assets	4,705.09	-	4,705.09	3,308.90	0.91	3,309.81

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 32 : RELATED PARTY TRANSACTIONS

In accordance with the Accounting Standard on "Related Party Disclosures" (AS-18), the disclosures in respect of Related Parties and Transactions with them, as identified and certified by the Management, are as follows:

#### I Description and Name of Related Parties

Description of Relationship	Name
Holding Company	None
Subsidiaries 100% Share holding	Saraswati Sugar Mills Limited Isgec Covema Limited Isgec Exports Limited Isgec Engineering & Projects Ltd. Freelook Software Pvt. Ltd
Joint Venture with 51 % Share holding	Isgec Hitachi Zosen Limited
Entities over which Directors and their relatives can exercise significant influence	Yamuna Syndicate Limited Kamla Puri Charitable Trust Kamla Puri Charitable Foundation Blue Water Enterprises
Key Management Personnel	Mr. Aditya Puri (Managing Director) Mrs. Nina Puri (Wholetime Director)
Relatives of Key Management Personnel	Mr. Ranjit Puri (Chairman), (Husband of Mrs. Nina Puri Wholetime Director & Father of Mr. Aditya Puri Managing Director) Mrs. Tanupriya Puri (wife of Mr. Aditya Puri Managing Director)

#### II Related Party Transactions

Particulars	( ₹ in lacs)	
	Year ended 31.03.2015	Six Months period ended 31.03.2014
a) Purchase of goods		
- Joint Venture		
Isgec Hitachi Zosen Limited	318.84	71.56
- Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	164.43	83.25
<b>Total</b>	<b>483.27</b>	<b>154.81</b>

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six Months period ended 31.03.2014
<b>b) Sale of goods</b>		
<b>-Subsidiaries</b>		
Saraswati Sugar Mills Ltd.	889.18	92.84
<b>-Joint Venture</b>		
Isgec Hitachi Zosen Limited	81.42	40.55
<b>Total</b>	<b>970.60</b>	<b>133.39</b>
<b>c) Purchase of fixed Assets</b>		
<b>-Joint Venture</b>		
Isgec Hitachi Zosen Limited -	-	16.59
<b>-Entities over which key management personnel     can exercise significant influence</b>		
Yamuna Syndicate Limited	2.91	0.05
<b>Total</b>	<b>2.91</b>	<b>16.64</b>
<b>d) Rendering of services</b>		
<b>-Subsidiaries</b>		
Saraswati Sugar Mills Ltd.	3.66	-
<b>-Joint Venture</b>		
Isgec Hitachi Zosen Limited	43.16	80.07
<b>-Entities over which key management personnel     can exercise significant influence</b>		
Yamuna Syndicate Limited	29.39	14.20
<b>Total</b>	<b>76.21</b>	<b>94.27</b>
<b>e) Services received</b>		
<b>-Joint Venture</b>		
Isgec Hitachi Zosen Limited	95.00	64.69
<b>-Entities over which key management personnel     can exercise significant influence</b>		
Yamuna Syndicate Limited	0.36	0.15
<b>Total</b>	<b>95.36</b>	<b>64.84</b>

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

Particulars	(₹ in lacs)	
	As at 31.03.2015	Six Months period ended 31.03.2014
<b>f) Rent received</b>		
<b>- Joint Venture</b>		
Isgec Hitachi Zosen Limited	2,749.80	1,249.80
<b>- Entities over which key management personnel         can exercise significant influence</b>		
Yamuna Syndicate Limited	0.39	0.19
<b>Total</b>	<b>2,750.19</b>	<b>1,249.99</b>
<b>g) Rent Paid</b>		
<b>- Entities over which key management personnel         can exercise significant influence</b>		
Blue Water Enterprises	60.09	30.05
<b>Total</b>	<b>60.09</b>	<b>30.05</b>
<b>h) Remuneration to Directors</b>		
<b>- Key management personnel</b>		
Mr. Aditya Puri (Managing Director)	1,221.60	390.73
Mrs. Nina Puri (Wholetime Director)	1,221.60	390.73
<b>- Relatives of Key management personnel</b>		
Mr. Ranjit Puri (Chairman)	0.82	0.44
<b>Total</b>	<b>2,444.02</b>	<b>781.90</b>
<b>i) Interest paid</b>		
<b>- Relatives of Key management personnel</b>		
Mr. Ranjit Puri (HUF)	0.06	0.03
<b>Total</b>	<b>0.06</b>	<b>0.03</b>
<b>Interest Received</b>		
<b>- Subsidiaries</b>		
Saraswati Sugar Mills Ltd.	175.66	5.42
<b>Total</b>	<b>175.66</b>	<b>5.42</b>



## Notes to the Financial Statements as at and for the year ended 31st March, 2015

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>k) Amount payable as at year end</b>		
<b>- Joint Venture</b>		
Isgec Hitachi Zosen Limited	19.24	93.14
<b>- Entities over which key management personnel         can exercise significant influence</b>		
Yamuna Syndicate Limited	4.13	9.22
<b>- Key management personnel</b>		
Mr. Aditya Puri (Managing Director)	1,168.83	367.27
Mrs. Nina Puri (Wholetime Director)	1,194.02	377.46
<b>- Relatives of Key management personnel</b>		
Mr. Ranjit Puri (Chairman)	0.23	0.11
Mr. Ranjit Puri (HUF)	-	0.66
<b>Total</b>	<b>2,386.45</b>	<b>847.86</b>
<b>l) Amount receivable as at year end</b>		
<b>- Subsidiaries</b>		
Saraswati Sugar Mills Ltd.	46.07	19.03
<b>- Joint Venture</b>		
Isgec Hitachi Zosen Limited	38.93	749.71
<b>- Entities over which key management personnel         can exercise significant influence</b>		
Blue Water Enterprises	10.11	10.11
<b>Total</b>	<b>95.11</b>	<b>778.85</b>
<b>m) Investment as at year end</b>		
<b>- Subsidiaries</b>		
Saraswati Sugar Mills Ltd.	7,009.99	7,009.99
Isgec Engineering & Projects Ltd.	360.00	330.00
Isgec Covema Ltd.	200.00	200.00
Isgec Exports Ltd	10.00	10.00
Freelook Software Pvt. Ltd.	1,152.75	-
<b>- Joint Venture</b>		
Isgec Hitachi Zosen Limited	5,100.00	5,100.00
<b>Total</b>	<b>13,832.74</b>	<b>12,649.99</b>

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 33.1: LEASE RENT CHARGES

The Company has taken various residential /commercial premises and plant and machinery under cancellable operating leases. In accordance with Accounting Standard (AS-19) on 'Leases' the lease rent charged to statement of Profit & Loss for the year are:

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six Months period ended 31.03.2014
a) Residential premises	228.20	89.90
b) Commercial premises	361.00	194.24
c) Plant and machinery	4.82	2.55
<b>Total</b>	<b>594.02</b>	<b>286.69</b>

### Note 33.2 : LEASE RENT INCOME

The Company has given on lease factory, land and plant and machinery under operating lease. In accordance with Accounting Standard (AS-19) on 'Leases' disclosure of the future minimum lease income under non cancellable operating leases in the aggregate and for each of the following periods:

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
(i) Not later than one year	2,831.80	2,501.40
(ii) Later than one year and not later than five years	11,320.00	9,999.80
(iii) Later than five years	5,660.00	7,498.80
<b>Total</b>	<b>19,811.80</b>	<b>20,000.00</b>

### Note 34 : VALUE OF IMPORTS ON C.I.F. BASIS

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six Months period ended 31.03.2014
Raw Materials	3,877.25	5,519.33
Components & Spare Parts	2,395.37	2,014.27
Goods for resale	5,917.61	2,026.95
Capital Goods	349.38	581.50
<b>Total</b>	<b>12,539.61</b>	<b>10,142.05</b>

### Note 35 : EARNINGS IN FOREIGN EXCHANGE

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
Export of Goods & Services on F.O.B basis	116,670.38	48,893.33

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 36 : EXPENDITURE IN FOREIGN CURRENCY ( ACCRUAL BASIS)

( ₹ in lacs)

Particulars	Year ended 31.03.2015	Six Months period ended 31.03.2014
Travelling Expenses	1,344.88	669.43
Royalty	550.46	393.79
Brokerage & Commission	7,651.17	3,154.78
Interest on ECB Loan (for foreign remittance)	289.55	194.37
Technical Know how	-	-
Others	10,172.41	8,154.28
<b>Total</b>	<b>20,008.47</b>	<b>12,566.65</b>

### Note 37 : DIVIDEND PAID IN FOREIGN CURRENCY

Particulars	Year ended 31.03.2015	Six Months period ended 31.03.2014
Dividend Paid in foreign currency	-	-
No. of Equity Shares held by Non Resident Shareholders	526,171	514,660
No. of Non Resident Shareholders	77	36
Year to which dividend relates	NA	NA
Dividend to Non Resident Shareholders has been paid in Indian Rupees		

### Note 38 : FOREIGN CURRENCY EXPOSURES

The Company has entered into swaps/forward contracts which are not intended for trading or speculative purposes but for hedge purposes, to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

( ₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
a) Particulars of forward contracts entered for hedging as at period ended are as under:		
i) Receivables	23,849.06	19,277.16
ii) Loans	5,017.00	9,328.39
iii) For hedging interest payments on loans	-	-
b) Unhedged foreign currency exposures as at period ended are as under:		
i) Receivables	6,241.69	2,748.66
ii) Payables to Suppliers	128.89	68.54
iii) Loans	18,715.00	-

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

**Note 39 :** As per General Circular no.15/2011 dated April 11, 2011 issued by Ministry of Corporate Affairs, Government of India, the required information is as under :-

Sr. No.	Particulars	Description								
a)	Products covered for Cost Audit	Ingots and Engineering Machinery								
b)	Full Particulars of Cost Auditor	M/s Jugal K. Puri & Associates Cost Accountants Plot No. 3 , Sector-22 Gurgaon - 122 015, Haryana								
c)	Filing of Cost Audit Report	<table> <tr> <td><b>Year ended</b></td> <td>Six Months</td> </tr> <tr> <td><b>31.03.2015</b></td> <td>period ended 31.03.2014</td> </tr> <tr> <td><b>27.09.2015</b></td> <td>27.09.2014</td> </tr> <tr> <td><b>Not Yet Due</b></td> <td>25.09.2014</td> </tr> </table>	<b>Year ended</b>	Six Months	<b>31.03.2015</b>	period ended 31.03.2014	<b>27.09.2015</b>	27.09.2014	<b>Not Yet Due</b>	25.09.2014
<b>Year ended</b>	Six Months									
<b>31.03.2015</b>	period ended 31.03.2014									
<b>27.09.2015</b>	27.09.2014									
<b>Not Yet Due</b>	25.09.2014									
	i) Due Date of Filing of Cost Audit Report	<b>27.09.2015</b> 27.09.2014								
	ii) Actual Date of Filing Cost Audit Report	<b>Not Yet Due</b> 25.09.2014								

**Note 40** There is no other information required to be disclosed apart from the information already disclosed, pursuant to the requirements of Schedule III to the Companies Act,2013

**Note 41** Previous year figures have been regrouped/ recast wherever considered necessary to conform to current year classification.

**Note 42** The Company has changed its Financial Year ending on 30th September to ending on 31st March. The current Financial Year is for full year from 1st April 2014 to 31st March 2015. However, previous year figures are for six months period from 1st October, 2013 to 31st March, 2014. The figures are therefore not comparable with those of the previous year.

## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### Note 43. Company Overview

Isgec Heavy Engineering Limited (the “Company”) is a diversified Heavy Engineering Company and is engaged in manufacture of Process Plant equipments, Mechanical and Hydraulic Presses and Castings, Contract Manufacturing and execution of projects for setting up Boilers, Sugar Plants, Power Plants and Air Pollution Control Equipments for customers in India and abroad.

The Company is a Public Limited Company and its shares are listed on Bombay Stock Exchange (BSE).

### Note 44. Significant Accounting Policies

#### i) Basis of Preparation of Financial Statements

The financial statements of the Company are prepared under the historical cost convention and in accordance with applicable Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, and the relevant provisions of the Companies Act, 2013. The Company follows mercantile system of accounting and recognises income and expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realisation in respect of income. Accounting policies not specifically referred to otherwise, are consistent and in consonance with the generally accepted accounting principles.

#### ii) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known.

#### iii) Tangible Assets

- a) Tangible assets are stated at their cost less accumulated depreciation & accumulated impairment, if any
- b) The cost of an asset comprises its purchase price and any directly attributable cost for bringing the asset to working condition for its intended use & is net of recoverable duties/ tax credits.
- c) Capital spares directly attributable to the assets are capitalised with the related assets.

#### iv) Intangible Assets

Intangible Assets are recognised on the basis of recognition criteria as set out in Accounting Standard AS – 26 ‘Intangible Assets’. Costs incurred on acquisition of specialised software & technical know how are capitalised.

Intangible assets are stated at cost of acquisition less accumulated amortisation & accumulated impairment losses, if any.

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## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### v) Depreciation and Amortization

Depreciation is provided on fixed assets in the manner prescribed in Schedule II to the Companies Act, 2013 as per the written down value method except in respect of certain Plant & Machinery which are depreciated as per the straight line method. Capital spares directly attributable to the specific fixed assets are depreciated with the cost of the assets.

Assets costing not more than ₹5,000/- are fully depreciated in the year of their acquisition. Intangible assets are amortised over a period not exceeding ten years on a straight line basis as per Accounting Standard – 26 on Intangible Assets.

### vi) Impairment of Assets:

- a) As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine
  - i) the provision for impairment loss, if any, required or
  - ii) the reversal, if any, required of impairment loss recognised in previous periods.
- b) Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount which is determined
  - i) in the case of an individual asset, at the higher of the net selling price and the value in use.
  - ii) in the case of a cash generating unit (a group of assets that generates identified independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.
- c) Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset/cash generating unit and from its disposal at the end of its useful life.

### vii) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined for each category separately. Long-term investments are carried at cost on individual investment basis. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments in case of long term investments.

### viii) Inventories

Raw Materials, Stores & Spares are valued at lower of weighted average cost or net realisable value. However items held for use in the production are not valued below cost if the finished goods in which these will be incorporated are expected to be sold at or above cost.

Work-in-Progress and Finished Goods are valued at lower of cost or net realisable value.

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## Notes to the Financial Statements as at and for the year ended 31st March, 2015

Cost in case of finished goods and work-in-progress includes material cost and applicable direct manufacturing and administrative overheads. Value of finished stock is inclusive of excise duty.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

Standing crops are valued at estimated cost of material & labour.

Profit included in closing inventory on account of inter-unit transfers is eliminated to the extent practicable.

### ix) Cash and Cash Equivalents

Cash & Cash Equivalents comprise of cash at bank and cash-in-hand. The Company considers all highly liquid investments which are subject to an insignificant risk of change in value within original maturity of three months or less from date of purchase to be cash equivalent.

Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and in hand and fixed deposits with banks, excluding investment in mutual funds.

### x) Revenue Recognition

Revenue is recognised in case of traded & manufactured products on despatch of goods from the factory / other locations when substantial risks & rewards of ownership are transferred to the buyer.

Revenue in case of erection & commissioning jobs carried out is recognised on stage of completion as per the terms of related agreements / job orders.

Sales are net of inter-unit transfers except where such elimination is not practicable.

Insurance Claims, export incentives, escalation, etc. are accounted for as and when the estimated amounts recoverable can be reasonably determined as being acceptable to the concerned authorities / parties.

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

Dividend from investments in shares is recognised when the right to receive payment is established.

### xi) Foreign Currency Transactions

#### a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transaction.

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## Notes to the Financial Statements as at and for the year ended 31st March, 2015

b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c) Exchange Differences

Exchange differences arising on a monetary item that, in substance, forms part of the Company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognised as income or as expenses.

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

### xii) Employee Benefits

As per AS-15 the provision for employee benefits is charged on accrual basis as under:

a) Provident Fund:

The Company operates a Provident Fund Trust for its employees where contributions are deposited on the basis of services rendered by the employees and are expensed as and when incurred.

b) Gratuity:

The Company operates a Gratuity Fund Trust which in turn has taken Group Gratuity cum Life Assurance policy with the Life Insurance Corporation of India for all the employees. Provision for liability on account of gratuity being defined benefit plan, is determined as per actuarial valuation and charged to statement of Profit & Loss.

c) Leave Encashment:

Provision for leave encashment is made in respect of eligible employees as per actuarial valuation done at the balance sheet date.

d) Pension:

Liability on account of pension payable to employees covered under Company's pension scheme has been accounted for on accrual basis.

e) Superannuation:

The Company operates a Superannuation fund scheme with Life Insurance Corporation of India where contributions are deposited on the basis of services rendered by employees who have opted for the scheme. These contributions are expensed on accrual basis.

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## Notes to the Financial Statements as at and for the year ended 31st March, 2015

### xiii) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds.

### xiv) Leases

Payments made under Leases for land, being in the nature of operating leases, are charged to statement of Profit and Loss on straight line basis as per terms of the Lease Agreement over the period of lease. Payments made under cancellable operating leases for other assets are charged to statement of profit & loss as per respective lease agreements. Finance Lease where Company is the Lessor is recognised, measured, presented and disclosed in accordance with Accounting Standard -19-“Leases”.

Rental income is recognized on accrued basis over the lease term.

### xv) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares).

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

### xvi) Taxation

Tax Expense/(Tax Saving) is the aggregate of current year tax and deferred tax charged (or credited) to the statement of Profit and Loss for the year in accordance with Accounting Standard- 22- “Accounting for Taxes on Income” and measured at the tax rates that have been enacted or substantively enacted by the balance sheet date.

#### a) Current Year Charge

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

The Company also provides for such disallowances made on completion of assessments pending appeals, as considered appropriate, depending on the merits of each case.

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## Notes to the Financial Statements as at and for the year ended 31st March, 2015

b) Deferred Tax

In accordance with Accounting Standard AS-22 "Accounting for Taxes on Income", deferred taxes resulting from timing differences between book and tax profits are accounted for at tax rate to the extent the timing difference are expected to be crystallised. Deferred tax assets on account of unabsorbed losses & unabsorbed depreciation are recognised to the extent there is virtual certainty of realising such assets against future taxable income.

**xvii) Provisions, Contingent Liabilities & Contingent Assets**

a) Provisions

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- i) the Company has a present obligation as a result of a past event,
- ii) a probable outflow of resources is expected to settle the obligation and
- iii) the amount of the obligation can be reliably estimated.

b) Contingent Liabilities

Contingent Liability is disclosed in the case of

- i) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation
  - ii) a possible obligation, unless the probability of outflow of resources is remote.
- c) Contingent Assets: Contingent Assets are neither recognised, nor disclosed.
- d) Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

As per our report of even date.  
for S.S. Kothari Mehta & Co.  
Chartered Accountants  
(Firm Registration No. 000756N)

Sanjay Kumar  
Deputy General Manager(Accounts)

Kishore Chatnani  
Head - Corporate Accounts & Treasury  
& Chief Financial Officer

For and on behalf of Board of Directors

CA. K.K. Tulshan  
Partner  
M.No. 085033

S. K. Khorana  
Executive Director & Company Secretary

Aditya Puri  
Managing Director  
DIN: 00052534

Place : Noida  
Dated : 26<sup>th</sup> May, 2015

Vinod K. Nagpal  
Director  
DIN: 00147777

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**CONSOLIDATED  
FINANCIAL STATEMENTS**

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## **Independent Auditor's Report on Consolidated Financial Statements of Isgec Heavy Engineering Limited and Its Subsidiaries**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF ISGEC HEAVY ENGINEERING LIMITED**

#### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Isgec Heavy Engineering Limited (hereinafter referred to as "**the Holding Company**") its subsidiaries and jointly controlled entity (collectively referred to as "**the Group**"), which comprise the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss Statement and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "**the consolidated financial statements**").

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

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

The respective Board of Directors of the Companies included in the Group responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purposes of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### **Auditor's Responsibility**

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

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

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

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procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in the place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### **Other Matters**

We did not audit the financial statements of (a) Isgec Exports Limited, (b) Free Look Software Private Limited, (c) Isgec Covema Limited and (d) Isgec Engineering and Projects Limited, Holding Company's subsidiaries, whose financial statements reflect total assets of ₹ 1366.00 lakhs as at 31st March, 2015, total revenues of ₹ 11.76 lakhs and net cash outflows amounting to ₹ 114.65 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary companies and our report in terms of sub - section (3) & (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our 'Report on Other Legal and Regulatory Requirements' below is not modified in respect of above matters with respect to our reliance on the work done and the reports of the other auditors.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the holding company and subsidiary companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  2. As required by section 143(3) of the Act, we report, to the extent applicable, that:
    - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
    - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
    - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
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- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies incorporated in India and jointly controlled entity is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group have disclosed impact of pending litigations on its financial position in its financial statements wherever required, refer note 21 of the notes to the financial statements;
  - ii. The respective entities have made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts wherever required;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the respective entities wherever required.

**For S.S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration. No. 000756N

Place: Noida  
Date: 26<sup>th</sup> May, 2015

**(K. K. TULSHAN)**  
Partner  
Membership No. 085033

**Annexure referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of the Independent Auditor's Report of even date to the members of Isgec Heavy Engineering Limited on its consolidated financial statements as of and for the year ended 31<sup>st</sup> March, 2015.**

- (i) (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management of the respective entities in accordance with a phased periodical programme of verification which, in our opinion and the opinion of the other auditors, is reasonable. According to the information and explanation given to us and other auditors, no material discrepancies were noticed on such verification.
  - (ii) (a) As explained to us and other auditors, the inventories were physically verified during the year by the management of respective entities at reasonable intervals.
  - (b) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the procedures of physical verification of inventories followed by the management of respective entities were reasonable and adequate in relation to the size of the respective entities and the nature of their business.
  - (c) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
  - (iii) (a) The Holding Company and a subsidiary company of the Group have granted unsecured loans to a subsidiary company covered in the register maintained under section 189 of the Companies Act, 2013.
  - (b) The receipts of principal amounts and interest have been regular/ as per stipulations.
  - (c) There are no overdue amounts in excess of ₹ 1 lakh remaining outstanding as at the year end.
  - (iv) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, there is an adequate Internal control system in the respective entities, commensurate with the size of respective entities and the nature of their business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our and other auditors' audit, no continuing failure to correct major weakness in such internal control system has been observed.
  - (v) The Holding Company and one of its subsidiary, Saraswati Sugar Mills Limited have accepted deposits and have complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. According to the information and explanations given to us and other auditors, no Order has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other tribunal in respect of any of the aforesaid entities. No other entity in the Group has accepted deposits, hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable to them.
  - (vi) According to the information and explanations given to us and the other auditors, in our opinion and the opinion of the other auditors, the Holding Company and its subsidiaries have, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub section (1) of section 148 of the Companies Act 2013, wherever applicable. Neither we nor the other auditors have, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
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- (vii) (a) The respective entities have generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable except a sales tax outstanding in one of the subsidiaries of ₹ 1.56 lakhs as at 31<sup>st</sup> March, 2015 for a period of six months from the date it became payable.
- (b) Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess that have not been deposited as on 31<sup>st</sup> March, 2015 on account of dispute by the aforesaid entities is given below:

<b>A. In the matter of Isgec Heavy Engineering Limited, the Holding Company</b>						
S. No.	Name of Statute	Nature of Dues	Year	Forum where dispute is pending	Amount (₹ in lacs) As at 31st March 2015	Amount (₹ in lacs) As at 31st March 2014
1	Central Excise Act, 1944	Excise Duty	1994-95	Hon'ble High Court, Allahabad	5.00	5.00
			1994-96	Tribunal, New Delhi	8.00	8.00
			2002-10	CESTAT, New Delhi	53.25	53.25
			2009-13	Joint Commissioner, Central Excise, Muzzafernagar	14.98	-
			2013-14	Joint Commissioner, Central Excise, Muzzafernagar	3.00	-
2	Service Tax	Service Tax	2004-06	CESTAT, New Delhi	6.00	6.00
			2005-07	CESTAT, New Delhi	22.31	22.31
			2008-09	CESTAT, New Delhi	8.36	8.36
			2009-12	Commissioner Central Excise (Panchkula)	63.56	63.56
			2011-12	Commissioner Central Excise (Panchkula)	61.28	61.28
			2008-09	Commissioner Central Excise (Vadodra)	60.31	60.31
			2008-13	Commissioner Central Excise (Panchkula)	36.97	36.97
			2011-12	Commissioner Central Excise (Panchkula)	25.56	-
			2007-10	Commissioner Central Excise (Panchkula)	9.22	-
			2008-09	Commissioner Central Excise (Panchkula)	9.69	-
3	Sales Tax Act	Sales Tax	1993-94	Sales Tax Tribunal, Orissa	9.02	9.02
			1995-96	Sales Tax Tribunal, Orissa	17.00	17.00
			1996-97	Sales Tax Tribunal, Orissa	5.00	5.00
			1992-93	Appellant Tribunal- WB	90.00	90.00
			1993-94	Appellant Tribunal- WB	155.00	155.00
			1971-73	Commissioner sales tax, Lucknow	6.00	6.00
			1987-88	Dy. Comm. Of Commercial Taxes, Kolkata	4.00	4.00
			1995-96	Dy. Comm. Of Commercial Taxes, Kolkata	34.00	34.00
			1994-95	Commercial Tax Officer, Kolkata	61.00	61.00
			2006-07	Dy. Comm. Of Commercial Taxes, Tamil Nadu	0.82	0.82
			2007-08	Dy. Comm. Of Commercial Taxes, Tamil Nadu	2.41	2.41
			2008-09	Dy. Comm. Of Commercial Taxes, Tamil Nadu	0.58	0.58
			2009-10	Joint Comm. Of Commercial Taxes, Kolkata	4.72	4.72
			2009-10	Joint Comm. Of Commercial Taxes, Kolkata	9.51	9.51
			2009-10	DETC	0.00	19.67
			2008-09	Addl. Comm. Of Central Excise, UP	320.42	0.25
			2008-09	Addl. Comm. Of Central Excise, UP	6.62	13.51



S. No.	Name of Statute	Nature of Dues	Year	Forum where dispute is pending	Amount (₹ in lacs) As at 31st March 2015	Amount (₹ in lacs) As at 31st March 2014
4	Local Area Development Tax Act, 2002	Local Area tax	2006-07	Hon'ble High court of Punjab & Haryana	14.00	12.00
5	Haryana State Pollution Control Law	Water Cess	1992-93	Hon'ble Supreme Court of India	13.20	13.20

<b>B. In the matter of Saraswati Sugar Mills Limited, subsidiary company</b>						
S. No.	Name of Statute	Nature of Dues	Year	Forum where dispute is pending	Amount (₹ in lacs)	
1	Cane Purchase Tax Act	Cane Purchase Tax	1991-1996	Panjab & Haryana High Court, Chandigarh	32.98	
2	Central Excise Act, 1944	Excise Duty	2006-07 2011-12 & 2013-14	Principal Commissioner, CX & ST, Panchkula	14.92	
3	Central Excise Act, 1944	Excise Duty on Export Quota	2010-11 & 2012-13	Principal Commissioner, CX & ST, Panchkula	87.82	

- (c) The respective entities have been regular in transferring amounts to the Investor Education and Protection Fund wherever applicable in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.
- (viii) The Group does not have consolidated accumulated losses at the end of the financial year nor has it incurred cash losses, on a consolidated basis, during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the respective entities have not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (x) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the terms and conditions of the guarantees given by the Holding Company for loans taken by the jointly controlled entity from banks are not, prima facie, prejudicial to the interests of the Group. None of the other entities in the Group have given any guarantees for the loans taken by others from the banks and financial institutions.
- (xi) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the term loans have been applied by the respective entities for which they were obtained.
- (xii) To the best of our knowledge and according to the information and explanations given to us and the other auditors, neither any fraud by or on the respective entities has been noticed or reported during the year, nor have we or the other auditors been informed of such case by the respective managements.

**For S.S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration. No. 000756N

Place: Noida  
Date: 26<sup>th</sup> May, 2015

**(K. K. TULSHAN)**  
Partner  
Membership No. 085033

**CONSOLIDATED BALANCE SHEET as at 31st March, 2015**

(₹ in lacs)

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholders' Funds			
(a) Share Capital	1	735.29	735.29
(b) Reserves and Surplus	2	83,741.58	74,376.04
		84,476.87	75,111.33
(2) Minority Interest		4,648.70	4,095.31
(3) Non-current Liabilities			
(a) Long-term Borrowings	3	7,375.38	10,990.64
(b) Deferred Tax Liabilities	4	1,156.12	2,946.94
(c) Other Long-term Liabilities	5	14,057.67	10,656.24
(d) Long-term Provisions	6	14,509.13	13,764.83
		37,098.30	38,358.65
(4) Current Liabilities			
(a) Short-term Borrowings	7	41,228.26	37,098.78
(b) Trade Payables	8	119,914.14	84,718.48
(c) Other Current Liabilities	9	53,611.64	65,140.72
(d) Short-term Provisions	10	8,066.58	5,495.88
		222,820.62	192,453.86
<b>Total</b>		<b>349,044.49</b>	<b>310,019.15</b>
<b>II. ASSETS</b>			
(1) Non-current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	49,912.33	47,869.17
(ii) Intangible Assets	11	4,973.02	5,353.81
(iii) Capital Work-in-progress		1,431.10	4,071.14
		56,316.45	57,294.12
(b) Goodwill		530.07	-
(c) Non-current Investments	12	311.17	311.17
(d) Deferred Tax Assets	4	1,149.73	924.80
(e) Long-term Loans and Advances	13	1,196.23	1,507.68
(f) Other Non-current Assets	14	457.63	198.26
		59,961.28	60,236.03
(2) Current Assets			
(a) Current Investments	15	34,531.14	14,032.67
(b) Inventories	16	83,978.33	86,022.10
(c) Trade Receivables	17	103,795.14	79,676.41
(d) Cash and Bank Balances	18	38,193.59	42,577.98
(e) Short-term Loans and Advances	19	27,428.50	24,700.76
(f) Other Current Assets	20	1,156.51	2,773.20
		289,083.21	249,783.12
<b>Total</b>		<b>349,044.49</b>	<b>310,019.15</b>
Notes to the financial statements	1 to 49		

The Notes referred to above form an integral part of the financial statements

As per our report of even date.

for S.S. Kothari Mehta &amp; Co.

Chartered Accountants

(Firm Registration No. 000756N)

Sanjay Kumar

Deputy General Manager(Accounts)

Kishore Chatnani

Head - Corporate Accounts & Treasury  
& Chief Financial Officer

For and on behalf of Board of Directors

CA. K.K. Tulshan

Partner

M.No. 085033

S. K. Khorana

Executive Director &amp; Company Secretary

Aditya Puri

Managing Director

DIN: 00052534

Vinod K. Nagpal

Director

DIN: 00147777

Place : Noida

Dated : 26<sup>th</sup> May, 2015

**CONSOLIDATED STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2015**

(₹ in lacs)

Particulars	Note No.	Year ended 31.03.2015	Six months period ended 31.03.2014
<b>I. Revenue from Operations</b>	22	<b>402,822.75</b>	172,439.57
Less: Excise Duty		<b>7,440.10</b>	4,385.94
		<b>395,382.65</b>	168,053.63
<b>II. Other Income</b>	23	<b>4,737.50</b>	2,996.05
<b>III. Total Revenue</b>		<b>400,120.15</b>	171,049.68
<b>IV. Expenses:</b>			
(a) Cost of Material Consumed	24	<b>105,024.38</b>	68,703.07
(b) Purchase of goods for resale		<b>150,044.41</b>	64,578.40
(c) Changes in Inventories of Finished Goods, Work - in - Progress and Stock - in - trade	25	<b>(4,771.34)</b>	(29,815.56)
(d) Employee Benefits Expenses	26	<b>27,807.92</b>	12,984.24
(e) Financial Costs	27	<b>3,472.45</b>	1,610.93
(f) Depreciation		<b>8,251.35</b>	3,359.41
(g) Erection & Civil Cost		<b>23,508.40</b>	13,040.82
(h) Other Expenses	28	<b>68,025.65</b>	30,811.58
<b>Total Expenses (IV)</b>		<b>381,363.22</b>	165,272.89
<b>V. Profit before Tax (III-IV)</b>		18,756.93	5,776.79
<b>VI. Tax Expense:</b>			
(a) Current Tax	29	<b>8,124.39</b>	2,070.78
(b) Deferred Tax	4	<b>(1,700.39)</b>	(163.77)
		<b>6,424.00</b>	1,907.01
<b>VII. Profit after Tax for the period (V-VI)</b>		<b>12,332.93</b>	3,869.78
Add/Less : Minority Interest in (income)/losses		<b>(553.39)</b>	351.82
<b>Profit/(loss) for the period</b>		<b>11,779.54</b>	4,221.60
<b>VIII. Basic /Diluted earning per share of ₹10 Each (In ₹)</b>	30	<b>160.20</b>	57.31
<b>Notes to the financial statements</b>	<b>1 to 49</b>		

The Notes referred to above form an integral part of the financial statements

As per our report of even date.  
for S.S. Kothari Mehta & Co.

Chartered Accountants  
(Firm Registration No. 000756N)

Sanjay Kumar  
Deputy General Manager(Accounts)

Kishore Chatnani  
Head - Corporate Accounts & Treasury  
& Chief Financial Officer

For and on behalf of Board of Directors

CA. K.K. Tulshan  
Partner  
M.No. 085033

S. K. Khorana  
Executive Director & Company Secretary

Aditya Puri  
Managing Director  
DIN: 00052534

Place : Noida  
Dated : 26<sup>th</sup> May, 2015

Vinod K. Nagpal  
Director  
DIN: 00147777

**CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2015**

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
<b>A. Cash flow from Operating activities:</b>		
Net (loss)/profit before tax but after exceptional /extraordinary items	18,756.93	5,776.79
<b>Adjustments for:</b>		
Depreciation	8,251.35	3,359.41
Interest Expense	3,472.45	1,610.93
Interest Income	(3,123.97)	(1,843.72)
Income from Investment - Dividends	(9.34)	(205.58)
(Profit)/Loss on Sale/Revaluation of store	6.11	0.37
(Profit)/Loss on Fixed Assets sold (Net)	(46.93)	(268.93)
(Profit)/Loss on Sale of Investment	(1,132.90)	(549.81)
Debts / Advances Written off	15.22	-
Bad Debt w/o now realised	-	-
Liability no longer required written back	(713.64)	(492.76)
<b>Operating profit before working capital changes</b>	<b>25,475.28</b>	<b>7,386.70</b>
<b>Adjustments for changes in working capital :</b>		
- (Increase) / Decrease in Trade Receivables	(24,096.37)	(3,716.24)
- (Increase) / Decrease in Other Receivables	(2,150.44)	(4,534.71)
- (Increase) / Decrease in Inventories	2,037.66	(36,398.30)
- Increase / (Decrease) in Trade, Other Payables and Provisions	32,616.12	20,410.06
<b>Cash generated from operations</b>	<b>33,882.25</b>	<b>(16,852.49)</b>
- Taxes (Paid) / Received (Net of TDS)	(7,787.54)	(2,429.30)
<b>Net cash from operating activities</b>	<b>26,094.71</b>	<b>(19,281.79)</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of fixed assets	(8,421.21)	(4,657.88)
Acquisition Interest in subsidiary company	(530.07)	-
Proceeds from Sale of fixed assets	232.40	453.73
Buyback of Equity Shares	-	(147.64)
Sale/(Purchase) of Investments	(19,365.57)	10,315.68
Dividend Received	9.34	205.58
Interest Received (Revenue)	4,177.86	421.96
<b>Net cash used in investing activity</b>	<b>(23,897.25)</b>	<b>6,591.43</b>

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
<b>C Cash flow from Financing activities:</b>		
Proceeds/(Repayment) from Secured loans	8,629.08	19,424.72
Proceeds/(Repayment) of unsecured loans	(9,929.20)	(2,139.63)
Interest and other Borrowing cost Paid	(4,034.73)	(1,601.81)
Dividend Paid	(1,247.00)	(725.01)
<b>Net cash used in financing activities</b>	<b>(6,581.85)</b>	<b>14,958.27</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(4,384.39)</b>	<b>2,267.91</b>
<b>Cash and cash equivalents as at 31.03.2014</b>	<b>42,577.98</b>	<b>40,310.07</b>
<b>Cash and cash equivalents as at 31.03.2015</b>	<b>38,193.59</b>	<b>42,577.98</b>
<b>Cash and cash equivalents comprise</b>		
Cash, Cheques & Drafts (in hand) and Remittances in transit	148.46	183.16
Current accounts(Dividend account)	108.09	105.08
Balance with Scheduled Banks	2,401.04	3,417.29
Term Deposit & Margin Money with Banks (against Bank Guarantees & Letter of Credit issued by Bank)	35,536.00	38,872.45
	<b>38,193.59</b>	<b>42,577.98</b>

**Notes :**

- 1 The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard - 3
- 2 Figures in brackets indicate cash outgo.
- 3 Previous period figures have been regrouped and recast wherever necessary to conform to the current period classification.

**As per our report of even date.**  
**for S.S. Kothari Mehta & Co.**

Chartered Accountants  
(Firm Registration No. 000756N)

**Sanjay Kumar**  
Deputy General Manager(Accounts)

**Kishore Chatnani**  
Head - Corporate Accounts & Treasury  
& Chief Financial Officer

**For and on behalf of Board of Directors**

**CA. K.K. Tulshan**  
Partner  
M.No. 085033

**S. K. Khorana**  
Executive Director & Company Secretary

**Aditya Puri**  
Managing Director  
DIN: 00052534

Place : Noida  
Dated : 26<sup>th</sup> May, 2015

**Vinod K. Nagpal**  
Director  
DIN: 00147777

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 1 : SHARE CAPITAL

Particulars	As at 31.03.2015		As at 31.03.2014	
	Number of shares	(₹ in lacs)	Number of shares	(₹ in lacs)
<b>Authorised</b>				
Equity shares of ₹10/- each with voting rights	8,500,000	850.00	8,500,000	850.00
<b>Issued</b>				
Equity shares of ₹10/- each with voting rights	7,352,951	735.29	7,352,951	735.29
<b>Subscribed and Fully Paid-up</b>				
Equity shares of ₹10/- each with voting rights	7,352,951	735.29	7,352,951	735.29
	7,352,951	735.29	7,352,951	735.29

#### Notes:

- (a) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital are as under:

The Company has only one class of equity shares having a par value of ₹10 per share. Each share holder is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of the share holders in the ensuing Annual General Meeting. In the event of the liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in proportion to number of equity shares held by each of the equity share holders.

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31.03.2015		As at 31.03.2014	
	Number of shares	(₹ in lacs)	Number of shares	(₹ in lacs)
Equity Shares outstanding at the beginning of the period	7,352,951	735.29	7,369,540	736.95
Add: Issued during the period	-	-	-	-
Less: Shares bought back	-	-	16,589	1.66
Equity Shares outstanding at the close of the period	7,352,951	735.29	7,352,951	735.29

(c) Detail of Shares held by each shareholder holding more than 5% Shares:

Class of shares/Name of the shareholders:	As at 31.03.2015		As at 31.03.2014	
	Number of shares held	% Holding in that class of shares	Number of shares held	% Holding in that class of shares
Equity shares with voting rights				
(i) Yamuna Syndicate Ltd.	3,296,526	44.83%	3,297,446	44.85%
(ii) Mr. Ranjit Puri (individually and/or jointly with others)	659,201	8.97%	659,201	8.97%
(iii) Mr. Aditya Puri (individually and/or jointly with others)	456,808	6.21%	456,808	6.21%
(iv) Mr. Ranjan Tandon (individually and/or jointly with others)	438,900	5.97%	438,900	5.97%

(d) 40 Equity shares of ₹ 10/- each are yet to be allotted by way of Bonus Shares on receipt of fractional certificates, value of which has been shown under capital reserve.

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 2 : RESERVES AND SURPLUS

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>(a) Capital Reserve</b>		
Balance outstanding at the beginning of the period	0.01	0.01
Add: Additions during the period	-	-
Less: Utilised during the period	-	-
Balance outstanding at the close of the period	0.01	0.01
<b>(b) Capital Redemption Reserve</b>		
Balance outstanding at the beginning of the period	3.24	1.58
Add: Additions during the period	-	1.66
Less: Utilised during the period	-	-
Balance outstanding at the close of the period	3.24	3.24
<b>(c) Securities Premium Account</b>		
Balance outstanding at the beginning of the period	450.22	450.22
Add: Additions during the period	-	-
Less: Utilised during the period	-	-
Balance outstanding at the close of the period	450.22	450.22
<b>(d) General Reserve</b>		
Balance outstanding at the beginning of the period	17,384.99	16,922.47
Add: Additions during the period	1,431.94	462.52
Less: Utilised during the period	-	-
Balance outstanding at the close of the period	18,816.93	17,384.99
<b>(e) Surplus in Statement of Profit and Loss</b>		
Balance outstanding at the beginning of the period	56,537.58	53,528.32
Add: Additions during the period	11,779.54	4,221.60
Less: Appropriations		
- Proposed Dividend - @ ₹10/- per share (Previous year @ ₹7 per share)	735.30	514.71
- Interim Dividend @ ₹10/- per share	735.30	-
- Dividend Tax	296.70	87.47
- Transfer to Capital Redemption Reserve	-	1.66
- Adjustment for Depreciation (net of deferred taxes)	646.70	-
- Paid for Buyback of Equity Shares	-	145.98
- Transfer to General Reserve	1,431.94	462.52
Balance outstanding at the close of the period	64,471.18	56,537.58
<b>Total</b>	<b>83,741.58</b>	<b>74,376.04</b>



## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 3 : LONG-TERM BORROWINGS

(₹ in lacs)

Particulars	As at 31.03.2015			As at 31.03.2014		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Term loan			-			
(a) From Banks						
External Commercial Borrowings	3,038.38	-	3,038.38	6,869.89	-	6,869.89
Refer Note-3.1 below						
Indian Rupee Loan Under SEFASU, 2014 Scheme	3,549.00	-	3,549.00	-	-	-
Refer Note-3.3 below						
(b) Deposits - Refer Note 3.4 below						
Public	-	788.00	788.00	-	3,773.92	3,773.92
Shareholders	-	-	-	-	337.98	337.98
Directors	-	-	-	-	8.85	8.85
<b>Total</b>	<b>6,587.38</b>	<b>788.00</b>	<b>7,375.38</b>	<b>6,869.89</b>	<b>4,120.75</b>	<b>10,990.64</b>

#### Note 3.1: Particulars of External Commercial Borrowing

(₹ in lacs)

Initial Loan Amount	Term Loan outstanding as at 31.03.15	Current maturity	Long term	Rate of Interest (p.a.)	Term of repayment	Security
980.00	-	-	-	9.40%	Repayable in quarterly installments of ₹61.25 lacs each. Last payment of ₹122.50 lacs paid on 09.06.2014	First charge on movable and immovable fixed assets of the company located at Dahej unit of the Company'
	(122.50)	(122.50)	-			
1,446.00	-	-	-	9.60%	Repayable in quarterly installments of ₹90.41 lacs. Last installment of ₹90.41 lacs paid on 23.06.2014	First charge on movable and immovable fixed assets of the company located at Dahej unit of the company'
	(90.41)	(90.41)	-			
5,658.00	730.83	730.83	-	8.23%	Repayable in quarterly installments. First installment of ₹176.81 lacs was due and paid on 24.10.2011 and balance repayable in equal quarterly installments of ₹365.41 lacs. Last installment of ₹365.41 lacs will be due on 22.07.2015	Exclusive charge on specific movable and immovable fixed assets at Yamunanagar, Muzaffarnagar and Dahej units of the company.
	(2,192.48)	(1,461.65)	(730.83)			
9,890.00	4,285.66	2,637.33	1,648.33	7.10%	Repayable in quarterly installments. First installment of ₹329.67 lacs was due and paid on 05.01.2013 and balance in equal installments of ₹659.33 lacs. Last payment of ₹329.67 lacs due on 05.10.2016	Exclusive charge on specific movable and immovable fixed assets at Yamunanagar, Muzaffarnagar and Dahej units of the company.
	(6,923.00)	(2,637.34)	(4,285.66)			
1,853.40	1,853.40	463.35	1,390.05	11.20%	Repayable in quarterly installments. First installment of ₹115.84 lacs is due on 22.04.2015 and balance in equal installments of ₹115.84 lacs. Last payment of ₹115.84 lacs due on 22.10.2018	Exclusive charge on specific movable and immovable fixed assets of Isgec Hitachi Zosen Limited and Corporate Guarantee By Isgec Heavy Engineering Limited for USD 6.00 million
	(1,853.40)	-	(1,853.40)			
<b>Total</b>	<b>6,869.89</b>	<b>3,831.51</b>	<b>3,038.38</b>			
	(11,181.79)	(4,311.90)	(6,869.89)			

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 3.2: Particulars of Sugar Development Fund Loan (₹ in lacs)

Title	Loan outstanding as on 31.03.15	Current maturity	Short term	Long term	Term of repayment	Security
Sugar Development Fund Loan	- (62.50)	- (62.50)	-	-	Paid in May 2014	Unsecured

### Note 3.3: Particulars of Rupee Term Loan (₹ in lacs)

Initial loan amount	Term Loan outstanding as on 31.03.15	Current maturity	Long term	Rate of interest (p.a.)	Term of repayment	Security
3,549.00	3,549.00	-	3,549.00	12.00%	Repayable in 12 equal quarterly installments of ₹295.75 Lac each starting from April, 2016 after moratorium period of two years.	Term Loan Under SEFASU, 2014 Scheme is secured by way of extension of first pari passu charge on fixed & current assets of Saraswati Sugar Mills Ltd.

### Note 3.4: Particulars of Public Deposit (₹ in lacs)

Deposits	Deposit outstanding as on 31.03.15	Current maturity	Short term	Long term	Period of Deposit : Rate of Interest (p.a.)	Term of repayment	Security
Public	788.00 (5,009.49)	- (1,221.96)	- (13.61)	788.00 (3,773.92)	1 Year 8.00% 2 Year 8.50% *3 Year 10.00%  *For Employees 10.25% for 3 years	Repayment on due maturity date	Unsecured
Shareholder	- (383.01)	- (44.32)	- (0.71)	- (337.98)			
Director	- (9.51)	- (0.66)	-	- (8.85)			
<b>Total</b>	<b>788.00</b> <b>(5,402.01)</b>	<b>-</b> <b>(1,266.94)</b>	<b>-</b> <b>(14.32)</b>	<b>788.00</b> <b>(4,120.75)</b>			

### Note 3.5 : Figures in parenthesis pertains to previous year.

### Note 4 : DEFERRED TAX

The Company estimates the Deferred tax (charge)/ credit for the period using the applicable tax rate based on the impact of timing differences between items in the financial statements and the estimated taxable income for the current year. The movement in provision for Deferred tax is given below:-

(₹ in lacs)

Element of Deferred Tax	As at 01.10. 2013	Credit / (Charge) during the year	As at 31.03.2014	Credit / (Charge) during the period	As at 31.03.2015
Depreciation	(3,702.70)	33.22	(3,669.48)	376.08	(3,293.40)
Carrying amount of Fixed Asset recognised in the opening balance of retained earning	-	-	-	315.36	315.36
Business Loss	645.35	221.42	866.77	1,321.25	2,188.02
Other Timing Differences	871.45	(90.87)	780.58	3.05	783.63
<b>Net Deferred Tax</b>	<b>(2,185.90)</b>	<b>163.77</b>	<b>(2,022.14)</b>	<b>2,015.74</b>	<b>(6.39)</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Amount Recognised in Balance Sheet</b>		
Deferred Tax Liabilities (Item No. I- 3 (b))	(1,156.12)	(2,946.94)
Deferred Tax Assets (Item No. II- 1 (d))	1,149.73	924.80
	(6.39)	(2,022.14)

### Note 5 : OTHER LONG TERM LIABILITIES

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>(a) Trade Payables:</b>		
(i) To Micro & Small Enterprises	-	-
(ii) To Other than Micro & Small Enterprises	6.25	-
<b>(b) Others:</b>		
(i) Interest accrued but not due on Public Deposits	14.74	372.76
(ii) Advance from Customers	13,815.38	10,085.46
(iii) Security and Other Deposits	219.74	198.02
(iv) Sundries	1.56	-
<b>Total</b>	<b>14,057.67</b>	<b>10,656.24</b>

### Note 6 : LONG-TERM PROVISIONS

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>(a) Provision for Employee Benefits:</b>		
(i) Provision for Leave Encashment (unfunded) (Refer Note 26.1)	1,497.40	1,285.72
(ii) Provision for Pension (Unfunded)	1,376.64	1,483.53
<b>(b) Provision Others</b>		
(i) Provision for Performance Warranties/ After Sales Service (Refer Note 6.1)	11,635.09	10,995.58
<b>Total</b>	<b>14,509.13</b>	<b>13,764.83</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 6.1 : MOVEMENT OF PROVISION FOR LIABILITIES

Disclosure in terms of Accounting Standard AS – 29 on Provisions, Contingent Liabilities and Contingent Assets:-  
(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>(a) Movement of provision for Performance Warranties / After Sales Services</b>		
(i) Opening Balance	14,873.81	14,298.42
(ii) Provided for during the period	5,454.05	2,134.75
(iii) Used during the period	(2,951.19)	(1,379.05)
(iv) Reversed during the period	(312.44)	(180.31)
(v) Closing Balance	17,064.23	14,873.81
<b>(b) Timing of outflow/uncertainties</b>	Outflows will happen as and when claims are made by Customers.	

### Note 7 : SHORT-TERM BORROWINGS

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>a) Secured</b>		
(i) Cash Credit (Refer note 7.1 and 7.2)	22,490.76	15,584.46
(ii) Packing Credit Loan from Banks (Refer note 7.1& 7.3)		
- In Indian Rupees	-	15,000.00
-In Foreign Currency	17,485.68	-
	39,976.44	30,584.46
<b>b) Unsecured</b>		
(i) Public Deposits (Refer note 3.4)		
-Public	-	13.61
-Shareholders	-	0.71
-Related Parties	-	-
(ii) Packing Credit Loan from Banks (Refer Note 7.3)		
-In Indian Rupees	-	6,500.00
-In Foreign Currency	1,251.82	-
	1,251.82	6,514.32
<b>Total</b>	<b>41,228.26</b>	<b>37,098.78</b>

**Note 7.1** Secured by hypothecation/pledge of inventories and by way of a charge on book debts and other assets, on pari passu basis to working capital consortium bankers.

**Note 7.2** Repayable on demand.

**Note 7.3** Average rate of interest on Packing Credit Loans from Banks is 1.13% in USD (previous year 7.37% in Indian Rupees).

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 8: TRADEPAYABLES

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
(a) To Micro & Small Enterprises (Refer Note 8.1)	113.55	146.25
(b) To Other than Micro & Small Enterprises	119,751.45	84,508.39
(c) To Related Parties	49.14	63.84
<b>Total</b>	<b>119,914.14</b>	<b>84,718.48</b>

### Note 8.1 : TRADE PAYABLES TO MICRO AND SMALL ENTERPRISES

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
a) Amount remaining unpaid to any supplier Principal Amount	113.55	146.25
Interest due thereon	-	-
b) Interest paid under Micro, Small and Medium Enterprises (Development) Act, 2006	0.03	0.03
c) Interest due (Other than (b) above)	-	-
d) Interest accrued and unpaid	-	-
e) Interest due and payable till actual payment	-	-

### Note 9 : OTHER CURRENT LIABILITIES

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
(a) Current maturities of long-term debt*		
(i) External Commercial Borrowing (Refer note 3.1)	3,831.51	4,311.90
(ii) Sugar Development Fund (Refer note 3.2)	-	62.50
(iii) Deposits (Refer note 3.4)		
Public	-	1,221.96
Shareholders	-	44.32
Directors	-	0.66
(b) Interest accrued but not due on borrowings	383.28	552.54
(c) Advance from customers	38,530.34	51,169.45

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
(d) Unpaid dividends	108.09	105.08
(e) Unpaid matured deposits	-	121.38
(f) Interest accrued on unpaid matured deposits	-	35.00
(g) Creditors for Capital expenditure	245.91	717.96
(h) Other creditors	1,251.91	814.34
(i) Other creditors related parties	2.86	1.19
(j) Statutory remittances	2,288.47	1,917.53
(k) Security and Other Deposits	343.59	360.86
(l) Director's Current Account	1.73	3.24
(m) Book Overdraft	7.11	11.62
(n) Director's Remuneration	2,362.36	742.18
(o) Payables to Employees	1,597.81	1,426.71
(p) Other Liabilities	2,656.67	1,520.30
<b>Total</b>	<b>53,611.64</b>	<b>65,140.72</b>

\* For details of Security for Current maturities of long term debt please refer Note 3.1

### Note 10 : SHORT-TERM PROVISIONS

(₹ in lacs)

Particulars	As at 31.03.2015		As at 31.03.2014	
<b>(a) Provision for Employee Benefits:</b>				
(i) Provision for Leave Encashment (Unfunded) (Refer note 26.1)		162.66		148.02
(ii) Provision for Pension (Unfunded)		173.57		198.06
(iii) Provision for Gratuity (Funded) (Refer Note 26.1)		14.13		11.38
<b>(b) Provision Others</b>				
(i) Provision for Performance Warranties / After Sales Services (Refer Note 6.1)		5,429.14		3,878.23
(ii) Provision for Income Tax:				
Provision for Income Tax	8,962.22		4,568.21	
Less: Prepaid Taxes	7,732.89	1,229.33	3,910.20	658.01
(iii) Provision for Proposed Equity Dividend		735.30		514.71
(iv) Provision for Tax on Proposed Dividend		149.69		87.47
(v) Provision for CSR Expenditure		172.76		-
<b>Total</b>		<b>8,066.58</b>		<b>5,495.88</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March 2015

## Note 11 : FIXED ASSETS

	( ₹ in lacs)									
	Gross Block			Depreciation				Net Block		
	Balance as at 01.04.2014	Additions	Deductions/ Adjustments	Balance as at 31.03.2015	Balance as at 01.04.2014	Transfer to Retained Earnings	For year ended	Deduction on Disposal of assets	Balance as at 31.03.2015	Balance as at 31.03.2014
<b>Tangible Assets</b>										
Land (Free Hold)	5,600.17	24.65	-	5,624.82	-	-	-	-	5,624.82	5,600.17
Land (Lease Hold)	2,657.89	750.09	-	3,407.98	497.33	-	72.35	-	2,838.30	2,160.56
Buildings and Roads	17,683.30	3,183.32	1.22	20,865.40	6,809.26	322.21	1,364.73	1.03	12,370.23	10,874.04
Plant and Machinery	54,868.20	5,585.42	413.59	60,040.03	27,826.33	539.19	4,824.39	289.80	27,139.92	27,041.87
Furniture & Fixtures	1,299.08	145.26	2.82	1,441.52	848.66	5.09	153.35	2.56	436.98	450.42
Vehicles	1,909.22	244.46	175.53	1,978.15	1,158.08	2.50	300.37	118.85	636.05	751.14
Office equipments	3,420.25	600.04	46.89	3,973.40	2,429.28	93.07	627.36	42.34	866.03	990.97
<b>TOTAL</b>	<b>87,438.11</b>	<b>10,533.24</b>	<b>640.05</b>	<b>97,331.30</b>	<b>39,568.94</b>	<b>962.06</b>	<b>7,342.55</b>	<b>454.58</b>	<b>47,418.97</b>	<b>49,912.33</b>
<b>Previous Year - Tangible Assets</b>	85,599.96	2,111.18	273.03	87,438.11	36,725.04	-	2,932.13	88.23	39,568.94	47,869.17
<b>Intangible Assets</b>										
Goodwill	342.10	-	-	342.10	342.10	-	-	-	-	-
Software (Acquired)	1,646.19	528.08	102.66	2,071.61	968.90	-	262.34	102.66	943.03	677.29
Technical Know How (Acquired)	6,582.77	-	-	6,582.77	1,906.25	-	646.53	-	4,029.99	4,676.52
<b>TOTAL</b>	<b>8,571.06</b>	<b>528.08</b>	<b>102.66</b>	<b>8,996.48</b>	<b>3,217.25</b>	<b>-</b>	<b>908.87</b>	<b>102.66</b>	<b>4,023.46</b>	<b>5,353.81</b>
<b>Previous Year - Intangible Assets</b>	8,302.27	268.79	-	8,571.06	2,789.95	-	427.30	-	3,217.25	5,353.81
<b>GRAND TOTAL</b>	<b>96,009.17</b>	<b>11,061.32</b>	<b>742.71</b>	<b>106,327.78</b>	<b>42,786.19</b>	<b>-</b>	<b>8,251.42</b>	<b>557.24</b>	<b>51,442.43</b>	<b>54,885.35</b>
<b>PREVIOUS YEAR</b>	93,902.23	2,379.97	273.03	96,009.17	39,514.99	-	3,359.43	88.23	42,786.19	53,222.98

## Notes :

- Borrowing costs capitalised during the year ₹96.57 Lacs (Previous year NIL)
- Cost of software includes Purchase Price, Duties & taxes (Other than recoverable from taxing authorities).
- Opening balances of Gross block and accumulated depreciation have been regrouped/ reclassified/rearranged wherever considered necessary.
- Depreciation capitalised during the year ₹ NIL (Previous year Nil lacs)
- Useful Life of Additions under Software is 5 years and for technical know how is 10 years.
- As per the requirement of the Schedule II of the Companies Act 2013 w.e.f. 1st April 2014, the Company has charged depreciation based on revised remaining useful life of the assets. As a result, this depreciation charge for the year is higher by ₹885.29 lacs. Further, an amount of ₹646.70 lacs (Net of deferred tax of ₹315.36 lacs) has been adjusted against the opening balance of Retained Earnings as on that date in respect of residual value of Assets wherein the remaining useful life has become "Nil".

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 12 : NON-CURRENT INVESTMENTS - AT COST

Particulars	Face Value (₹)	As at 31.03.2015		As at 31.03.2014	
		No. of Equity Shares	Value (₹ in lacs)	No. of Equity Shares	Value (₹ in lacs)
<b>Investments (at cost)</b>					
<b>a) Other Companies (Quoted) - Non Trade:</b>					
DCM Shriram Industries Ltd. (Market Value ₹195.84 Lacs (Previous Year ₹138.33 Lacs ))	10	265,000	304.75	265,000	304.75
Reliance Industries Ltd. (Market Value ₹5.81 Lacs (Previous Year ₹6.54 Lacs ))	10	704	3.36	704	3.36
Reliance Power Ltd (Market Value ₹0.49 Lacs (Previous Year ₹0.61 Lacs))	10	872	2.46	872	2.46
<b>b) Other Investment (unquoted) - Trade</b>					
Post Office Saving Account			0.60		0.60
<b>Total</b>			<b>311.17</b>		<b>311.17</b>
Aggregate Value of Investments :					
Quoted (Aggregate market value ₹202.14 Lacs (Previous year ₹145.48 Lacs))			310.57		310.57
Unquoted			0.60		0.60
<b>Total</b>			<b>311.17</b>		<b>311.17</b>

### Note 13: LONG-TERM LOANS AND ADVANCES

(₹ in lacs)

Particulars	As at 31.03.2015			As at 31.03.2014		
	Secured, considered good	Unsecured, considered good	Total	Secured, considered good	Unsecured, considered good	Total
(a) Capital Advance	-	83.72	83.72	-	430.40	430.40
(b) Security Deposits						
- to Others	-	703.27	703.27	104.12	572.05	676.17
- to Related Parties	-	10.11	10.11	-	10.11	10.11
(c) Loans and Advances to employees	240.53	121.62	362.15	253.41	134.31	387.72
(d) Income Tax on Cumulative Deposit Scheme	-	0.35	0.35	-	3.28	3.28
(e) Advance to suppliers	-	0.47	0.47	-	-	-
(f) Others	-	36.16	36.16	-	-	-
<b>Total</b>	<b>240.53</b>	<b>955.70</b>	<b>1,196.23</b>	<b>357.53</b>	<b>1,150.15</b>	<b>1,507.68</b>



## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 14 : OTHER NON-CURRENT ASSETS

( ₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
(a) Long-term Trade Receivables		
(i) Secured, considered good	-	-
(ii) Unsecured, considered good	124.64	162.22
(b) Preoperative Expenses	11.56	22.73
(c) Others (Refer Note 18.1(b)(iii) )	321.43	13.31
<b>Total</b>	<b>457.63</b>	<b>198.26</b>

### Note 15 : CURRENT INVESTMENTS

Particulars	Face Value (₹)	As at 31.03.2015		As at 31.03.2014	
		No. of Units	Value ( ₹ in lacs)	No. of Units	Value ( ₹ in lacs)
<b>Investments (at cost) - Non Trade</b>					
<b>Investments in Debentures</b>					
<b>-Quoted</b>					
Canara Bank	1000000	50.000	500.00	-	-
(Market Value ₹495.90 Lacs (Previous Year ₹ Nil ))					
Edelweiss Finance & Investment Limited	1000	50,000.000	500.00	-	-
(Market Value ₹500 Lacs (Previous Year ₹ Nil ))					
<b>-Unquoted</b>					
Reliance Capital Limited-Debenture series B/257	100000	195.000	195.00	-	-
Edelweiss Finance & Investment Limited-Market linked debenture	100000	225.000	225.00	-	-
			<b>1,420.00</b>		-
<b>Investment in Mutual Funds (Unquoted)</b>					
Birla Sunlife Dynamic Bond Fund - Retail- Growth - Regular Plan	10	-	-	4,942,586.761	1,013.86
DSP Blackrock Liquidity Fund -Direct - Growth	1000	26,014.292	500.00	28,485.162	520.49
DSP Blackrock FMP - Series 152-12.5M-Dir - Growth	10	5,000,000.000	500.00	5,000,000.000	500.00
DSP Blackrock Liquidity Fund -Institutional Plan - Growth	1000	42,575.501	800.00	-	-
DWS Short Maturity Fund - Regular Plan - Annual Bonus	10	4,182,952.688	601.25	4,182,952.688	601.25
DWS Treasury Fund - Investment - Regular Plan - Bonus	10	738,222.041	-	738,222.041	-
HDFC Banking and PSU Debt Fund- Direct Growth Option	10	4,539,470.698	500.00	-	-
HDFC Liquid Fund- Direct Plan-Growth Option	10	2,588,355.359	700.00	-	-

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

Particulars	Face Value (₹)	As at 31.03.2015		As at 31.03.2014	
		No. of Units	Value (₹ in lacs)	No. of Units	Value (₹ in lacs)
HSBC Cash Fund-Growth Direct Plan	1000	36,310.958	500.00	-	-
ICICI Prudential Intvl II Qtrly Intvl Plan F-Direct Plan- Growth	10	-	-	3,655,665.000	500.00
ICICI Prudential Money Market Fund - Direct Plan - Growth	100	343,047.446	652.02	119,430.461	206.57
ICICI Prudential Income - Direct Plan - Growth	10	1,127,466.898	500.00	-	-
ICICI Prudential Interval Fund III Quarterly Interval - Direct Plan - Growth	10	3,367,661.000	500.00	-	-
ICICI Prudential Interval Fund II Quarterly Interval Plan A- Direct Plan -Growth	10	4,342,086.981	500.00	-	-
ICICI Prudential Flexible Income-Direct Plan - Growth	100	765,081.380	2,000.00	-	-
ICICI Prudential Corporate Bond Fund - Direct Plan - Growth	10	2,324,521.846	500.00	-	-
JP Morgan India Liquid Fund - Direct Plan - Growth	10	601,818.696	100.00	601,818.696	100.00
JPMorgan India Government Securities Fund - Direct Plan	10	5,125,217.814	600.00	-	-
JPMorgan India Treasury Fund - Direct Plan-Growth Option	10	4,342,327.379	800.00	-	-
Kotak Floater Short Term - Direct Plan - Growth	1000	-	-	23,977.824	500.00
Kotak Treasury Advantage Fund - Direct Plan - Growth	10	2,460,481.568	545.65	-	-
Reliance Liquid Fund-Treasury Plan-Growth Plan-Growth	1000	31,191.695	1,000.00	148,615.264	4,624.61
Reliance Liquid Fund-Treasury Plan-Direct Growth Plan - Growth Option	1000	64,590.476	2,200.58	-	-
Reliance Short Term Fund - Direct Growth Plan Growth Option	10	5,775,749.727	1,500.00	-	-
Reliance Dynamic Bond Fund-Direct Growth Plan	10	5,248,591.191	1,000.00	-	-
Reliance Regular Savings Fund-Debt Plan-Direct Growth Plan-Growth Option	10	1,050,574.664	200.00	-	-
Reliance Liquid Fund-Cash Plan-Direct Growth Plan	1000	67,206.490	1,500.00	-	-
Reliance Quarterly Interval Fund-Series II-Direct Growth Plan-Growth Option	10	2,642,370.947	500.00	-	-
Reliance Fixed Horizon Fund - XXVII - Series 15 - Growth Plan	10	5,000,000.000	500.00	-	-
Reliance Fixed Horizon Fund - XXVIII - Series 2 - Direct Plan Growth Plan	10	5,000,000.000	500.00	-	-
SBI Magnum Income Fund- Regular Plan - Growth	10	7,285,529.585	2,256.64	4,321,284.311	1,256.64
SBI Premier Liquid Fund - Regular Plan - Growth	1000	-	-	119,394.832	2,403.38
SBI Debt Fund Series A 14 - 380 days -Regular - Growth	10	5,000,000.000	500.00	5,000,000.000	500.00

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

Particulars	Face Value (₹)	As at 31.03.2015		As at 31.03.2014	
		No. of Units	Value (₹ in lacs)	No. of Units	Value (₹ in lacs)
SBI Debt Fund Series A 16-366 days-Regular - Growth	10	6,000,000.000	600.00	6,000,000.000	600.00
SBI Debt Fund Series A 8 - 30 days -Direct - Growth	10	-	-	5,000,000.000	500.00
SBI Ultra Short Debt Fund - Regular Plan - Growth	1000	71,992.733	1,255.00	-	-
SBI Treasury Advantage Fund - Direct Plan - Growth	1000	97,173.741	1,500.00	-	-
SBI Magnum Insta Cash Fund-Regular Plan-Growth	1000	161,889.579	5,000.00	-	-
Franklin India Ultra Short Bond Fund Super Institutional Plan- Direct	10	2,776,142.938	500.00	-	-
UTI-Dynamic Bond Fund-Direct Plan-Growth	10	3,142,914.613	500.00	-	-
UTI Liquid Cash Plan-Institutional-Direct Plan-Growth	1000	-	-	9,942.677	205.87
			<b>31,811.14</b>		14,032.67
<b>Deposits (Unquoted):</b>					
HDFC Limited			800.00		-
PNB Housing Finance Ltd			500.00		-
			<b>1,300.00</b>		-
<b>Total</b>			<b>34,531.14</b>		14,032.67
<b>Aggregate Value of Investments :</b>					
Unquoted			33,531.14		14,032.67
Quoted			1,000.00		-
Provision for diminution in value of Investments			-		-
<b>Total</b>			<b>34,531.14</b>		14,032.67

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 16: INVENTORIES

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
Raw Materials (at lower of cost or net realisable value)	13,661.52	18,177.42
Raw Material in Transit (at lower of cost or net realisable value)	370.52	1,951.39
Stores and Spares Parts (at lower of cost or net realisable value)	2,659.82	3,706.49
Stores in transit (at lower of cost or net realisable value)	7.78	7.72
Goods for Resale in Transit (at lower of cost or net realisable value)	1,326.85	994.14
Work-in-Progress :		
a) Engineering Goods (at lower of cost or net realisable value)	32,115.86	31,073.20
b) Ingots and Steel Castings (at lower of cost or net realisable value)	1,670.44	1,452.02
c) Erection (at lower of cost or net realisable value)	167.85	2,246.71
d) Sugar (at lower of cost or net realisable value)	88.09	104.43
Finished Stock :		
i) Ingots and Steel Castings (at lower of cost or net realisable value)	-	103.94
ii) Trading Goods	-	-
iii) Sugar (at lower of cost or net realisable value)	30,915.67	25,143.07
iv) Molasses (Average net realisable value)	971.94	1,035.16
Loose Tools (at lower of cost or net realisable value)	18.41	16.32
Farm Stock & Standing Crops (at estimated market value and at estimated cost respectively)	3.58	10.09
<b>Total</b>	<b>83,978.33</b>	<b>86,022.10</b>

### Note 17 : TRADE RECEIVABLES

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Trade Receivables outstanding for a period exceeding six months from the date they were due for payment</b>		
Secured, considered good	-	-
Unsecured, considered good	20,925.17	13,203.88
Unsecured, considered doubtful	88.70	88.70
	<b>21,013.87</b>	<b>13,292.58</b>
Less: Provision For Doubtful Debts	88.70	88.70
	<b>20,925.17</b>	<b>13,203.88</b>
<b>Other Trade Receivables</b>		
Secured, considered good	-	-
Unsecured, considered good	82,869.97	66,472.53
Unsecured, considered doubtful	-	-
	<b>82,869.97</b>	<b>66,472.53</b>
Less: Provision For Doubtful Debts	-	-
	<b>82,869.97</b>	<b>66,472.53</b>
<b>Total</b>	<b>103,795.14</b>	<b>79,676.41</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 18 : CASH AND BANK BALANCES

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>a) Cash and Cash equivalents</b>		
i) Cash in hand	46.29	29.65
ii) Cheques, Drafts in hand	102.17	153.51
iii) Balance with Banks:		
In Current and Cash Credit Accounts	2,401.04	3,417.29
In Fixed Deposits Accounts (Refer Note 18.1 (a) (i))	800.00	31.51
	<b>3,349.50</b>	<b>3,631.96</b>
<b>b) Other Bank Balances</b>		
(i) In Fixed Deposits Accounts (Refer Note 18.1 (a) (ii))	33,282.31	34,971.15
(ii) In Fixed Deposits Accounts (Refer Note 18.1(b) (i) & (ii))	1,453.69	3,069.79
(iii) In Fixed Deposits Accounts (Refer Note 18.1(a)(iii))	-	800.00
(iv) In earmarked Accounts: -Unpaid Dividend Accounts	108.09	105.08
	<b>34,844.09</b>	<b>38,946.02</b>
<b>Total</b>	<b>38,193.59</b>	<b>42,577.98</b>

### Note 18.1 : FIXED DEPOSITS WITH BANKS

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>a) Free From any Lien</b>		
i) Maturing within 3 months from date of deposit (Classified as cash and cash equivalents)	800.00	31.51
ii) Maturing after 3 months from date of deposit but within one year of Balance Sheet date (Classified as other bank balance)	33,282.31	34,971.15
iii) Maturing within 3 months from date of deposit - ECB Loan surplus fund parked separately (Classified as other bank balance)	-	800.00
	<b>34,082.31</b>	<b>35,802.66</b>
<b>b) Under Lien</b>		
i) Maturing within 3 months from date of deposit (Classified as other bank balances)	505.58	1,925.74
ii) Maturing after 3 months from date of deposit but within one year of Balance Sheet date (Classified as other bank balance)	948.11	1,144.05
iii) Maturing after one year of Balance Sheet date (Classified as and included in non current asset)	26.43	9.17
	<b>1,480.12</b>	<b>3,078.96</b>
<b>Total</b>	<b>35,562.43</b>	<b>38,881.62</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 19 : SHORT-TERM LOANS AND ADVANCES

(₹ in lacs)

Particulars	As at 31.03.2015			As at 31.03.2014		
	Secured, considered good	Unsecured, considered good	Total	Secured, considered good	Unsecured, considered good	Total
Loans and Advances to employees	63.11	529.10	592.21	103.22	546.94	650.16
Balance with Government Department and Others	-	5,932.17	5,932.17	-	4,592.72	4,592.72
Security Deposit	11.01	791.10	802.11	27.88	327.30	355.18
Prepaid Expenses	-	829.54	829.54	-	1,143.91	1,143.91
Advance to Suppliers						
- to Others	-	15,985.57	15,985.57	70.30	14,798.11	14,868.41
- to Related Parties	-	25.00	25.00	-	-	-
Export Incentive Receivable	-	2,607.30	2,607.30	-	2,392.39	2,392.39
Isgec Group Gratuity Fund	-	332.21	332.21	-	207.21	207.21
Other advances	-	322.39	322.39	-	490.78	490.78
<b>Total</b>	<b>74.12</b>	<b>27,354.38</b>	<b>27,428.50</b>	<b>201.40</b>	<b>24,499.36</b>	<b>24,700.76</b>

### Note 20 : OTHER CURRENT ASSETS

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
Interest accrued but not due on Deposits	1,083.02	2,136.91
Preoperative Expenses	15.38	15.38
Others	58.11	620.91
<b>Total</b>	<b>1,156.51</b>	<b>2,773.20</b>

### Note 21 : CONTINGENT LIABILITIES & COMMITMENTS

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>I Contingent Liabilities:</b>		
a) Claims against the Group not acknowledged as debts (including sales tax under dispute)	1,604.75	1,112.69
b) Bonds executed in favour of President of India against Export Promotion Capital Goods license and Advance Authorisations	30,716.71	19,382.14
c) Bills discounted with Banks / Financial Institutions outstanding at the year end	-	1,306.50
<b>II Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)</b>	<b>1,565.00</b>	<b>788.93</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 22 : REVENUE FROM OPERATIONS

( ₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
<b>Sale of Products</b>		
Sale of Engineering Goods (Refer Note 22.1)	318,212.51	133,468.83
Sale of Sugar and by Products (Refer Note 22.1)	39,713.45	23,016.85
Erection, Commissioning and other receipts	27,413.85	11,428.36
Other operating revenues (Refer Note 22.2)	17,482.94	4,525.53
<b>Total</b>	<b>402,822.75</b>	<b>172,439.57</b>
Less: Excise Duty	7,440.10	4,385.94
<b>Net</b>	<b>395,382.65</b>	<b>168,053.63</b>

### Note 22.1 : SALE OF PRODUCTS(NET OF EXCISE DUTY)

( ₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
<b>Sale of Engineering Goods</b>		
Mechanical & Hydraulic Presses	14,557.63	6,712.83
Boiler Drums, Boiler Parts & Piping	22,565.73	12,015.35
Pressure Vessels, Columns, Reactors, Heat Exchangers	57,732.67	16,622.90
Ingots	246.71	99.11
Steel Castings	12,124.12	4,551.81
Boiler, Sugar & Power Plants	205,109.15	90,017.97
<b>Total</b>	<b>312,336.01</b>	<b>130,019.97</b>
<b>Sale of Sugar and by Products</b>		
Sugar	33,695.80	19,051.24
Molasses	3,152.91	2,181.83
Sale of By Products	1,301.14	846.70
<b>Total</b>	<b>38,149.85</b>	<b>22,079.77</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 22.2 : OTHER OPERATING REVENUE

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
Commission Earned	217.81	89.91
Export Incentive	4,937.04	2,006.75
Packing Receipts	10.95	12.78
Unclaimed Balances Written off	64.59	74.66
Excess Provision Written Back	649.05	418.10
Scrap and Waste Sale	1,493.34	1,065.41
Foreign Exchange Fluctuations	9,823.94	381.99
Others	286.22	475.93
<b>Total</b>	<b>17,482.94</b>	<b>4,525.53</b>

### Note 23 : OTHER INCOME

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
<b>Interest Income</b>		
- Other Interest Income	319.43	40.38
- On Bank Deposits	2,549.08	1,803.34
- Reimbursement of Excise duty Interest	255.46	-
<b>Dividend Income on Investments</b>		
<b>Long Term - Non Trade</b>		
- Other Companies	9.34	-
<b>Current - Non Trade</b>		
- Mutual Funds	-	205.58
Net gain on sale of current investments	1,132.90	549.81
Profit on sale of Fixed Assets	118.33	286.35
Insurance Claim Receipts	188.14	29.63
Profit from Farm Operations (Refer Note No 23.1)	(6.45)	1.07
Other Non-operating Income	171.27	79.89
<b>Total</b>	<b>4,737.50</b>	<b>2,996.05</b>



## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 23.1 : PROFIT FROM FARM OPERATIONS

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
<b>Income:</b>		
Sale of Farm Produce	10.55	6.31
Miscellaneous Income	0.29	0.02
<b>Total</b>	<b>10.84</b>	<b>6.33</b>
<b>Expenditure:</b>		
Salaries, Wages and Bonus	6.11	1.79
Cultivation Expenses	3.27	1.22
Miscellaneous Expenses	0.27	0.16
Repairs and Maintenance:		
- Machinery and Tractors	0.65	0.18
- Building	0.41	-
Depreciation	0.07	0.02
	10.78	3.37
(Increase)/Decrease in Stock	6.51	1.89
<b>Total</b>	<b>17.29</b>	<b>5.26</b>
<b>Profit</b>	<b>(6.45)</b>	<b>1.07</b>

### Note 24 : COST OF MATERIALS, COMPONENTS, STORES AND SPARES CONSUMED

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
Raw Materials & Components	99,640.03	66,302.31
Consumption of Stores and Spares	5,384.35	2,400.76
<b>Total</b>	<b>105,024.38</b>	<b>68,703.07</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

Note 25 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK - IN - PROGRESS AND STOCK - IN - TRADE  
( ₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
<b>Opening stock:</b>		
Finished Goods	26,282.17	10,308.01
Work - in - Progress	34,876.36	20,996.08
Trading Goods	-	38.88
<b>Total</b>	<b>61,158.53</b>	<b>31,342.97</b>
<b>Closing stock:</b>		
Finished Goods	31,887.62	26,282.17
Work - in - Progress	34,042.25	34,876.36
Trading Goods	-	-
<b>Total</b>	<b>65,929.87</b>	<b>61,158.53</b>
<b>Net (Increase)/ Decrease</b>	<b>(4,771.34)</b>	<b>(29,815.56)</b>

Note 26 : EMPLOYEES BENEFITS EXPENSES

( ₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
Salaries and wages	24,947.40	11,308.11
Contribution to Provident and other Funds (Refer Note 26.1 (a) & (b) )	2,046.87	1,356.68
Staff Welfare Expenses	813.65	319.45
<b>Total</b>	<b>27,807.92</b>	<b>12,984.24</b>

Note 26.1 : DETAILS OF EMPLOYEES BENEFITS EXPENSES

The disclosure of employee benefits as defined in Accounting Standard - 15 is given below:-

a) **Defined Contribution Plan:**

The Company has recognised, in the statement of profit and loss, expenses for the following Defined Contribution Plans:

( ₹ in lacs)

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
Provident Fund	1,246.24	627.43	1,079.60	998.17	887.11
Employees State Insurance	12.50	7.15	48.51	87.62	108.11
Superannuation fund	38.31	13.51	62.08	-	-
<b>Total</b>	<b>1,297.05</b>	<b>648.09</b>	<b>1,190.19</b>	<b>1,085.79</b>	<b>995.22</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

**b) Defined Benefits Plan :**

The liability for Employee Gratuity and Leave Encashment is determined on actuarial valuation using projected unit credit method. The obligations are as under:-

(₹ in lacs)

Description	Gratuity (Funded)					Leave Encashment (Non-funded)				
	2014-15	2013-14	2012-13	2011-12	2010-11	2014-15	2013-14	2012-13	2011-12	2010-11
<b>i. Change in Present value of Obligation</b>										
a. Present Value of Obligation at the beginning of the year	4,830.10	4,548.74	4,108.64	3,704.28	3,020.31	1,433.75	1,396.48	1,265.63	1,058.42	902.35
b. Interest cost	392.23	182.70	330.01	309.08	247.63	115.58	55.41	98.00	82.94	71.92
c. Current service cost	393.12	176.14	318.79	279.76	259.19	287.10	128.14	243.52	229.47	209.85
d. Benefits paid	(516.73)	(198.42)	(456.34)	(288.10)	(227.11)	(380.53)	(236.88)	(257.88)	(250.80)	(244.03)
e. Actuarial (gain) / loss	293.22	120.94	247.64	12.84	404.26	204.15	90.59	47.21	85.59	118.33
f. Present Value of Obligation at the end of the year	5,391.94	4,830.10	4,548.74	4,017.86	3,704.28	1,660.05	1,433.74	1,396.48	1,205.63	1,058.42
<b>ii. Change in the Fair Value of Plan Assets</b>										
a. Fair Value of Plan Assets at the beginning of the year	5,025.91	4,268.30	4,005.31	3,674.38	3,246.87	N.A.	N.A.	N.A.	N.A.	N.A.
b. Expected Return of Plan Assets	451.35	185.79	372.72	347.07	303.45	-	-	-	-	-
c. Contributions	764.00	733.02	346.01	263.52	347.90	-	-	-	-	-
d. Benefits paid	(516.73)	(198.41)	(454.49)	(288.10)	(227.11)	-	-	-	-	-
e. Actuarial Gain / (Loss) on Plan Assets	(14.51)	37.23	(1.25)	(7.95)	3.26	-	-	-	-	-
f. Fair Value of Plan Assets at the end of the year	5,710.02	5,025.93	4,268.30	3,988.92	3,674.38	-	-	-	-	-
<b>iii. Reconciliation of Fair Value of Assets and Obligations</b>										
a. Fair Value of Plan Assets at the end of the year	5,710.02	5,025.93	4,268.30	3,988.92	3,674.38	-	-	-	-	-
b. Present Value of Obligation at the end of the year	5,391.94	4,830.10	4,548.74	4,017.86	3,704.28	1,660.05	1,433.74	1,396.48	1,205.63	1,058.42
c. Amount recognised in the Balance Sheet	318.08	195.83	(280.44)	(28.94)	(29.90)	(1,660.05)	(1,433.74)	(1,396.48)	(1,205.63)	(1,058.42)
- Current	318.08	195.83	-	-	-	(162.66)	(148.02)	(137.61)	(136.58)	(101.22)
- Non Current	-	-	(280.44)	(28.94)	(29.90)	(1,497.40)	(1,285.72)	(1,258.87)	(1,069.05)	(957.20)
<b>iv. Expenses recognised in the statement of Profit &amp; Loss</b>										
a. Current Service Cost	393.12	176.14	318.79	279.76	259.19	287.10	128.14	243.52	229.47	209.85
b. Interest Cost	392.23	182.70	330.01	309.08	247.63	115.58	55.41	98.00	82.94	71.92
c. Expected Return on Plan Assets	(451.35)	(185.79)	(372.72)	(347.07)	(303.45)	-	-	-	-	-
d. Actuarial (Gain) / Loss	307.73	83.71	248.89	20.79	401.00	204.15	90.59	47.21	85.59	118.33
e. Expenses recognised in the Profit & Loss	641.73	256.76	524.97	262.56	604.37	606.83	274.14	388.73	398.01	400.10
<b>v. Actuarial Assumptions</b>										
a. Discount Rate (per annum)	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
b. Estimated Rate of return on Plan Assets(p.a)	9.00%	9.00%	9.25%	9.25%	9.00%	-	-	-	-	-
c. Rate of Escalation in Salary (p.a)	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%

**c) Amounts for the current and previous four periods in respect of Gratuity & Leave Encashment are as follows:**

(₹ in lacs)

Particulars	Gratuity (Funded)					Leave Encashment (Non-funded)				
	2014-15	2013-14	2012-13	2011-12	2010-11	2014-15	2013-14	2012-13	2011-12	2010-11
Defined Benefit Obligation	5,391.94	4,830.10	4,548.74	4,017.86	3,704.28	1,660.05	1,433.74	1,396.48	1,205.63	1,058.42
Plan Assets	5,710.02	5,025.93	4,268.30	3,988.92	3,674.38	-	-	-	-	-
Surplus / (Deficit)	318.08	195.83	(280.44)	(28.94)	(29.90)	(1,660.05)	(1,433.74)	(1,396.48)	(1,205.63)	(1,058.42)
Experience adjustment on Plan Liabilities	(293.22)	(120.94)	(247.64)	(12.84)	(404.26)	(204.15)	(90.59)	(47.21)	(85.59)	(118.33)
Experience adjustment on Plan Assets	(9.83)	(29.25)	1.09	-	14.21	-	-	-	-	-

**Note 26.2 :** Figures for 2013-14 are for the period of six months only

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 27 : FINANCE COSTS

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
Interest on Borrowings		
Banks	2,072.29	1,185.50
Others	612.41	311.35
Other Borrowing Cost	787.75	114.08
<b>Total</b>	<b>3,472.45</b>	<b>1,610.93</b>

### Note 28 : OTHER EXPENSES

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
Power & Fuel	3,586.93	1,395.97
Other Manufacturing Expenses	13,339.18	5,775.75
Repairs to:		
-Machinery	784.04	395.96
-Building	716.82	291.04
-Others	117.22	50.84
Rent (Refer Note 36)	653.16	320.95
Insurance	515.30	193.05
Rates and Taxes	68.89	96.35
Commission to Selling Agents and Others	8,004.81	3,894.00
Bank Charges	1,593.46	663.64
Royalty	701.52	485.34
Electricity and Water Charges	340.44	143.28
Donation	4.78	16.77
Office and Miscellaneous Expenses	6,217.49	2,860.28
Payment to Statutory Auditors		
-Statutory audit fees	14.42	14.13
-For Company Law Matters	-	0.51
-For Reimbursement of expenses	1.31	1.24
Packing, Forwarding and Transportation Expenses	20,090.02	8,933.56
Design & Technical Expenses	3,129.32	1,950.75
Travelling Expenses	5,296.26	2,367.93
Managerial Remuneration	2,443.20	781.45
Directors' Commission / Fee	5.82	2.66
Rebate and Discount	135.77	158.34
CSR Expenses	172.76	-
Bad debts written off	15.22	-
Loss on Assets Sold / Written Off	71.40	17.42
Loss/Provision on Sales/Disposal/Diminution/ in Value of Investments/Stores	6.11	0.37
<b>Total</b>	<b>68,025.65</b>	<b>30,811.58</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 29 : CURRENT TAX

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
Provision for Tax	8,419.39	2,071.07
Mat Credit Entitlement	(295.00)	(0.29)
Net Provision for Tax	8,124.39	2,070.78

### Note 30 : EARNING PER SHARE

In accordance with Accounting Standard (AS-20) on 'Earnings Per Share' the following table reconciles the numerator and denominator used to calculate Basic and Diluted Earnings Per Share:

Particulars	Year ended 31.03.2015	Six months period ended 31.03.2014
a) Net Profit / (Loss) available to Equity Shareholders (₹ in lacs)	11,779.54	4,221.60
b) Number of Weighted Equity Shares outstanding during the period for the purpose of calculation of Earning Per Share	7,352,951	7,366,839
c) Nominal value of Equity Share (In ₹)	10.00	10.00
d) Basic & Diluted Earning per Share (In ₹)	160.20	57.31

### Note 31 : SEGMENT REPORTING

#### A. Information about Primary segments

(₹ in lacs)

	Sugar	Engineering	Unallocated	Eliminations	Total
<b>Revenue</b>					
External	38,530.26 (22,175.37)	356,852.39 (145,878.26)	- (-)	- (-)	395,382.65 (168,053.63)
Inter-segment	- -	892.84 (92.84)	- (-)	-892.84 (-92.84)	- (-)
Total revenue	38,530.26 (22,175.37)	357,745.23 (145,971.10)	- -	-892.84 (-92.84)	395,382.65 (168,053.63)
<b>Results</b>					
Segment result	-3,934.50 (-281.01)	21,109.92 (4,955.54)	- (-)	- (-)	17,175.42 (4,674.53)
Unallocated expenditure net of unallocated income	- (-)	- (-)	- (-)	- (-)	- (-)

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

<u>Interest Expense</u>					
a) External	<b>-917.43</b>	<b>-1,767.27</b>	-	-	<b>-2,684.70</b>
	(-219.18)	(-1,277.67)	(-)	(-)	(-1,496.85)
b) Inter Segment	<b>-181.06</b>	-	-	<b>181.06</b>	-
	(-7.84)	(-)	(-)	(7.84)	(-)
<u>Profit on Sale of Investments</u>					
a) External	<b>169.27</b>	<b>963.63</b>	-	-	<b>1,132.90</b>
	(1.39)	(548.42)	(-)	(-)	(549.81)
<u>Dividend Income</u>					
a) External	<b>9.28</b>	<b>0.06</b>	-	-	<b>9.34</b>
	(205.58)	(-)	(-)	(-)	(205.58)
<u>Interest income</u>					
a) External	<b>334.21</b>	<b>2,789.76</b>	-	-	<b>3,123.97</b>
	(22.28)	(1821.44)	(-)	(-)	(1,843.72)
b) Inter Segment	-	<b>181.06</b>	-	<b>-181.06</b>	-
	(-)	(7.84)	(-)	(-7.84)	(-)
Profit / Loss(-) before taxation and Minority Interest	<b>-4,520.23</b>	<b>23,277.17</b>	-	-	<b>18,756.93</b>
	(-278.78)	(6,055.57)	(-)	(-)	(5,776.79)
Provision for Deferred tax	<b>-1,408.79</b>	<b>-291.60</b>	-	-	<b>-1,700.39</b>
	(-38.02)	(-125.75)	(-)	(-)	(-163.77)
Provision for Income tax	-	<b>8,124.39</b>	-	-	<b>8,124.39</b>
	(-221.35)	(2,292.13)	(-)	(-)	(2,070.78)
Profit / Loss(-) after taxation and before Minority Interest	<b>-3,111.44</b>	<b>15,444.38</b>	-	-	<b>12,332.93</b>
	(-19.41)	(3,889.19)	(-)	(-)	(3,869.78)
<b>Other Information</b>					
Segment assets	<b>46,848.40</b>	<b>302,343.21</b>	-	<b>-147.11</b>	<b>349,044.49</b>
	(40,767.23)	(269,368.47)	(-)	(-116.55)	(310,019.15)
Segment liabilities	<b>32,239.49</b>	<b>227,826.55</b>	-	<b>-147.11</b>	<b>259,918.92</b>
	(22,786.35)	(208,142.71)	(-)	(-116.55)	(230,812.51)
Capital expenditure-External	<b>1,261.48</b>	<b>7,159.80</b>	-	-	<b>8,421.28</b>
	(252.13)	(4405.77)	(-)	(-)	(4657.90)
Inter-segment	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Depreciation	<b>768.37</b>	<b>7,482.98</b>	-	-	<b>8,251.35</b>
	(545.89)	(2,813.52)	(-)	(-)	(3,359.41)

Note: Previous year figures are indicated in parenthesis.

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### B. Information about Secondary Business Segments

(₹ in lacs)

	India	Outside India	Total
Revenue by geographical market			
External	<b>226,242.00</b> (118,651.27)	<b>173,878.15</b> (52,398.41)	<b>400,120.15</b> (171,049.68)
Total	<b>226,242.00</b> (118,651.27)	<b>173,878.15</b> (52,398.41)	<b>400,120.15</b> (171,049.68)
Carrying amount of segment assets	<b>349,010.09</b> (309,979.40)	<b>34.40</b> (39.75)	<b>349,044.49</b> (310,019.15)
Addition to fixed assets	<b>8,421.28</b> (4656.99)	<b>-</b> (0.91)	<b>8,421.28</b> (4657.90)

**Note:** Previous year figures are indicated in parenthesis.

### C. Notes:

Segments have been identified by the management and reported taking into account, the nature of products and services, the differing risks and returns, the organization structure, and the internal financial reporting systems. Based on this the primary and secondary segments are identified below.

(a) Primary Segment:

(i) The Group is organized into two main business segments, namely:

- Sugar which consists of manufacture and sale of Sugar and its byproducts and ,
- Engineering which comprises of production and sales of heavy Engineering equipments, mechanical and hydraulic presses, castings and construction and erection of boilers, sugar plant and machinery, power plants and related equipment.

(ii) Segment Revenue in each of the above domestic business segments primarily includes sales and other income in the respective segments.

(b) Secondary Segment:

(i) The Segment Revenue in the geographical segments considered for disclosure is as follows:

- (a) Revenue within India includes sales to customers located within India and earnings in India.
- (b) Revenue outside India includes sales to customers located outside India and earnings outside India.

(c) Segment Accounting Policies:

- (i) The segment results have been prepared using the same accounting policies as per the Financial Statements of the Group .
- (ii) Unallocated assets include deferred tax, investments and interest bearing deposits.
- (iii) Unallocated liabilities include non-interest bearing liabilities and tax provisions.

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

- (iv) Capital expenditure pertains to additions made to fixed assets during the year and includes capital work in progress.
- (d) Segment Assets and Liabilities:  
While most assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment Liabilities include all operating liabilities and include creditors, accrued liabilities and interest bearing liabilities.
- (e) Inter Segment Transfers:  
Segment revenues and segment results include transfers of revenue expenses between business segments. Such transfers are accounted for at competitive market prices charged from unaffiliated customers/vendors. These transfers are eliminated on consolidation.

**Note 32** The Consolidated Financial Statements (CFS) have been prepared in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statements". The CFS comprises the financial statements of Isgec Heavy Engineering Limited and its subsidiaries.

**Note 33** a) The list of Subsidiaries included in the Consolidated Financial Statements is as under:

Name of the Subsidiary Company	Proportion of Ownership as at March 31, 2015	Country of Incorporation
Isgec Covema Limited	100.00%	India
Saraswati Sugar Mills Limited	100.00%	India
Isgec Exports Limited	100.00%	India
Isgec Engineering & Projects Limited	100.00%	India
Free Look Software Private Limited	100.00%	India
Isgec Hitachi Zosen Limited (See Note e)	51.00%	India

- b) The reporting dates for all the above companies are 31st March 2015. The Company and its subsidiaries, Saraswati Sugar Mills Limited and Isgec Engineering & Projects Limited has changed their Financial Year ending on 30th September to 31st March. The Previous Financial Year figures are for six months period from 1st October, 2013 to 31st March, 2014. The financial statements are adjusted for significant inter company transactions from the date of their respective financial statements up to the date of consolidation in compliance with Accounting Standard (AS) - 21, for Isgec Hitachi Zosen Limited, management has prepared accounts for the previous period 1st October, 2013 to 31st March, 2014 for purpose of consolidation.
- c) The financial Statements of parent company, its subsidiaries and joint venture have been consolidated on line by line basis by adding together book value of like items of assets, liabilities, incomes and expenses after eliminating intra-group balances and the unrealized profit/losses on intra group transactions, and are presented to the extent possible, in the same manner as the Company's independent financial statements.



## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

- d) The accounting policies for holding company, its subsidiary companies and joint venture are substantially uniform. However, in case of contract sales in the subsidiary Isgec Covema Ltd., revenue is recognised on completed contract method on substantial completion of contracts, the impact of which on Consolidated Financial Statements is negligible as it forms a very small proportion of Group revenues.
- e) Isgec Hitachi Zosen Limited (IHZL) is a joint venture as per the definition of Accounting Standard (AS) 27 between the Company and Hitachi Zosen Corporation, Japan. However as the Company holds 51% equity in the equity share capital of IHZL, IHZL is classified and consolidated as a Subsidiary in view of Para 6 of Accounting Standard (AS) 27 Financial Reporting Interests in Joint Venture.

- Note 34**
- a) The case challenging the Levy Sugar Price Fixation for the season 1980-81 to 1999-2000 was decided in favour of the Company. The Company requested the Central Government to refix the levy sugar prices as directed by the Court. The Central Government has since amended the Essential Commodities Act nullifying the Court Judgement. The Company has challenged the amendment as malafide in the hon'ble Delhi High Court. Similar challenge has been made in the hon'ble Supreme Court by another sugar Company . The hearing of the case before the hon'ble Supreme court is yet to take place. The case filed by us has also been transferred to hon'ble Supreme Court.
  - b) The Group and other parties challenged the levy of Local Area Development Tax under The Haryana Local Area Development Tax Act, 2000 and the Haryana Entry of Goods Into The Local Areas Act, 2008 in the hon'ble High Court of Punjab & Haryana. The hon'ble High Court decided the matter in company's favour, hence no liability was accounted for. Subsequently the hon'ble Supreme Court passed an interim order, on the appeal of the State Government, and directed all the assesses to file the returns under the Local Area Development Tax Act. The company has since filed the returns.
-

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 35 : RELATED PARTY TRANSACTIONS

In accordance with the Accounting Standard on "Related Party Disclosures" (AS-18), the disclosures in respect of Related Parties and Transactions with them, as identified and certified by the Management, are as follows:

#### I Description and Name of Related Parties

Description of Relationship	Name
Holding Company	None
Entities over which Directors and their relatives can exercise significant influence	Yamuna Syndicate Limited Kamla Puri Charitable Trust Kamla Puri Charitable Foundation Blue Water Enterprises
Key Management Personnel	Mr. Aditya Puri (Managing Director) Mrs. Nina Puri (Wholetime Director)
Relatives of Key Management Personnel	Mr. Ranjit Puri (Chairman), (Husband of Mrs. Nina Puri Whole-time Director & Father of Mr. Aditya Puri, Managing Director) Mrs. Tanupriya Puri (wife of Mr. Aditya Puri, Managing Director)

#### II Related Party Transactions

( ₹ in lacs)

Particulars	Year ended 31.03.2015	Six Months period ended 31.03.2014
<b>a) Purchase of goods</b>		
<b>-Entities over which key management personnel can exercise significant influence</b>		
Yamuna Syndicate Limited	404.01	162.98
<b>-Key management personnel</b>		
Mr. Aditya Puri (Managing Director)	3.17	1.53
<b>-Relatives of Key management personnel</b>		
Mr. Ranjit Puri (Chairman)	2.61	1.69
<b>Total</b>	<b>409.79</b>	<b>166.20</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

Particulars	Year ended 31.03.2015	Six Months period ended 31.03.2014
<b>b) Purchase of fixed Assets</b>		
- Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	2.91	0.05
<b>Total</b>	<b>2.91</b>	<b>0.05</b>
<b>c) Rendering of services</b>		
- Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	29.39	14.20
<b>Total</b>	<b>29.39</b>	<b>14.20</b>
<b>d) Services received</b>		
- Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	20.56	10.73
<b>Total</b>	<b>20.56</b>	<b>10.73</b>
<b>e) Commission Paid</b>		
- Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	2.44	7.22
- Key management personnel	-	-
- Relatives of Key management personnel	-	-
<b>Total</b>	<b>2.44</b>	<b>7.22</b>
<b>f) Rent received</b>		
- Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	0.39	0.19
<b>Total</b>	<b>0.39</b>	<b>0.19</b>
<b>g) Rent Paid</b>		
- Entities over which key management personnel can exercise significant influence		
Blue Water Enterprises	60.09	30.05
<b>Total</b>	<b>60.09</b>	<b>30.05</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

Particulars	Year ended 31.03.2015	Six Months period ended 31.03.2014
<b>h) Remuneration to Directors</b>		
<b>- Key management personnel</b>		
Mr. Aditya Puri (Managing Director)	1,221.60	390.73
Mrs. Nina Puri (Wholetime Director)	1,221.60	390.73
<b>- Relatives of Key management personnel</b>		
Mr. Ranjit Puri (Chairman)	0.82	0.54
<b>Total</b>	<b>2,444.02</b>	<b>782.00</b>
<b>i) Interest paid</b>		
<b>- Entities over which key management personnel     can exercise significant influence</b>		
Yamuna Syndicate Limited	-	0.06
<b>- Key management personnel</b>		
Mr. Aditya Puri (Managing Director)	-	-
Mrs. Nina Puri (Wholetime Director)	-	-
<b>- Relatives of Key management personnel</b>		
Mr. Ranjit Puri (Chairman)	-	-
Mr. Ranjit Puri (HUF)	0.06	0.03
<b>Total</b>	<b>0.06</b>	<b>0.09</b>
<b>j) Amount payable as at year end</b>		
<b>- Entities over which key management personnel     can exercise significant influence</b>		
Yamuna Syndicate Limited	52.00	65.03
<b>- Key management personnel</b>		
Mr. Aditya Puri (Managing Director)	1,168.83	367.27
Mrs. Nina Puri (Wholetime Director)	1,194.02	377.46
<b>- Relatives of Key management personnel</b>		
Mr. Ranjit Puri (Chairman)	0.23	0.11
Mr. Ranjit Puri (HUF)	-	0.66
<b>Total</b>	<b>2,415.08</b>	<b>810.53</b>
<b>k) Amount receivable as at year end</b>		
<b>- Entities over which key management personnel     can exercise significant influence</b>		
Yamuna Syndicate Limited	25.00	-
Blue Water Enterprises	10.11	10.11
<b>Total</b>	<b>35.11</b>	<b>10.11</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 36 : LEASE RENT CHARGES

The Company has taken various residential /commercial premises and plant and machinery under cancellable operating leases. In accordance with Accounting Standard (AS-19) on 'Leases' the lease rent charged to statement of Profit & Loss for the period are:

( ₹ in lacs)

Particulars	Year ended 31.03.2015	Six Months period ended 31.03.2014
a) Residential premises	228.19	90.51
b) Commercial premises	420.15	227.89
c) Plant and machinery	4.82	2.55
<b>Total</b>	<b>653.16</b>	<b>320.95</b>

### Note 37 : VALUE OF IMPORTS ON C.I.F. BASIS:

( ₹ in lacs)

Particulars	Year ended 31.03.2015	Six Months period ended 31.03.2014
Raw Materials	10,704.72	14,611.02
Components & Spare Parts	2,622.63	3,506.82
Goods for resale	5,917.61	2,026.95
Capital Goods	636.24	762.18
<b>Total</b>	<b>19,881.20</b>	<b>20,906.97</b>

### Note 38 : EARNINGS IN FOREIGN EXCHANGE:

( ₹ in lacs)

Particulars	Year ended 31.03.2015	Six Months period ended 31.03.2014
Export of Goods & Services on F.O.B basis	138,673.07	50,872.58

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### Note 39: EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six Months period ended 31.03.2014
Travelling Expenses	1,352.36	672.21
Royalty	550.46	393.79
Brokerage & Commission	7,757.18	3,201.21
Interest on ECB Loan (for foreign remittance)	351.45	194.37
Technical Know how	-	-
Others	10,698.33	8,181.33
<b>Total</b>	<b>20,709.78</b>	<b>12,642.91</b>

### Note 40 : REVENUE EXPENDITURE ON RESEARCH & DEVELOPMENT

(₹ in lacs)

Particulars	Year ended 31.03.2015	Six Months period ended 31.03.2014
a) Salary	2.61	1.83
b) Contribution to Provident Fund	0.16	0.09
c) Others	-	-
<b>Total</b>	<b>2.77</b>	<b>1.92</b>

### Note 41 : FOREIGN CURRENCY EXPOSURES :

The Company had entered into swaps/forward contracts which are not intended for trading or speculative purposes but for hedge purposes, to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

(₹ in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
a) The particulars of forward contracts entered into hedging purpose outstanding as at period ended are as under:		
i) For receivables	29,747.26	19,380.00
ii) For loans	6,870.40	11,181.79
iii) For Supplier Payments	579.86	1,240.48
b) Unhedged foreign currency exposures as at period ended are as under:		
i) Receivables	6,911.54	2,748.66
ii) Payables to Suppliers	240.12	68.54

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

Note 42 : Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

The disclosure under first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014.

### Part " A " : Subsidiaries

(₹ in lacs)

Description	2014-15					2013-14						
	Isgec Covema Ltd.	Isgec Exports Ltd.	Saraswati Sugar Mills Ltd.	Isgec Engineering & Projects Ltd.	Free Look Software Private Limited	Isgec Hitachi Zosen Ltd. #	Isgec Covema Ltd.	Isgec Exports Ltd.	Saraswati Sugar Mills Ltd.	Isgec Engineering & Projects Ltd.	Free Look Software Private Limited	Isgec Hitachi Zosen Ltd. #
1 Name of the Subsidiary Companies	Year Ended 31st March 2015	Year Ended 31st March 2015	Year Ended 31st March 2015	Year Ended 31st March 2015	Year Ended 31st March 2015	Year Ended 31st March 2015	Year Ended 31st March 2014	Year Ended 31st March 2014	Period Ended 31st March 2014*	Year Ended 31st March 2014	Period Ended 31st March 2014**	
2 Reporting Period	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	
3 Reporting Currency	200.00	10.00	709.99	360.00	2.18	10,000.00	200.00	10.00	709.99	330.00	2.18	10,000.00
4 Share Capital	71.03	92.39	13,898.92	0.36	620.21	(512.85)	78.29	89.12	17,270.89	0.39	620.51	(1,642.22)
5 Reserves & surplus	278.20	102.67	46,848.40	362.52	622.61	29,592.30	285.26	99.35	40,767.23	330.45	702.70	26,080.44
6 Total Assets	7.17	0.29	32,239.49	2.16	0.23	20,105.16	6.96	0.22	22,786.35	0.06	80.01	17,722.66
7 Total Liabilities	-	-	960.35	-	-	305.35	-	-	305.35	-	-	-
8 Investments	6.02	5.40	39,151.02	0.34	-	33,346.02	4.59	4.86	22,708.37	0.06	-	3,777.31
9 Turnover ***	(10.48)	4.76	(4,520.23)	(0.03)	(0.30)	1,451.29	1.50	4.36	(278.78)	(0.35)	(0.11)	(953.99)
10 Profit/(Loss) before Taxation	-	1.49	-	-	-	321.93	-	1.35	-221.35	-0.08	-	-14.57
11 Provision for Taxation	(3.24)	(7.24)	(1,408.79)	(0.03)	(0.30)	1,129.37	0.46	3.01	(38.02)	(0.27)	(0.11)	(221.42)
a. Current Tax	-	-	(3,111.44)	-	-	-	1.04	-	(19.41)	-	-	(718.00)
b. Deferred Tax	-	-	-	-	-	-	-	-	-	-	-	-
12 Profit/(Loss) after Taxation	100%	100%	100%	100%	100%	51%	100%	100%	100%	100%	100%	51%
13 Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-
14 % of shareholding	-	-	-	-	-	-	-	-	-	-	-	-

\* The financial year has been changed from year ending 30th September to year ending 31st March. Figures reported are for six months period ended 31st March 2014.

\*\* The financial year is from 1st April to 31st March. The figures drawn and reported are from 1st October 2013 to 31st March 2014, as were reported in last year's financial statements.

\*\*\* Includes Other Income

Notes : 1. Names of subsidiaries which are yet to commence operations :

- Isgec Foster Wheeler Boilers Private Limited

2. Names of subsidiaries which have been liquidated or sold during the year : Nil

### Part " B " : Associates and Joint Ventures # Isgec Hitachi Zosen Ltd. is also a Joint Venture Company.

As per our report of even date.

for S.S. Kothari Mehta & Co.

Chartered Accountants

(Firm Registration No. 000756N)

Sanjay Kumar

Deputy General Manager(Accounts)

Kishore Chatnani

Head - Corporate Accounts & Treasury  
& Chief Financial Officer

CA. K.K. Tulshan

Partner

M.No. 085033

Place : Noida

Dated : 26<sup>th</sup> May, 2015

S. K. Khorana

Executive Director & Company Secretary

Aditya Puri

Managing Director  
DIN: 00052534

Vinod K. Nagpal

Director  
DIN: 00147777

For and on behalf of Board of Directors

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

**Note 43:** Additional information pursuant to General Instructions for the preparation of Consolidated Financial statements as per Schedule III of the Companies Act, 2013:

(₹ in lacs)

Name of the Entity	Net assets (Total assets minus Total liabilities)		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1	2	3	4	5
<b>Parent</b>				
Isgec Heavy Engineering Limited	86.37%	76,976.06	87.49%	10,790.29
<b>Subsidiaries</b>				
<b>Indian</b>				
Isgec Covema Limited	0.08%	71.03	-0.06%	(7.24)
Isgec Exports Limited	0.10%	92.39	0.03%	3.27
Isgec Engineering & Projects Ltd.	0.00%	0.36	0.00%	(0.03)
Saraswati Sugar Mills Limited	8.53%	7,598.88	-16.57%	(2,042.95)
Freelook Software Private Limited	0.00%	(0.30)	0.00%	(0.30)
Isgec Hitachi Zosen Ltd. (also Joint Venture Company)	-0.29%	(261.55)	24.62%	3,036.52
<b>Minority Interests in all subsidiaries</b>	5.22%	4,648.70	4.49%	553.39
<b>Total</b>	<b>100%</b>	<b>89,125.57</b>	<b>100%</b>	<b>12,332.93</b>

**Note 44 :** As per General Circular no.15/2011 dated April 11, 2011 issued by Ministry of Corporate Affairs, Government of India, the required information are as under :

Sr. No.	Particulars	Description			
		Year ended 31.03.2015	Six Months Period ended 31.03.2014	Year ended 31.03.2015	Six Months Period ended 31.03.2014
a)	Products covered for Cost Audit	<b>Ingots and Engineering Machinery</b>		<b>Sugar</b>	
b)	Full Particulars of Cost Auditor	M/s Jugal K. Puri & Associates Cost Accountants Plot No. 3, Sector-22 Gurgaon - 122 015, Haryana		M/s Jugal K. Puri & Associates Cost Accountants Plot No. 3, Sector-22 Gurgaon - 122 015, Haryana	
c)	Filling of Cost Audit Report				
	i) Due Date of Filling of Cost Audit Report	27.09.2015	27.09.2014	27.09.2015	27.09.2014
	ii) Actual Date of Filling Cost Audit Report	Not yet due	25.09.2014	Not yet due	25.09.2014



## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

**Note 45** There is no other information required to be disclosed apart from the information already disclosed, pursuant to the requirements of Schedule III to the Companies Act, 2013.

**Note 46** Previous year figures have been regrouped/ recast wherever considered necessary to conform to current period classification.

**Note 47** The Company and its subsidiaries, Saraswati Sugar Mills Limited and Isgec Engineering & Projects Limited have changed their Financial Year ending on 30th September to ending on 31st March. The current Financial Year are for full year starting from 1st April, 2014 to 31st March, 2015. However, previous year figures are for six months period from 1st October, 2013 to 31st March, 2014. The figures are, therefore, not comparable with those of the previous year.

### **Note 48 Overview**

Isgec Heavy Engineering Limited (the "Company") is engaged primarily in two businesses, Heavy Engineering and in Sugar through its subsidiary. The manufacturing plants of the Company and its subsidiaries are located in India.

The Company is a Public Limited Company and its shares are listed on Bombay Stock Exchange (BSE).

### **Note 49 Significant Accounting Policies**

#### **(i) Principles of consolidation**

The consolidated financial statements relate to Isgec Heavy Engineering Limited, its subsidiary companies and joint venture. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company, its subsidiary companies and joint venture are combined on a line-by-line basis by adding together the book value of like items of assets, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 – "Consolidated Financial Statements".
- b) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
- c) The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated Statement of Profit and Loss as the profit or loss on disposal of investment in subsidiary.
- d) Minority Interest's share of consolidated net profit for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Holding Company.
- e) Minority Interest's share of consolidated net assets for the year is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Holding Company's shareholders.
- f) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

#### **(ii) Basis of Consolidation**

The Consolidated Financial Statements include accounts of Isgec Heavy Engineering Limited, its Subsidiary Companies and Joint Venture (The Group). Subsidiary undertakings are those companies in which Isgec Heavy

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## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

Engineering Limited, directly or indirectly, has an interest of more than one half of voting power or otherwise has power to exercise control over the operations. Subsidiaries are consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date of disposal.

### (iii) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known.

### (iv) Tangible Assets

- a) Tangible assets are stated at their cost less accumulated depreciation & accumulated impairment, if any
- b) The cost of an asset comprises its purchase price and any directly attributable cost for bringing the asset to working condition for its intended use & is net of recoverable duties/tax credits.
- c) Capital spares directly attributable to the assets are capitalised with the related assets.

### (v) Intangible Assets

Intangible Assets are recognised on the basis of recognition criteria as set out in Accounting Standard – 26 'Intangible Assets'. Costs incurred on acquisition of specialised software & technical know how are capitalised.

Intangible assets are stated at cost of acquisition less accumulated amortisation & accumulated impairment losses, if any.

### (vi) Depreciation and Amortization

Depreciation is provided on fixed assets at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013 as per the written down value method except in respect of certain Plant & Machinery which are depreciated as per the straight line method. Capital spares directly attributable to the specific fixed assets are depreciated with the cost of the assets.

Assets costing not more than ₹5,000/- are fully depreciated in the year of their acquisition.

Intangible assets are amortised over a period not exceeding ten years on a straight line basis as per Accounting Standard – 26 "Intangible Assets".

### (vii) Impairment of Assets

- a) As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine
    - i) the provision for impairment loss, if any, required or
    - ii) the reversal, if any, required of impairment loss recognised in previous periods.
  - b) Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount which is determined
    - i) in the case of an individual asset, at the higher of the net selling price and the value in use.
    - ii) in the case of a cash generating unit (a group of assets that generates identified independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.
-

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

- c) Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset/cash generating unit and from its disposal at the end of its useful life.

### (viii) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined for each category separately. Long-term investments are carried at cost on individual investment basis. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments in case of long term investments.

### (ix) Inventories

Inventories are valued at lower of cost or net realizable value except in case of finished stock of molasses, which is valued at average net realisable value. Cost being calculated on weighted average basis and includes cost of purchase and incidental expenses. However items held for use in the production are not valued below cost if the finished goods in which these will be incorporated are expected to be sold at or above cost.

Work-in-Progress and Finished Goods are valued at lower of cost or net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

Cost in case of finished goods and work-in-progress includes material cost and applicable direct manufacturing and administrative overheads. Cost in case of finished stock of sugar and work-in-progress includes raw material cost and proportionate production overheads. Value of finished stock is inclusive of excise duty.

Erection Work-in-progress is calculated at cost or net realisable value whichever is lower.

Standing crops are valued at estimated cost of material & labour.

### (x) Cash and Cash Equivalents

Cash & Cash Equivalents comprise of cash at bank and cash-in-hand. The Company consider all highly liquid investments which are subject to an insignificant risk of change in value within original maturity of three months or less from date of purchase to be cash equivalent.

Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and in hand and fixed deposits with banks, excluding investment in mutual funds.

### (xi) Revenue Recognition

Revenue is recognised in case of traded & manufactured products on despatch of goods from the factory / other locations when substantial risks & rewards of ownership are transferred to the buyer. Revenue in case of erection & commissioning jobs carried out is recognised on stage of completion as per the terms of related agreements / job orders.

Sales are net of intra-group transfers except where such elimination is not practicable.

Insurance Claims, export incentives, escalation, etc. are accounted for as and when the estimated amounts recoverable can be reasonably determined as being acceptable to the concerned authorities / parties.

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

Dividend from investments in shares is recognised when the right to receive payment is established.

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## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

### (xii) Foreign Currency Transactions

a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transaction.

b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c) Exchange Differences

Exchange differences arising on a monetary item that, in substance, forms part of the Company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognised as income or as expenses.

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

d) Forward Contracts, other than those entered into to hedge foreign currency risk on unexecuted firm commitments or highly probable forecast transactions, are treated as foreign currency transactions and accounted accordingly as per Accounting Standard (AS)-11 "The Effects of Changes in Foreign Exchange Rates". Exchange differences arising on such contracts are recognised in the period in which they arise.

Gains and losses arising on account of rollover/cancellation of such forward contracts are recognised as income/expense of the period in which such rollover/cancellation takes place.

### (xiii) Employee Benefits

As per Accounting Standard (AS) -15 "Employee Benefits" the provision for employee benefits is charged on accrual basis as under:

a) Provident Fund:

The Group operates a Provident Fund Trust for its employees where contributions are deposited on the basis of services rendered by the employees and are expensed as and when incurred.

b) Gratuity:

The Company operates Gratuity Fund Trust which in turn has taken Group Gratuity cum Life Assurance policy with the Life Insurance Corporation of India for all the employees. Provision for liability on account of gratuity being defined benefit plan, is determined as per actuarial valuation and charged to statement of Profit & Loss.

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## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2015

c) Leave Encashment:

Provision for leave encashment is made in respect of eligible employees as per actuarial valuation done at the balance sheet date.

d) Pension:

Liability on account of pension payable to employees covered under Company's pension scheme has been accounted for on accrual basis.

e) Superannuation:

The Company operates Superannuation fund scheme with Life Insurance Corporation of India where contributions are deposited on the basis of services rendered by employees who have opted for the scheme. These contributions are expensed on accrual basis.

### (xiv) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds.

### (xv) Leases

Payments made under Leases for land, being in the nature of operating leases, are charged to statement of Profit and Loss on straight line basis as per terms of the Lease Agreement over the period of lease. Payments made under cancellable operating leases for other assets are charged to statement of profit & loss as per respective lease agreements.

Rental income is recognized on accrual basis over the lease term.

### (xvi) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares).

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

### (xvii) Taxation

Tax Expense/(Tax Saving) is the aggregate of current year tax and deferred tax charged (or credited) to the statement of Profit and Loss for the year in accordance with Accounting Standard- 22- "Accounting for Taxes on Income" and measured at the tax rates that have been enacted or substantively enacted by the balance sheet date.

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## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2014

a) Current Year Charge

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

The Company also provides for such disallowances made on completion of assessments pending appeals, as considered appropriate, depending on the merits of each case

The provision for taxation is based on assessable profits of the Company as determined under the Income Tax Act, 1961. The Company also provides for such disallowances made on completion of assessments pending appeals, as considered appropriate, depending on the merits of each case.

b) Deferred Tax

In accordance with Accounting Standard AS-22 "Accounting for Taxes on Income" deferred taxes resulting from timing differences between book and tax profits are accounted for at tax rate to the extent the timing difference are expected to be crystallised. Deferred tax assets on account of unabsorbed losses & unabsorbed depreciation are recognised to the extent there is virtual certainty of realising such assets against future taxable income.

### (xviii) Provisions, Contingent Liabilities & Contingent Assets

a) Provisions

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- i) the Company has a present obligation as a result of a past event,
- ii) a probable outflow of resources is expected to settle the obligation and
- iii) the amount of the obligation can be reliably estimated.

b) Contingent Liabilities

Contingent Liability is disclosed in the case of

- i) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation
- ii) a possible obligation, unless the probability of outflow of resources is remote.

c) Contingent Assets: Contingent Assets are neither recognised, nor disclosed.

d) Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

As per our report of even date.

for S.S. Kothari Mehta & Co.

Chartered Accountants

(Firm Registration No. 000756N)

Sanjay Kumar

Deputy General Manager(Accounts)

Kishore Chatnani

Head - Corporate Accounts & Treasury  
& Chief Financial Officer

For and on behalf of Board of Directors

CA. K.K. Tulshan

Partner

M.No. 085033

S. K. Khorana

Executive Director & Company Secretary

Aditya Puri

Managing Director

DIN: 00052534

Place : Noida

Dated : 26<sup>th</sup> May, 2015

Vinod K. Nagpal

Director

DIN: 00147777

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**FORM A**

[ as per Clause 31 of the Listing Agreement ]

**Covering letter of the annual audit report to be filed with the Stock Exchange**

1.	Name of the Company	<b>ISGEC HEAVY ENGINEERING LIMITED</b>
2.	Financial statements for the year ended	<b>31<sup>st</sup> March, 2015</b>
3.	Type of Audit observation	<b>UN-QUALIFIED</b>
4.	Frequency of observation	<b>NOT APPLICABLE</b>
5.	For Isgpec Heavy Engineering Limited:-  <ul style="list-style-type: none"><li>• Managing Director</li>  <li>• Audit Committee Chairman</li>  <li>• Chief Financial Officer</li></ul>	 (ADITYA PURI) DIN: 00052534   (VINOD K. NAGPAL) DIN: 00147777   (KISHORE CHATNANI) PAN: AAGPC1198K
	<ul style="list-style-type: none"><li>• For SS Kothari Mehta &amp; Co.</li></ul>	 (CA K.K. TULSHAN) Membership No. : 085033