
ISGEC HEAVY ENGINEERING LIMITED



**Reports and Accounts for the year ended
30th September, 2013**

ANNUAL REPORT 2012-13**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

Bankers

State Bank of Patiala
Corporation Bank
State Bank of India
Punjab National Bank
Standard Chartered Bank
ICICI Bank Ltd.
State Bank of Mysore
State Bank of Hyderabad
The Hongkong & Shanghai Banking Corporation Ltd.
IndusInd Bank Ltd.
State Bank of Travancore
Export Import Bank of India
ING Vysya Bank Ltd.
State Bank of Bikaner & Jaipur
Yes Bank Ltd.
HDFC Bank Ltd.
Citi Bank N. A.

Registered Office

Yamunanagar, Haryana

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Directors' Report

1.00 The Directors are pleased to present their Eightieth Annual Report on the business and operations of the Company and financial results for the year ended September 30, 2013.

2.00 **FINANCIAL RESULTS:**

The financial results of the Company for the year are given below:-

	(Figures in ₹ Lacs)
Profit before Depreciation	15,895.00
Depreciation	5,416.39
Profit before Taxes (PBT)	10,478.61
Less: Provision for Tax (including deferred tax)	3,236.60
Profit after taxes and available for appropriations (PAT)	7,242.01
Less: a) Dividend @ ₹ 10/- per Equity Share of ₹ 10/-each	736.95
b) Tax on Dividend	NIL
c) Transfer to General Reserve	724.20
Balance carried to Profit & Loss Account	5,780.86

3.00 **DIVIDEND:**

3.01 The Board has recommended Dividend of ₹ 10/- per Equity Share of ₹ 10/-each, equal to the dividend declared in the preceding year.

4.00 **OPERATIONS:**

4.01 As the shareholders are aware, economic conditions remained difficult during the year. The Company faced the situation by intensive marketing efforts, introduction of new products and rigorous cost control.

4.02 The shareholders will be pleased to note that margins have improved.

4.03 The Company has been able to maintain export revenue at 46% of the total revenue. The revenue during the year was marginally lower at ₹ 2,555 crores against ₹ 2,700 crores in the previous year. The lower revenue was mainly due to 'hold' by customers due to financial problems. Most of these orders have now become active.

4.04 Intensive marketing efforts continued both for domestic and export orders. The efforts included extensive visits and participation both in domestic exhibitions and international exhibitions.

4.05 The notable exhibitions in which the Company participated internationally are exhibitions at Sao Paulo, Brazil., organized by International Society of Sugarcane Technologists, at Istanbul organized by International Metal Working Technologies Exhibition and Fabtech - North America's largest metal forming, fabricating, welding and finishing event organized by American Welding Society in Chicago.

4.06 Our share of Indian market improved visibly across the board.

4.07 Overall orders as well as export orders, as on date, are at a record level. There are, however, certain sections where significant capacity is available such as Machine Tools and Steel Castings.

4.08 Apart from other significant orders, the Boiler Division secured large orders for Oil & Gas fired boilers during the year under report. These include orders from Gas Authority of India Limited, Bharat Oman Refinery Limited, Bharat Petroleum Corporation Limited.

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- 4.09 During the year we also commissioned our largest Circulating Fluidized Bed Combustion Boiler of 425 tonnes per hour (110 Mwe) for a Steel Plant.
- 4.10 As reported in the last year's Directors' Report, we had acquired technology for Electrostatic Precipitators from a German company namely Envirotherm GmbH. We have started designing, manufacturing and supplying Electrostatic Precipitators.
- 4.11 The first domestic order for Pulverized Coal fired (Utility) Boiler is under execution.
- 4.12 The new automated facility that was commissioned in the previous year for manufacturing Boiler Pressure Parts, performed well. Large P91 headers with long stubs, T12 panels, SS 304H with T22 coils and Conical burner openings for Pulverized Coal fired boilers were manufactured for the first time. This facility received Safety Certification namely ISO 14001 and OHSAS 18001.
- 4.13 The domestic market for Sugar Machinery business was bad. We got a fair share of the available market.
- 4.14 The Machine Building Division developed new products such as Presses suitable for non-automobile applications such as white goods, tiles, etc., which could give us business in future. The Division made a significant break-through by securing an order for a highly automated Tandem Press line from the Mahindra Group. Customers, till very recently, were importing such machines.
- 4.15 Repeat orders for High Speed Presses were also secured from a French multinational for their plants in Mexico and China.
- 4.16 We have also started bidding for manufacture and supply of Vertical Turning Lathes (VTL) for which drawings and the brand "Morando" were bought, as mentioned in the last year's report.
- 4.17 As reported in the last year's Directors' Report, in order to increase the scope of the Process Equipment Division, Technology Agreements were signed with Foster Wheeler Corporation, USA, for Feed Water Heaters & Surface Condensers and for Breech Lock Exchangers with Belleli, Italy. The shareholders would be pleased to note that orders were secured for all these products during the year.
- 4.18 The Container sub-division of the Process Equipment Division has record export order booking.
- 4.19 The Container sub-division successfully executed export orders for liquefiable gas containers meeting several rigorous requirements including Transferable Pressure Equipment Directive, European Agreement concerning the International Carriage of Dangerous Goods by Road, Regulations concerning International Carriage of Goods by Rail and International Maritime Regulation for Dangerous Goods.
- 4.20 The Steel Casting Unit was the first Indian Foundry to develop Crushing Shell Castings for Mining & Mineral Processing Industry. The Unit received Certification from Pressure Equipment Directorate of European Union for supplying Valves. It also received Class-A Foundry approval from Research, Design & Standard Organisation of Railways (RDSO).
- 4.21 The Steel Casting Unit continued its efforts to book orders from other sectors namely Railways, Pumps and Valves, in view of the down-trend in the Power sector affecting the market for castings for steam turbines.
- 4.22 After setting up a few turnkey power plants based on coal, we have become established in the industrial coal fired power plant sector.
- 5.00 JOINT VENTURE COMPANY - ISGEC HITCHI ZOSEN LIMITED (IHZL):**
- 5.01 IHZL despatched the first Vessel manufactured by it, before the scheduled date.
- 5.02 As the equipments manufactured by IHZL have long manufacturing cycle, these could not be despatched and, therefore, the revenue this year was low.
-

5.03 IHZL has booked good orders for supply of various complicated equipments for the Petrochemicals and Fertilizer sectors from prestigious customers both overseas and domestic. The order book is healthy.

5.04 The expansion scheme is under implementation to increase the capacity of the plant from 8,000 MT per year to 13,000 MT per year.

6.00 SARASWATI SUGAR MILLS LIMITED (SUBSIDIARY COMPANY):

6.01 The operations of the factory were satisfactory except for intermittent working during the period of agitation and strike by the cane growers.

6.02. The cane crush was 12.165 lac Tonnes against 12.724 lac Tonnes in the preceding season. The decrease was due to higher diversion of sugarcane to gur and khandsari during the period of strike and agitation by the cane growers. The recovery was, however, higher and was the highest in the Northern India.

6.03 The State Government increased the State Advised Price (SAP) steeply by ₹ 45/- per quintal for the season as compared with the price during the preceding season. Realizing the effect on the financial position due to increased prices of sugarcane, the shareholders of Saraswati Sugar Mills Limited did not approve the final dividend of ₹ 10.50 per Equity Share recommended by the Board of Directors.

6.04 With regard to Sugar Policy, the sugar mills are no longer required to supply sugar for ration at prices below cost. Further, the sugar mills are now free to sell sugar when they want, unlike previously when mills used to be given fixed quotas to sell.

6.05 Non-supply of sugar for ration below its cost price, benefitted the Sugar Industry including your factory. The sugar prices, however, decreased by over ₹ 500/- per quintal and affected financial position adversely.

6.06 As for the season 2013-14, the crushing operations are expected to start in the last week of November 2013. The cane availability is likely to be same as last year.

6.07 The Haryana Government has fixed the State Advised Prices of sugarcane as ₹ 290/-, ₹ 295/- and ₹ 301/- per quintal for late, mid and early varieties respectively. The fall in sugar prices continues. The steep increase in sugarcane price along with fall in sugar prices will result in a substantial loss in the season 2013-14.

7.00 INDUSTRIAL RELATIONS:

7.01 Industrial relations remained peaceful.

8.00 CONSOLIDATED FINANCIAL STATEMENTS:

8.01 The consolidated financial statements are attached hereto.

9.00 ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO UNDER SECTION 217(1) OF THE COMPANIES ACT, 1956:

9.01 The statement giving the required information is annexed hereto.

10.00 PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975:

10.01 Annexure giving certain details about the employees, in receipt of remuneration of not less than ₹ 60 lacs during the year or ₹ 5 lacs per month during any part of the year, is not annexed with the Directors' Report. In accordance with Section 219(1)(b)(iv) of the Companies Act, the Annexure is available for inspection by any member at the registered office of the Company during working hours, 21 days before the date of the AGM.

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11.00 DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956:

11.01 The Statement is annexed hereto.

12.00 MANAGEMENT DISCUSSION & ANALYSIS REPORT UNDER CLAUSE 49 OF THE LISTING AGREEMENT:

12.01 Management Discussion & Analysis Report is annexed hereto.

13.00 CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT:

13.01 Report on Corporate Governance is annexed hereto.

14.00 FIXED DEPOSITS:

14.01 The amount of deposit with the Company, as at the close of the year, was well within the limits prescribed under the provisions of the Companies Act. 184 depositors of the Company had, as on September 30, 2013, not claimed their deposits upto the due dates for repayment. The amount involved was ₹112.66 lacs.

15.00 SUBSIDIARY COMPANIES:

15.01 The audited statements of the subsidiary companies along with the report of the Board of Directors and the Auditors and other statements are not attached and the company has availed exemption allowed by the Government of India, Ministry of Corporate Affairs, vide its General Circular No. 2/2011 - file no. 51/12/2007- CL-III dated 8th February, 2011, under Section 212(8) of the Companies Act, 1956.

15.02 The Company has made disclosure in the consolidated balance sheet the following information in aggregate for each subsidiary as per condition of the aforesaid Circular:-

(a) capital (b) reserves (c) total assets (d) total liabilities (e) details of investment (except in case of investment in the subsidiaries) (f) turnover (g) profit before taxation (h) provision for taxation (i) profit after taxation (j) proposed dividend.

15.03 Annual accounts of the subsidiary companies are kept for inspection by any shareholders at the registered office of the holding company as well as at the registered office of the subsidiary companies.

15.04 Hardcopy of the details of accounts of the subsidiaries shall be furnished to any shareholder on demand.

16.00 PERSONNEL:

16.01 The Board wishes to express their appreciation to all the employees of the Company for their outstanding contribution to the operations of the Company during the year.

17.00 ACKNOWLEDGEMENT:

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

17.02 With these remarks, we present the Accounts for the year ended September 30, 2013.

By order of the Board

Vinod K. Nagpal
Director

Aditya Puri
Managing Director

Dated: 23 November 2013

ANNEXURE TO DIRECTORS' REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A. CONSERVATION OF ENERGY:

(a, b & c) Energy Conservation Measures taken, Proposed and Impact of Measures taken:

Efforts for energy conservation are a continuing process. These efforts continued in 2012-13 also.

d) Total energy consumption and energy consumption per unit of production.

These are detailed in Form 'A' enclosed.

B. TECHNOLOGY ABSORPTION:

e) Efforts made in Technology Absorption:

These are detailed in Form 'B' enclosed.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(f) Activities relating to export, initiative taken to increase exports, development of new export market for products and services and export plans.

Please refer to paragraphs 4.03 and 4.04 of the Directors' Report.

(g) Total Foreign Exchange used and earned (2012-13):

		(₹ in crores)
- Total Foreign Exchange earned	:	1,128.71
- Total Foreign Exchange used	:	268.44

FORM A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

UTTAR PRADESH STEELS

(A) Power & Fuel Consumption :-

		Current Year 2012-2013	Previous Year 2011-2012
1	Electricity		
(a)	Purchased (Units)		
	(KWH)	1,10,66,480	1,22,11,200
	Total Amount	(Rupees) 8,65,16,780	7,37,66,279
	Cost / Unit	(₹ Per Unit) 7.82	6.04
(b)	Own Generation (Units)		
	(KWH)	2,78,319	7,88,452
	(Through Diesel Generator)		
	Unit per Litre of Diesel Oil	(Units) 3.71	3.77
	Cost / Unit	(₹ Per Unit) 14.05	10.20
2	Others		
(a)	Hard Coke		
	Quantity	(Tonnes) 11.290	19.750
	Total Cost	(Rupees) 1,64,668	2,67,398
	Average Rate	(₹ Per Tonne) 14,585	13,539
(b)	Furnace Oil		
	Quantity	(Litres) 15,09,434	21,18,871
	Total Cost	(Rupees) 6,06,93,350	8,52,02,977
	Average Rate	(₹ Per Litre) 40.21	40.21
(c)	High Speed Diesel Oil		
	Quantity	(Litres) 2,28,332	4,28,688
	Total Cost	(Rupees) 1,11,17,203	1,64,49,820
	Average Rate	(₹ Per Litre) 48.69	38.37

(B) Consumption Per Unit Production :-

1	Ingots		
(i)	Production	(Tonnes) 375.085	190.160
(ii)	Electricity Per M.T.	(KWH) 764	759
2	Castings		
(i)	Production	(Tonnes) 3,540.850	4,364.399
(ii)	Electricity Per M.T.	(KWH) 1478	1594

Reasons for variance in the consumption of power & fuel from previous year :-

- (a) The power consumption per M.T. of castings produced is lower due to changes introduced in furnace usage practices, such as clubbing of heats, frequent tuning of furnace and reduction in holding time.

FORM -B

FORM FOR DISCLOSURE OF PARTICULARS IN RESPECT OF TECHNOLOGY ABSORPTION, 2012-2013 TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

The Company has Technology Transfer Agreements as under:-

1. With Foster Wheeler North America Corp:
 - (i) For Circulating Fluidized Bed Combustion (CFBC) Boilers upto 99.9 Mwe;
 - (ii) For Oil & Gas, Shop Assembled Water Tube Packaged Boilers upto 260 Tonnes per hour;
 - (iii) For Pulverized Coal Fired Sub-Critical Boilers (60 Mwe to 1000 Mwe) and Super-Critical Boilers (550 Mwe to 1000 Mwe);
 - (iv) For Feed Water Heaters and Surface Condensers.
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)
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.

The Company continued to supply equipments covered under the aforesaid technologies.

Adaptation and absorption of the technology including improvements is a continuing process.

Directors' Responsibility Statement under Section 217 (2AA) of the Companies Act, 1956

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956 ('the Act') and based on the representations received from the operating management, your Directors hereby confirm that:

- (i) in the preparation of the Annual Accounts for 2012-13, the applicable Accounting Standards have been followed and there are no material departures,
 - (ii) they 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,
 - (iii) they 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, 1956. 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,
 - (iv) they have prepared the Annual Accounts on going concern basis.
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Management Discussion & Analysis

1. Management Discussion and Analysis, as required under Clause 49 of the Listing Agreement, giving further Analysis, Review, Outlook and Threats is given below:-

The revenue during the year was slightly lower than previous year because of the bad economic conditions in the entire world including India. We were, however, able to maintain our margins. With aggressive marketing and improved position in the market vis-à-vis our competitors, we were able to have a record order booking in the year ended 30th September 2013. We, therefore, expect to have higher sales next year.

Input prices remained stable in the year ended 30th September 2013. They have, however, shown a marginal increase in the recent months.

The depreciation of the Indian currency vis-à-vis major currencies in the world should help our export efforts.

Certain businesses (Presses & Steel Castings) are likely to see under-loading in the coming year. This is mainly due to a slow down in Automobile and Power sectors.

The Management will continue to look for new technologies and new diversification areas so as to broaden our portfolio of products and also move into higher value added products/ projects.

2. **CAUTIONARY STATEMENT:**

The statements may be “forward looking statements” within the meaning of applicable Securities Laws and Regulations. Actual results could differ materially from those expressed or implied depending upon economic conditions, government policies, regulations, environmental laws, tax regimes and other factors.

Report on Corporate Governance

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

Clause 49 of the Listing Agreement with Stock Exchanges 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 30th September 2013, 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 Chairperson:**

Name of the Director	No. of Board Meetings attended	Whether attended the last Annual General Meeting	Directorships in other companies as disclosed			
			Public	Private	Committee Member ship	Committee Chairmanship
Non-Executive Chairman & Promoter						
Mr. Ranjit Puri	4	Yes	4	-	1	-
Executive Directors & Promoters						
Mr. Aditya Puri, Managing Director	4	Yes	8	-	1	-
Mrs. Nina Puri, Whole-time Director	4	Yes	1	-	-	-
Non-Executive Independent Directors						
Mr. Vinod K. Nagpal	4	Yes	1	3	-	1
Mr. Tahir Hasan	4	Yes	5	1	-	1
Mr. C.R. Thompson*	Nil	No	-	-	-	-
Mr. Arun Kathalia	4	Yes	1	2	-	-
Mr. Vinod Kumar Sachdeva	4	Yes	2	-	-	-

* Mr. C.R. Thompson has resigned from the Directorship of the Company with effect from March 1, 2013.

iv. **Number of Board Meetings held, dates on which held:**

During the year four Board Meetings were held as under:

- November 24, 2012
- February 9, 2013
- May 13, 2013
- August 14, 2013

3. **Audit Committee:**

i. Brief description of terms of reference:

The Board, as required under section 292A of the Companies Act, 1956 has laid down terms of reference, which briefly are:-

- To discuss with Auditors (a) Internal Control System and suggest modification, and (b) scope of audit including observations of audit;
- To review Quarterly, Half Yearly and Annual Financial Statements;
- To ensure compliance of Internal Controls;
- To discuss with Internal Auditor (a) Periodical Reports and (b) Scope of internal audit.

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.

iii. Meetings and attendance during the year:

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

- November 24, 2012
- February 9, 2013
- May 13, 2013
- August 14, 2013

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

4. **Remuneration Committee:**

i. Brief description of Terms of Reference:

The Remuneration Committee reviews and recommends remuneration of Executive Directors as and when required.

ii. Composition, Name of Members and Chairman:

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

All the members of Remuneration Committee are Independent Directors. Mr. S. K. Khorana, Company Secretary is the Secretary of the Remuneration Committee.

iii. Attendance during the year:

During the year, no meeting of the Remuneration Committee was required to be held.

- iv. Remuneration policy:
Remuneration to Executive Directors is in accordance with the limits prescribed under the Companies Act, 1956.
- v. Details of remuneration paid to Directors:
Details are given in 'Note no. 30.1 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 (₹)
		<u>Remuneration*</u>	<u>Sitting Fees*</u>	
01.	Mr. Vinod K. Nagpal	31,180	87,416	1,18,596
02.	Mr. Tahir Hasan	31,180	43,708	74,888
03.	Mr. Ranjit Puri	31,180	43,708	74,888
04.	Mr. Arun Kathpalia	31,180	87,416	1,18,596
05.	Mr. Vinod Kumar Sachdeva	31,180	43,708	74,888
06.	Mr. C. R. Thompson	14,710	-	14,710
			Total	4,76,566

* Remuneration and Sitting Fees are inclusive of service tax.

5. Shareholders/ Investors Grievance Committee:

- i. Composition, Name of Members and Chairman:
Mr. Ranjit Puri- Chairman;
Mr. Vinod Kumar Sachdeva -Member.
- ii. Name and designation of Compliance Officer:
Mr. S.K. Khorana, Company Secretary.
- iii. Number of Shareholders' complaints received:
Nil.
- iv. Number of complaints not solved to the satisfaction of Shareholders:
Nil.
- v. Number of pending complaints:
Nil.

6. Subsidiary Company:

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. General Body Meetings:

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

Date	Location	Time
March 26, 2011	Office premises of Saraswati Sugar Mills Limited, Radaur Road, Yamunanagar-135001 (Haryana)	12:00 Noon
February 25, 2012		12:00 Noon
February 9, 2013		12:00 Noon

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

Yes. Special Resolution regarding Re-appointment of Mrs. Nina Puri as Whole Time Director was passed in the AGM held on February 25, 2012.

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.

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

No.

vi. Procedure for Postal Ballot:

Not applicable.

8. **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 Delhi Stock Exchange or 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. 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 Executive Director (Chief Financial Officer) & Company Secretary relating to financial statements, internal controls and internal control systems for financial reporting as per the format provided in Clause 49(V) of the Listing Agreement, was placed before the Board, who took the same on record.

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

Complied with all mandatory requirements as detailed above.

9. **Means of Communication:**

i. Financial Results:

Yes. Published in Newspaper.

- ii. Newspapers wherein results normally published:
 (a) Business Standard (English), or (b) Financial Express (English) and (c) Vir Arjun (Hindi).
- iii. Any website, where displayed:
 (a) On Company's website : www.isgec.com
 (b) On SEBI's website: www.corpfilings.co.in
 (c) 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.

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

Sl. No.	Name of Directors	Number of Shares held
01.	Mr. Vinod K. Nagpal	610
02.	Mr. Tahir Hasan	1640
03.	Mr. Arun Kathpalia	120
04.	Mr. Vinod Kumar Sachdeva	390

11. **General Shareholder information:**

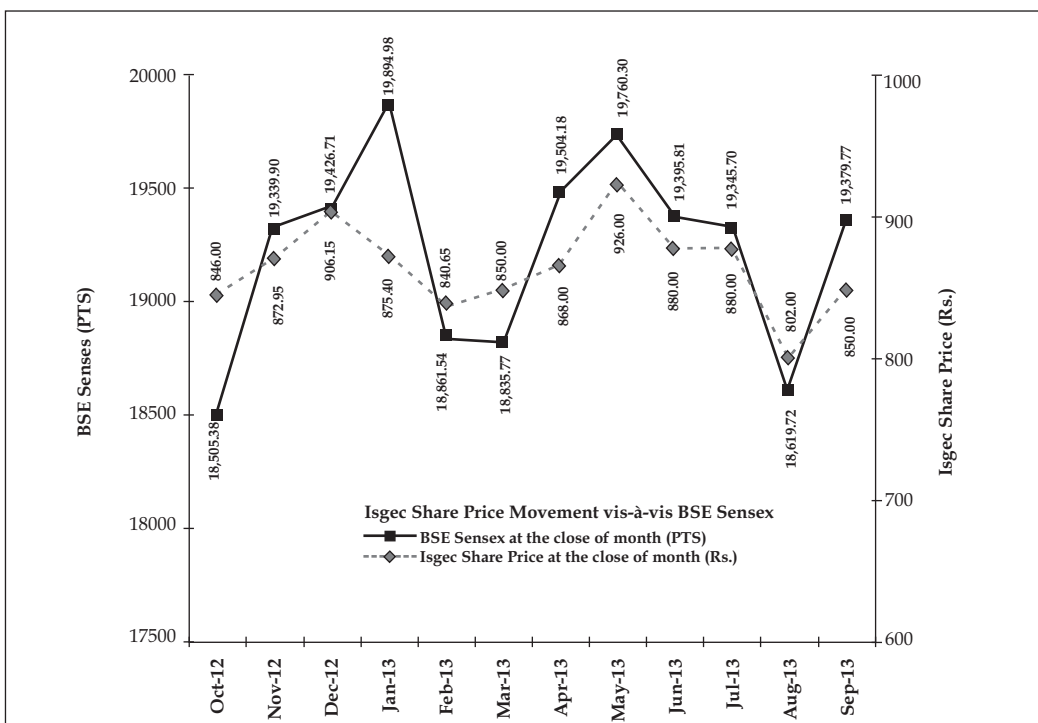
- i. Annual General Meeting date, time and venue:
 Annual General Meeting will be held on February 11, 2014 at 12:00 Noon at the office premises of Saraswati Sugar Mills Limited, Radaur Road, Yamunanagar- 135001, Haryana.
- ii. Financial Year:
 1st October to 30th September.
- iii. Dates of Book closure:
 From February 1, 2014 to February 11, 2014 (both days inclusive).
- iv. Dividend Payment Date:
 By February 18, 2014.
- v. Listing on Stock Exchange:
 Listed on Bombay Stock Exchange (BSE) and Delhi Stock Exchange (DSE).
- 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 last financial year on BSE and DSE:

Month	Bombay Stock Exchange	
	Highest (₹)	Lowest (₹)
October, 2012	910.00	843.05
November, 2012	904.00	803.10
December, 2012	968.00	825.10
January, 2013	934.95	850.00
February, 2013	900.00	831.40
March, 2013	888.50	807.00
April, 2013	890.00	830.00
May, 2013	995.00	868.00
June, 2013	925.00	860.00
July, 2013	949.00	849.10
August, 2013	860.00	800.05
September, 2013	850.10	800.00

As there was no trading on DSE, quotations were not available for the year ended on 30th September, 2013.

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 Exchanges.

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

xiii. Distribution of shareholding:

The Distribution of shareholding as on September 30, 2013 is

Shareholding of Nominal Value		Shareholders		Share Amount	
₹	₹	Number	% of Total	(In ₹)	% of Total
Up-to	5,000	4460	98.32	87,49,060	11.87
5,001 -	10,000	28	0.62	20,77,470	2.82
10,001 -	20,000	14	0.31	21,99,370	2.98
20,001 -	30,000	5	0.11	12,48,150	1.69
30,001 -	40,000	8	0.18	27,41,600	3.72
40,001 -	50,000	7	0.15	32,51,200	4.42
50,001 -	1,00,000	4	0.09	26,24,100	3.56
1,00,001	and above	10	0.22	5,08,04,450	68.94
TOTAL		4,536	100.00	7,36,95,400	100.00

Shareholding pattern as on September 30, 2013:

<u>Category</u>	<u>No of Shareholders</u>	<u>No. of shares held</u>	<u>Percentage</u>
Promoters	5	45,67,713	61.98
FIs, Banks & Mutual Funds	6	4,020	0.05
Others (Public)	4,525	27,97,807	37.97

xiv. Dematerialization of shares and liquidity:

88.129% of share capital has been dematerialized as on September 30, 2013.

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 Exchanges 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 financial year 2012-2013.

xviii. Plant locations:

<u>Plant Location</u>	<u>Item of Manufacture</u>	<u>Address for correspondence</u>
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 - 392 130. Gujarat.
d) U.P. Steels, Muzaffarnagar	Castings - Steel & Iron	Village Nara, P.O. Mansurpur -251 203, Distt. 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 & Construction Division:

<u>Name</u>	<u>Item</u>	<u>Address for correspondence</u>
a) Isgec	Boilers	A-5 and A-7, Sector - 63, Noida - 201 301, U.P.
b) Isgec	Sugar Machinery	A-4, Sector - 24, Noida - 201 301, 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: 01732-307 611/ 614
Email : roynr@isgec.com

xxi. Details of the Director seeking reappointment in Annual General Meeting to be held on February 11, 2014 (In pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Mr. Tahir Hasan	Mr. Ranjit Puri
Date of Birth	21.07.1946	04.03.1940
Date of Appointment	29.01.2005	14.10.1981
Qualification	B.E. (Mech.)	B.Sc. Industrial Management from Massachusetts Institute of Technology (USA)
Board position held	Non-Executive Director	Non-Executive Director and Chairman
Nature of his /her expertise in specific function areas	Industrialist, Managing Companies	Managing Companies
Other Directorship	- Shervani Sugar Syndicate Limited - Shervani Industrial Syndicate Limited - Shervani Hospitalities Limited - Saraswati Sugar Mills Limited - Tara Snacks and Foods Limited - Tara Products and Services (Pvt.) Limited	- The Yamuna Syndicate Limited - Saraswati Sugar Mills Limited - Jullundur Motor Agency (Delhi) Limited - Isgec Engineering and Projects Limited
Chairman / Member of Committee of the Board of Companies of which he/she is a Director	Isgec Heavy Engineering Limited- Remuneration Committee- Member Saraswati Sugar Mills Limited- Audit Committee-Chairman	Saraswati Sugar Mills Limited- Audit Committee-Member Isgec Heavy Engineering Limited- Shareholders/ Investors Grievance Committee-Chairman
Shareholding of Non- Executive Directors as stated in Clause 49 (IV) (E) (v)	1,640 shares 0.02 %	6,59,201 shares 8.94 %

Annual Declaration by Managing Director pursuant to Clause 49(1) (D) (ii) of the Listing Agreement

As required under Clause 49(1)(D)(ii) of the Listing Agreement with the Stock Exchanges, 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 September 30, 2013.

Dated: November 23, 2013.

Aditya Puri
Managing Director

Auditors' Certificate on Compliance of Corporate Governance Under Corporate Governance Clause of the Listing Agreement(s)

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 September 30, 2013 as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchange(s).

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

Dated: 23 November, 2013

INDEPENDENT AUDITORS' REPORT

To The Members of

Isgec Heavy Engineering Limited

1. Report on the Financial Statements

We have audited the attached financial statements of Isgec Heavy Engineering Limited ("the Company") which comprises the Balance Sheet as at 30th September, 2013 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and Notes to the Financial Statements comprising of a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 now with effect from 12th September, 2013 section 133 of the Companies Act, 2013 as per notification dated 12th September, 2013 read with circular no. 16/2013 dated 18th September 2013 issued by Ministry of Corporate Affairs, Government of India. This responsibility includes the design, implementation, and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 30th September, 2013;
- ii) In the case of Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order;
2. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on 30th September, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 30th September, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

For S S Kothari Mehta & Co.
Firm Registration Number: 000756N
Chartered Accountants

(K K Tulshan)
Partner

Place: Noida
Date: 23 November, 2013

Membership Number: 085033

Annexure to Independent Auditor's Report referred to in paragraph 1 on Other Legal and Regulatory Requirement of our report on the financial statement of even date,

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The fixed assets of the Company are physically verified during the year by the management in accordance with a program designed to cover all assets except for certain building and vehicles situated in Pakistan (carrying value - Re 1/-) and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
(c) In our opinion and according to the information and explanations given to us, no substantial part of fixed assets has been disposed-off by the Company.
 2. (a) The inventory has been physically verified during the year 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 30th September, 2013 have been verified by the management with reference to confirmation 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 for the physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and nature of its business.
(c) In our opinion, the Company is maintaining proper records of inventory. 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.
 3. (a) The Company had granted unsecured loan to its one subsidiary company listed in the register maintained under section 301 of the Companies Act, 1956. Apart from these loans, the Company has not granted any other loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year is Rs. 7660.27 Lacs and year end balance of such loans is NIL.
(b) In our opinion, the rate of interest and other terms and conditions of such loans were not prima facie prejudicial to the interest of the Company.
(c) In respect of the aforesaid loan, we are informed that these were repayable on demand. The parties were regular in payment of interest.
(d) In respect of the aforesaid loans, we are informed that there are no overdue amounts more than Rupees One Lakh as the loans stand completely squared up.
(e) The Company has taken unsecured loans of Rs. 29.36 lacs in the form of fixed deposits from its three Directors and one related party in earlier years and outstanding at the beginning of the year, the terms & conditions of which are, prima facie, not prejudicial to the interest of the Company. Maximum amount outstanding during the year with respect to these loans was Rs.29.36 Lacs and the year end balance of such loans is Rs. 0.66 Lacs, now due to one related party. There are no other loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
(f) In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the Company.
(g) in respect of the aforesaid loans, there are no overdue amounts of principal and interest.
 4. 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.

5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) in our opinion and according to the information and explanations given to us, transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time where such market prices were made available.
6. The Company has accepted deposits from the public within the meaning of section 58A and 58AA of the Act and the rules framed there under. In our opinion and according to the information and explanations given to us, the provisions of section 58A and section 58AA or any other relevant provisions of the Companies Act, 1956 including the Companies (Acceptance of Deposit) Rules, 1975 have been complied by the Company with respect to fixed deposits accepted from the public.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
8. We have broadly reviewed the cost accounting records, maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act and 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.
9. (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 generally regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income-tax, sales – tax, wealth – tax, service – tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales – tax, wealth – tax, service – tax, customs duty, excise duty and cess which have not been deposited on account of any dispute except the following:

Name of Statute	Duty/Tax	Year	Forum where dispute is pending	Total (₹ Lacs)
Central Excise Act	Excise Duty	1994-95	Hon'ble High Court, Allahabad	5.00
		1994-96	Tribunal New Delhi	8.00
		2002-08	CESTAT, New Delhi	50.23
		2007-11	CESTAT, New Delhi	7.10
Service Tax	Service Tax	2004-06	CESTAT, New Delhi	6.00
		2005-07	CESTAT, New Delhi	22.31
		2008-09	CESTAT, New Delhi	8.36
		2009-12	Assistant Commissioner, YNR	63.56
		2011-12	Commissioner Central Excise	61.28
		2008-09	Commissioner, Central Excise (Vadodara)	60.31

Sales Tax Act	Sales Tax	1993-94	Sales Tax Tribunal, Orissa	9.02
		1995-96	Sales Tax Tribunal, Orissa	17.00
		1996-97	Sales Tax Tribunal, Orissa	5.00
		1992-93	Appellant Tribunal - West Bengal	90.00
		1993-94	Appellant Tribunal - West Bengal	155.00
		1971-73	Commissioner Sales Tax, Lucknow	6.00
		1987-88	Dy Comm. of Commercial Taxes, Kolkata	4.00
		1995-96	Dy Comm. of Commercial Taxes, Kolkata	34.00
		1994-95	Commercial Tax Officer, Kolkata	61.00
		2006-07	Dy Comm. Of Commercial Tax, Tamilnadu	0.82
		2007-08	Adl.CTO Tamilnadu	2.41
		2008-09	Adl.CTO Tamilnadu	0.58
		2009-10	Dy Comm. of Commercial Taxes, Kolkata	14.23
		2008-09	Joint Commissioner (Appeal), UP	13.76
		2009-10	Sales Tax Tribunal Muzaffarnagar	257.85
Local Area development Tax Act, 2002	Local area tax	2006-07	Hon'ble High Court of Punjab & Haryana	10.00
Haryana State Pollution Control Law	Water Cess	1992-93	Hon'ble Supreme Court of India	13.20
			Total	986.02

10. There are no accumulated losses of the Company as at 30 September 2013. The Company has neither incurred cash losses in the financial year ended on that date or during the immediately preceding financial year.
11. 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 or debenture holder.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company.
14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions during the year.
16. In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short term basis which have been used for long term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.

19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by public issues during the year.
21. 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 year, nor have we been informed of any such case by the management.

For S S Kothari Mehta & Co.
Firm Registration Number: 000756N
Chartered Accountants

Place: Noida
Date: 23 November, 2013

(K K Tulshan)
Partner
Membership Number: 085033

BALANCE SHEET As At 30th September, 2013

(₹ in Lacs)

Particulars	Note No.	As at 30.09.2013	As at 30.09.2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	736.95	736.95
(b) Reserves and Surplus	4	60,197.80	53,692.74
		60,934.75	54,429.69
(2) Non-current Liabilities			
(a) Long-term Borrowings	5	9,037.90	12,898.62
(b) Deferred Tax Liabilities (Net)	6	1,870.04	1,226.02
(c) Other Long-term Liabilities	7	10,355.01	9,526.19
(d) Long-term Provisions	8	12,688.72	9,630.02
		33,951.67	33,280.85
(3) Current Liabilities			
(a) Short-term Borrowings	9	18,604.81	6,355.16
(b) Trade Payables	10	63,174.29	55,828.25
(c) Other Current Liabilities	11	57,284.58	52,220.56
(d) Short-term Provisions	12	5,866.11	7,904.77
		144,929.79	122,308.74
Total		239,816.21	210,019.28
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets	13		
(i) Tangible Assets		37,317.53	33,438.94
(ii) Intangible Assets		5,494.25	3,552.64
(iii) Capital Work-in-progress		820.56	4,593.97
		43,632.34	41,585.55
(b) Non-current Investments	14	12,655.80	12,330.80
(c) Deferred Tax Assets (Net)		-	-
(d) Long-term Loans and Advances	15	1,237.82	1,464.37
(e) Other Non-current Assets	16	2,003.07	3.19
		59,529.03	55,383.91
(2) Current Assets			
(a) Current Investments	17	20,714.18	14,807.53
(b) Inventories	18	33,311.87	44,485.01
(c) Trade Receivables	19	76,149.56	69,076.14
(d) Cash and Bank Balances	20	33,328.69	7,767.65
(e) Short-term Loans and Advances	21	16,105.37	18,454.48
(f) Other Current Assets	22	677.51	44.56
		180,287.18	154,635.37
Total		239,816.21	210,019.28
Company Overview and Significant Accounting Policies	1 & 2		
Notes to the financial statements	1 to 43		

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

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

Place : Noida

Dated : 23 November, 2013

Vinod K. Nagpal

Director

STATEMENT OF PROFIT & LOSS For The Year Ended 30th September, 2013

(₹ in Lacs)

Particulars	Note No.	Year Ended 30.09.2013	Year Ended 30.09.2012
I. Revenue from Operations	24	259,034.73	274,948.87
Less: Excise Duty		7,771.32	8,591.45
		251,263.41	266,357.42
II. Other Income	25	4,260.70	3,678.84
III. Total Revenue		255,524.11	270,036.26
IV. Expenses:			
(a) Cost of Material Consumed	26	38,840.28	55,585.72
(b) Purchase of goods for resale		93,023.14	99,299.71
(c) Changes in Inventories of Finished Goods, Work - in - Progress and Stock - in - trade	27	12,663.41	(3194.33)
(d) Employee Benefits Expenses	28	19,192.34	17,972.76
(e) Financial Costs	29	2,250.23	2,549.95
(f) Depreciation		5,416.39	4,513.07
(g) Erection & Civil Cost		20,615.50	22,169.63
(h) Other Expenses	30	53,044.21	61,069.29
Total Expenses (IV)		245,045.50	259,965.80
V. Profit before Tax (III-IV)		10,478.61	10,070.46
VI. Tax Expense:			
(a) Current Tax	31	2,592.58	2,517.23
(b) Deferred Tax	6	644.02	549.47
		3,236.60	3,066.70
VII. Profit after Tax for the period (V-VI)		7,242.01	7,003.76
VIII. Basic /Diluted earning per share of ₹ 10 Each (In ₹)	32	98.27	95.04
Company Overview and Significant Accounting Policies	1 & 2		
Notes to the financial statements	1 to 43		

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

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

Place : Noida
Dated : 23 November, 2013

Vinod K. Nagpal
Director

CASH FLOW STATEMENT for the year ended 30th September, 2013

(₹ in Lacs)

	Year ended 30.09.2013	Year ended 30.09.2012
A. Cash flow from Operating activities:		
Net (loss)/profit before tax but after exceptional /extraordinary items	10,478.61	10,070.46
Adjustments for:		
Depreciation	5,416.39	4,513.07
Interest Expense	2,250.23	2,549.95
Interest Income	(1,769.74)	(1,542.83)
Income from Investment - Dividends	(745.55)	(745.55)
(Profit)/Loss on Sale/Revaluation of store	-	(0.99)
(Profit)/Loss on Fixed Assets sold (Net)	(120.67)	(58.27)
(Profit)/Loss on Sale of Investment	(1,292.38)	(1,072.48)
Debts / Advances Written off	6.22	77.45
Provision for Bad & Doubtful Debts	-	-
Liability no longer required written back	(878.40)	(1,091.73)
Operating profit before working capital changes	13,344.71	12,699.08
Adjustments for changes in working capital :		
- (Increase)/Decrease in Trade Receivables	(7,079.64)	(5,906.77)
- (Increase)/Decrease in Other Receivables	572.59	(1,624.02)
- (Increase)/Decrease in Inventories	11,173.14	816.07
- Increase/(Decrease) in Trade, Other Payables and Provisions	17,677.69	(3,901.84)
Cash generated from operations	35,688.49	2,082.52
- Taxes (Paid) / Received (Net of TDS)	(2,379.66)	(3,068.82)
Net cash from operating activities	33,308.83	(986.30)
B. Cash flow from Investing Activities		
Purchase of fixed assets	(7,557.51)	(11,707.48)
Proceeds from Sale of fixed assets	215.00	282.52
(Investment)/Repayment of Inter Corporate Deposit	-	2,000.00
Sale/ (Purchase) of Investments	(4,939.27)	(2,004.90)
Dividend Received	745.55	745.55
Interest Received (Revenue)	1,139.96	1,739.96
Net cash used in investing activities	(10,396.27)	(8,944.35)
C. Cash flow from Financing activities:		
Proceeds/ (Repayment) from Secured loans	2,017.46	8,209.41

Proceeds/(Repayment) of unsecured loans	4,210.99	(1,978.15)
Interest and other Borrowing cost Paid	(2,843.74)	(2,561.87)
Dividend Paid	(736.25)	(718.89)
Net cash used in financing activities	2,648.46	2,950.50
Net Increase/(Decrease) in Cash & Cash Equivalents	25,561.02	(6,980.15)
Cash and cash equivalents as at 30.09.2012	7,767.65	14,747.80
Cash and cash equivalents as at 30.09.2013	33,328.69	7,767.65
Cash and cash equivalents comprise		
Cash, Cheques & Drafts (in hand) and Remittances in transit	43.21	127.81
Current accounts(dividend account)	93.14	92.44
Balance with Scheduled Banks	1,897.33	2,856.30
Term Deposit & Margin Money with Banks (against Bank Guarantees & Letter of Credit issued by Bank)	31,295.01	4,691.10
	33,328.69	7,767.65

Notes :

- 1 The above Cash flow statement has been prepared under the indirect method setout 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.
- 4 Following non cash transactions have not been considered in the cash flow statement.
- Tax deducted at source (on income)

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

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

Place : Noida
Dated : 23 November, 2013

Vinod K. Nagpal
Director

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 1. 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 and EPC Power Plants for customers in India and abroad.

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

Note 2. 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, (as amended) and provisions of the relevant Company's Act. 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.

v) Depreciation and Amortization

Depreciation is provided on fixed assets at the rates and in the manner prescribed in Schedule XIV to the

Companies Act, 1956 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 Rs.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.

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 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 fund.

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.

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.

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.

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.

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 (AS-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

Provision for taxation for the Company's financial year ended September 30th, 2013, being different from tax year, has been determined based on the results for the six months ended March, 2013 (assessment year 2013-14) and on actual tax return filed and for the six months ended September 2013 (assessment year 2014-15) based on result for the period. The ultimate liability for the assessment year 2014-15 however will be determined on the total income of the Company for the year ending March 31, 2014.

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.

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.

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 3 : SHARE CAPITAL

Particulars	As at 30.09.2013		As at 30.09.2012	
	Number of shares	(₹ in lacs)	Number of shares	(₹ in lacs)
Authorised:				
Equity shares of ₹ 10/-each with voting rights	8,500,000	850.00	8,500,000	850.00
Issued:				
Equity shares of ₹ 10/-each with voting rights	7,369,540	736.95	7,369,540	736.95
Subscribed and Fully Paid-up				
Equity shares of ₹ 10/-each with voting rights	7,369,540	736.95	7,369,540	736.95
	7,369,540	736.95	7,369,540	736.95

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 Rs. 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.

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

Particulars	As at 30.09.2013		As at 30.09.2012	
	Number of shares	(₹ in lacs)	Number of shares	(₹ in lacs)
Equity shares outstanding at the beginning of the year	7,369,540	736.95	7,369,540	736.95
Add: Issued during the year	-	-	-	-
Less: Shares bought back	-	-	-	-
Equity shares outstanding at the close of the year	7,369,540	736.95	7,369,540	736.95

Notes to the Financial Statements as at and for the year ended 30th September 2013

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

Class of shares/Name of the shareholders:	As at 30.09.2013		As at 30.09.2012	
	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.	3,300,019	44.78%	3,277,161	44.47%
(ii) Mr. Ranjit Puri (individually and/or jointly with others)	659,201	8.94%	659,201	8.94%
(iii) Mr. Aditya Puri (individually and/or jointly with others)	456,808	6.20%	456,808	6.20%
(iv) Mr. Ranjan Tandon (individually and/or jointly with others)	438,900	5.96%	438,900	5.96%

(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.

Note 4: RESERVES AND SURPLUS

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(a) Capital Reserve		
Balance outstanding at the beginning of the year	0.01	0.01
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the close of the year	0.01	0.01
(b) Capital Redemption Reserve		
Balance outstanding at the beginning of the year	1.58	1.58
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the close of the year	1.58	1.58
(c) Securities Premium Account		
Balance outstanding at the beginning of the year	450.22	450.22
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the close of the year	450.22	450.22

Notes to the Financial Statements as at and for the year ended 30th September 2013

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(d) General Reserve		
Balance outstanding at the beginning of the year	14,820.88	14,120.48
Add: Additions during the year	724.20	700.40
Less: Utilised during the year	-	-
Balance outstanding at the close of the year	15,545.08	14,820.88
(e) Surplus in Statement of Profit and Loss		
Balance outstanding at the beginning of the year	38,420.05	32,853.64
Add: Additions during the year	7,242.01	7,003.76
Less: Appropriations		
- Proposed Dividend - @ ₹ 10/- per share (Previous year @ ₹ 10 per share)	736.95	736.95
- Dividend Tax	-	-
- Transfer to General Reserve	724.20	700.40
Balance outstanding at the close of the year	44,200.91	38,420.05
Total	60,197.80	53,692.74

Note 5 : LONG-TERM BORROWINGS

(₹ in lacs)

Particulars	As at 30.09.2013			As at 30.09.2012		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Term loan						
(a) From Banks						
External Commercial Borrowings Refer Note-5.1 below	7,065.98	-	7,065.98	11,756.10	-	11,756.10
(b) Deposits - Refer Note 5.2 below						
Public	-	1,586.08	1,586.08	-	957.36	957.36
Shareholders	-	385.84	385.84	-	184.50	184.50
Directors	-	-	-	-	0.66	0.66
TOTAL	7,065.98	1,971.92	9,037.90	11,756.10	1,142.52	12,898.62

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 5.1: Details of Term Loans from Banks.

(₹ in lacs)

Initial Loan Amount	Loan outstanding as at 30.09.13	Current maturity	Long term	Rate of Interest (p.a.)	Term of repayment	Security
1,198.00	74.89 (374.44)	74.89 (299.55)	- (74.89)	7.51%	Repayable in quarterly installments of ₹ 74.89 lacs each. Last installment of ₹ 74.89 lacs due on 31.12.2013	First charge on movable and immovable fixed assets of the company located at Dahej, Gujarat, unit of the Company.
980.00	245.00 (490.00)	245.00 (245.00)	- (245.00)	9.40%	Repayable in quarterly installments of ₹ 61.25 lacs each. Last payment of ₹ 122.50 lacs due on 09.06.2014	First charge on movable and immovable fixed assets of the company located at Dahej, Gujarat, unit of the Company.
1,446.00	271.24 (632.89)	271.24 (361.65)	- (271.24)	9.60%	Repayable in quarterly installments of ₹ 90.41 lacs. Last installment of ₹ 90.41 lacs due on 23.06.2014	First charge on movable and immovable fixed assets of the company located at Dahej, Gujarat, unit of the company.
5,658.00	2,923.30 (4,384.95)	1,461.65 (1,461.65)	1,461.65 (2,923.30)	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 due on 22.07.2015	Exclusive charge on specific movable and immovable fixed assets.
9,890.00	8,241.67 (9,890.00)	2,637.34 (1,648.33)	5,604.33 (8,241.67)	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.
Total	11,756.10 (15,772.28)	4,690.12 (4,016.18)	7,065.98 (11,756.10)			

Note 5.2: Details of Deposits.

(₹ in lacs)

Deposits	Deposits outstanding as on 30.09.13	Current maturity	Short term	Long term	Period of Deposit : Rate of Interest (p.a.)	Term of repayment	Security
Public	2,132.55 (3,816.18)	530.20 (2,838.12)	16.27 (20.70)	1,586.08 (957.36)	6 Months 6.00% 1 Year 6.00% 2 Year 7.00% 3 Year 9.00%	Repayment on maturity date	Unsecured
Shareholder	452.30 (819.64)	63.35 (635.14)	3.11 (-)	385.84 (184.50)			
Director	0.66 (29.36)	0.66 (28.70)	- (-)	- (0.66)			
Total	2,585.51 (4,665.18)	594.21 (3,501.96)	19.38 (20.70)	1,971.92 (1,142.52)			

Note 5.3 : Figures in parenthesis pertains to previous year.

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 6 : 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. 2011	Credit / (Charge) during the year	As at 01.10.2012	Credit / (Charge) during the year	As at 30.09.2013
Depreciation	(1,854.83)	(548.07)	(2,402.90)	(312.90)	(2,715.80)
Other Timing Differences	1,178.28	(1.40)	1,176.88	(331.12)	845.76
Net Deferred Tax	(676.55)	(549.47)	(1,226.02)	(644.02)	(1,870.04)

Note 7 : OTHER LONG TERM LIABILITIES

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(a) Trade Payables other than to Micro & Small Enterprises	-	14.88
(b) Others:		
(i) Interest accrued but not due on Public Deposits	106.50	100.86
(ii) Advance from Customers	10,068.14	9,258.59
(iii) Security and Other Deposits	180.37	148.28
(iv) Sundries	-	3.58
Total	10,355.01	9,526.19

Note 8 : LONG-TERM PROVISIONS

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(a) Provision for Employee Benefits:		
(i) Provision for Leave Encashment (unfunded) (Refer Note 28.1)	1,088.33	960.78
(ii) Provision for Pension (Unfunded)	1,146.83	1,241.22
(iii) Provision for Gratuity (Funded) (Refer Note 28.1)	240.61	28.42
(b) Provision Others		
(i) Provision for Performance Warranties/ After Sales Service (Refer Note 8.1)	10,212.95	7,399.60
Total	12,688.72	9,630.02

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 8.1 : 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 30.09.2013	As at 30.09.2012
(a) Movement of provision for Performance Warranties / After Sales Services		
(i) Opening Balance	13,691.87	11,088.17
(ii) Provided for during the year	5,027.05	4,602.10
(iii) Used during the year	(3,818.65)	(1,179.45)
(iv) Reversed during the year	(603.32)	(818.95)
(v) Closing Balance	14,296.95	13,691.87
Break up of Closing Balance		
Long term provisions	10,212.95	7,399.60
Short term provisions	4,084.00	6,292.27
(b) Timing of outflow/uncertainties	Outflow on claims to be made by Customers.	

Note 9 : SHORT-TERM BORROWINGS

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
a) Secured		
(i) Cash Credit (Refer note 9.1 & 9.2)	3,585.43	4,551.79
(ii) Buyers' Credit (Refer note 9.1)	-	728.86
(iii) Packing Credit Loan from Banks (Refer Note 9.1 & 9.3)	7,000.00	-
	10,585.43	5,280.65
b) Unsecured		
(i) Public Deposits (Refer Note 5.2)		
Public	16.27	20.70
Shareholders	3.11	-
Related Parties	-	-
(ii) Packing Credit Loan from Banks(Refer Note 9.3)	8,000.00	1,053.81
	8,019.38	1,074.51
Total	18,604.81	6,355.16

Note 9.1 Secured by hypothecation of inventories and by a charge on book debts and other assets of the company, on pari passu basis to working capital consortium bankers.

Note 9.2 Repayable on demand

Note 9.3 Average rate of interest on Packing Credit Loans from Banks is 7.78%.

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 10 : TRADE PAYABLES

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(a) To Micro & Small Enterprises (Refer Note 10.1)	71.66	54.59
(b) To Other than Micro & Small Enterprises	62,640.45	54,916.68
(c) To Related Parties	462.18	856.98
Total	63,174.29	55,828.25

Note 10.1 : TRADE PAYABLES TO MICRO AND SMALL ENTERPRISES

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
a) <u>Amount remaining unpaid to any supplier</u>		
Principal Amount	71.66	54.59
Interest due thereon	-	-
b) Interest paid under Micro, Small and Medium Enterprises (Development) Act, 2006	0.06	0.02
c) Interest due (Other than (b) above)	-	-
d) Interest accrued and unpaid	-	-
e) Interest due and payable till actual payment	-	-

Note 11 : OTHER CURRENT LIABILITIES

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(a) Current maturities of long-term debt *		
(i) External Commercial Borrowing (Refer note 5.1)	4,690.12	4,016.18
(ii) Deposits (Refer note 5.2)		
Public	530.20	2,838.12
Shareholders	63.35	635.14
Directors	0.66	28.70
(b) Interest accrued but not due on borrowings	403.64	1,006.38
(c) Advance from customers	46,643.05	37,908.24
(d) Unpaid dividends	93.14	92.44
(e) Unpaid matured deposits	112.66	102.99
(f) Interest accrued on unpaid matured deposits	32.36	28.77

Notes to the Financial Statements as at and for the year ended 30th September 2013

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(g) Creditors for Capital expenditure	319.17	773.59
(h) Other creditors	460.19	399.22
(i) Other creditors related parties	0.89	3.68
(j) Statutory remittances	881.12	1,417.33
(k) Security and Other Deposits	56.62	59.63
(l) Director's Current Account	3.45	1.93
(m) Book Overdraft	99.72	26.39
(n) Director's Remuneration	1,068.31	1,037.92
(o) Payables to Employees	527.13	1,047.03
(p) Other Liabilities	1,298.80	796.88
Total	57,284.58	52,220.56

* For details of Security for Current maturities of long term debt please refer Note 5.1

Note 12 : SHORT-TERM PROVISIONS

(₹ in lacs)

Particulars	As at 30.09.2013		As at 30.09.2012	
(a) Provision for Employee Benefits:				
(i) Provision for Leave Encashment (Unfunded) (Refer note 28.1)		117.41		119.49
(ii) Provision for Pension (Unfunded)		147.74		167.69
(iii) Provision for Contribution to Superannuation Fund (Funded)		-		21.18
(b) Provision Others				
(i) Provision for Performance, Warranties / After Sales Services (Refer Note 8.1)		4,084.00		6,292.27
(ii) Provision for Income Tax :				
Provision for Income Tax	2,592.58		1,426.83	
Less: Prepaid Taxes	1,812.57	780.01	859.74	567.09
(iii) Provision for Proposed Equity Dividend		736.95		736.95
(iv) Provision for Tax on Proposed Dividend		-		-
Total		5,866.11		7,904.77

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 13 : FIXED ASSETS

Note 13.1 : FIXED ASSETS -OWNED

	(₹ in Lacs)											
	Gross Block					Depreciation					Net Block	
	Balance as at 01.10.2012	Additions	Deductions/ Adjustments	Deduction of Assets Leased to IHZL	Balance as at 30.09.2013	Balance as at 01.10.2012	For the year	Deduction on disposal of assets	Deduction on assets Leased to IHZL	Balance as at 30.09.2013	Balance as at 30.09.2012	
Tangible Assets												
Free Hold Land	1,228.04	1,732.43	-	-	2,960.47	-	-	-	-	2,960.47	1,228.04	
Lease Hold Land	2,525.24	-	-	-	2,525.24	382.15	70.34	-	-	2,072.75	2,143.09	
Building	8,190.87	1,408.66	1.14	-	9,598.39	2,721.47	527.75	1.00	-	6,350.17	5,469.40	
Plant and Equipment	24,808.01	4,947.85	147.16	39.88	29,568.82	11,849.66	2,445.79	108.35	2.41	15,384.13	12,958.35	
Furniture & Fixture	927.18	77.86	1.38	-	1,003.66	579.73	75.42	1.18	-	349.69	347.45	
Office Equipments	2,594.96	250.61	26.54	-	2,819.03	1,817.48	240.94	21.58	-	782.19	777.48	
Vehicle	1,226.33	237.07	153.50	-	1,309.90	641.55	177.15	100.97	-	592.17	584.78	
TOTAL	41,500.63	8,654.48	329.72	39.88	49,785.51	17,992.04	3,537.39	233.08	2.41	21,293.94	23,508.59	
Previous Year - Tangible Assets	44,608.92	11,334.34	587.50	13,855.13	41,500.63	18,350.58	3,441.75	363.25	3,437.04	17,992.04	23,508.59	
Intangible Assets												
Software (acquired)	994.75	320.65	-	-	1,315.40	661.95	163.88	-	-	489.57	332.80	
Technical Know How (acquired)	4,226.37	2,355.84	-	-	6,582.21	1,014.72	568.33	-	-	4,999.16	3,211.65	
TOTAL	5,221.12	2,676.49	-	-	7,897.61	1,676.67	732.21	-	-	2,408.88	3,544.45	
Previous Year - Intangible Assets	4,985.91	248.59	-	13.38	5,221.12	1,097.58	583.01	-	3.92	1,676.67	3,544.45	
GRAND TOTAL	46,721.75	11,330.97	329.72	39.88	57,683.12	19,668.71	4,269.60	233.08	2.41	23,702.82	27,053.04	
PREVIOUS YEAR	49,594.83	11,582.93	587.50	13,868.51	46,721.75	19,448.16	4,024.76	363.25	3,440.96	19,668.71	27,053.04	

Notes :

- Borrowing costs capitalised during the year Nil (Previous year ₹ 56.16 lacs)
- 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.
- Depreciation capitalised during the year Nil (Previous year ₹ 0.64 lacs)

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 13.2 : FIXED ASSETS-LEASED OUT TO Isgec Hitachi Zosen Ltd.

(₹ in lacs)

	Gross Block				Depreciation				Net Block	
	Opening Balance as at 01.10.2012	Additions	Deductions/ Adjustments	Balance as at 30.09.2013	Balance as at 01.10.2012	Addition of Transfer in	For the Year	Deduction on disposal of assets	Balance as at 30.09.2013	Balance as at 30.09.2012
Tangible Assets										
Free Hold Land	-	-	-	-	-	-	-	-	-	-
Lease Hold Land	132.65	-	-	132.65	7.74	-	1.35	-	9.09	123.56
Building	6,149.31	-	-	6,149.31	1,948.88	-	368.91	-	2,317.79	3,831.52
Plant and Equipment	7,325.56	39.88	-	7,365.44	1,823.12	-	754.60	-	2,577.72	4,787.72
Furniture & Fixture	143.81	-	-	143.81	79.07	-	11.05	-	90.12	53.69
Office Equipments	97.95	-	0.51	97.44	61.90	-	7.80	0.41	69.29	28.15
Vehicle	5.85	-	-	5.85	4.07	-	0.46	-	4.53	1.32
TOTAL	13,855.13	39.88	0.51	13,894.50	3,924.78	-	1,144.17	0.41	5,068.54	8,825.96
Previous Year - Tangible Assets	-	13,855.13	-	13,855.13	-	3,437.04	487.74	-	3,924.78	9,930.35
Intangible Assets										
Software (acquired)	13.38	-	-	13.38	5.19	-	2.67	-	7.86	5.52
Technical Know How (acquired)	-	-	-	-	-	-	-	-	-	-
TOTAL	13.38	-	-	13.38	5.19	-	2.67	-	7.86	8.19
Previous Year - Intangible Assets	-	13.38	-	13.38	-	3.92	1.27	-	5.19	8.19
GRAND TOTAL	13,868.51	39.88	0.51	13,907.88	3,929.97	0.00	1,146.84	0.41	5,076.40	8,831.48
Previous Year	-	13,868.51	-	13,868.51	-	3,440.96	489.01	-	3,929.97	9,938.54

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 14 : NON-CURRENT INVESTMENTS - AT COST

Particulars	Face Value (₹)	As at 30.09.2013		As at 30.09.2012	
		No. of Shares	Value (₹ in lacs)	No. of Shares	Value (₹ in lacs)
Investments (at cost)					
Investment in Equity Instruments					
a) Subsidiary Companies fully paid up (Unquoted) - Non Trade:					
Isgec Covema Limited	10	1999900	199.99	1999900	199.99
Isgec Exports Limited *	10	100000	10.00	100000	10.00
Saraswati Sugar Mills Limited *	10	7099900	7,009.99	7099900	7,009.99
Isgec Engineering & Projects Ltd. *	10	3300000	330.00	50000	5.00
b) Joint Venture Companies (Unquoted) - Trade:					
Isgec Hitachi Zosen Ltd. * (Refer note 14.1)	10	5100000	5,100.00	5100000	5,100.00
		12,649.98		12,324.98	
c) Other Companies (Quoted) - Non Trade:					
Haryana Oxygen Limited	10	2500	0.25	2500	0.25
Less : Provision for diminution in the value of Investment (Market value of the investment Nil (Previous year Nil))			(0.25)		(0.25)
Reliance Industries Ltd. (Market Value ₹ 5.79 Lacs (Previous Year ₹ 5.89 Lacs))	10	704	3.36	704	3.36
Reliance Power Ltd. (Market Value ₹ 0.59 Lacs (Previous Year ₹ 0.85 Lacs))	10	872	2.46	872	2.46
		5.82		5.82	
Total			12,655.80		12,330.80
Aggregate Value of Investments :					
Unquoted			12,649.98		12,324.98
Quoted ((Aggregate market value ₹ 6.38 Lacs (Previous year ₹ 6.74 Lacs))			6.07		6.07
Provision for diminution in value of Investments			(0.25)		(0.25)
Total			12,655.80		12,330.80
* Includes Equity shares held by Nominees			No of Shares		No of Shares
Saraswati Sugar Mills Limited			600		600
Isgec Exports Ltd.			9		9
Isgec Engineering & Projects Ltd			6		6
Isgec Hitachi Zosen Ltd.			3		3

Note 14.1 : Classified as joint venture in accordance with Accounting Standard (AS) 27-Financial Reporting of Interest in Joint Ventures as per joint venture agreement between Isgec Heavy Engineering Limited and Hitachi Zosen Corporation, Japan. It may be noted that the Company holds 51% equity shares in the said company.

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 15: LONG-TERM LOANS AND ADVANCES

(₹ in lacs)

Particulars	As at 30.09.2013			As at 30.09.2012		
	Secured, considered good	Unsecured, considered good	Total	Secured, considered good	Unsecured, considered good	Total
(a) Capital Advance	-	12.48	12.48	-	602.33	602.33
(b) Security Deposits						
- to Others	-	859.65	859.65	-	529.95	529.95
- to Related Parties	-	10.11	10.11	-	10.11	10.11
(c) Loans and Advances to employees	236.51	114.75	351.26	193.99	125.49	319.48
(d) Advance to suppliers	-	2.43	2.43	-	2.50	2.50
(e) Prepaid Expenses	-	1.89	1.89	-	-	-
Total	236.51	1,001.31	1,237.82	193.99	1,270.38	1,464.37

Note 16 : OTHER NON-CURRENT ASSETS

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(a) Long-term Trade Receivables		
(i) Secured, considered good	-	-
(ii) Unsecured, considered good	-	-
(b) Security and Other Deposits	-	-
(c) Others (Refer Note 20.1 (a)(iii))	2,003.07	3.19
Total	2,003.07	3.19

Note 17 : CURRENT INVESTMENTS

Particulars	Face Value (₹)	As at 30.09.2013		As at 30.09.2012	
		No. of Units	Value (₹ in lacs)	No. of Units	Value (₹ in lacs)
Investments (at cost) - Non Trade					
Investment in Mutual Funds (Unquoted)					
Axis Liquid Fund - Direct - Growth	1000	44810.804	606.14	-	-
Axis Short Term Fund -Growth	10	7752719.266	1,000.00	-	-
Birla Sunlife Dynamic Bond Fund - Retail-Growth - Regular Plan	10	7359633.710	1,500.00	-	-
DWS Short Maturity Fund - Regular Plan - Annual Bonus	10	2788635.125	601.25	-	-
DWS Treasury Fund - Investment - Regular Plan - Bonus	10	4023589.381	401.43	-	-

Notes to the Financial Statements as at and for the year ended 30th September 2013

DSP Black Rock Liquidity Fund- Institutional Plan-Growth	1000	-	-	78405.947	1,237.94
DSP Strategic Bond Fund - Direct Plan - Growth	1000	70467.351	1,000.00	-	-
DSP Blackrock Money Manager - Regular Plan - Growth	1000	36685.187	594.86	-	-
Templeton India Treasury Management A/c Super Inst. Plan - Growth	1000	5638.763	100.00	-	-
HDFC Liquid Fund -Premium Plan- Growth	10	-	-	7167699.377	1,600.00
HDFC Quarterly Interval Fund - C - Retail Plan - Direct - Growth	10	6083280.105	1,000.00	-	-
HDFC Short Term Opportunities Fund - Growth	10	7886237.394	1,015.37	-	-
Kotak Floater Long Term- Growth	10	-	-	2849587.380	500.00
ICICI Prudential Blended Plan B - Regular Plan - Growth Option - I	10	3274068.686	588.55	-	-
ICICI Prudential Liquid Super Institutional Plan-Growth	100	-	-	184270.339	304.93
SBI Magnum Income Fund- Regular Plan - Growth	10	9722676.248	2,800.00	-	-
SBI Premier Liquid Fund - Super Institutional - Growth	1000	-	-	297917.557	5,239.88
SBI Premier Liquid Fund - Regular Plan - Growth	1000	62342.936	1,200.00	-	-
SBI Short Term Debt Fund- Regular Plan - growth	10	10957863.363	1,500.00	-	-
SBI SHF Ultra Short Term Fund Institutional Plan - Growth	1000	-	-	34690.545	500.00
Reliance Liquid Fund-Treasury Plan-Institutional Option-Growth	10	-	-	3457.308	94.41
Reliance Liquid Fund-Treasury Plan-Growth Plan-Growth	1000	60643.694	1,806.58	-	-
Reliance Money Manager Fund- Institutional Option -Growth	1000	-	-	352596.353	5,330.37
Reliance Monthly Interval Fund - Series I -Growth	10	6144468.749	1,000.00	-	-
Reliance Monthly Interval Fund - Series II -Growth	10	9239183.995	1,500.00	-	-
Reliance Quarterly Interval Fund - Series II -Growth	10	3040900.106	500.00	-	-
Reliance Short Term Fund -Growth Option	10	9005723.137	2,000.00	-	-
Total			20,714.18		14,807.53
Aggregate Value of Investments :					
Unquoted			20,714.18		14,807.53
Quoted			-		-
Provision for diminution in value of Investments			-		-
Total			20,714.18		14,807.53

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 18: INVENTORIES

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
Raw Materials (at lower of cost or net realisable value)	12,987.35	9,708.41
Raw Material in Transit (at lower of cost or net realisable value)	245.92	247.05
Stores and Spares Parts (at lower of cost or net realisable value)	2,381.74	2,241.19
Stores in transit (at lower of cost or net realisable value)	9.51	13.43
Goods for Resale in Transit (at lower of cost or net realisable value)	481.77	2,425.94
Work-in-Progress :		
a) Engineering Goods (at lower of cost or net realisable value)	14,237.41	26,980.59
b) Ingots and Steel Castings (at lower of cost or net realisable value)	1,482.43	2,424.31
c) Erection (at lower of cost or net realisable value)	1,340.95	413.67
Finished Stock :		
i) Ingots and Steel Castings (at lower of cost or net realisable value)	55.49	-
ii) Trading Goods	38.88	-
Loose Tools (at lower of cost or net realisable value)	38.44	21.85
Farm Stock & Standing Crops (at estimated market value and at estimated cost respectively)	11.98	8.57
Total	33,311.87	44,485.01

Note 19 : TRADE RECEIVABLES

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	13,815.22	10,935.33
Unsecured, considered doubtful	9.47	9.47
	13,824.69	10,944.80
Less: Provision For Doubtful Debts	9.47	9.47
	13,815.22	10,935.33
Other Trade Receivables		
Secured, considered good	-	-
Unsecured, considered good	61,476.76	58,140.81
Unsecured, considered good-related parties	857.58	-
Unsecured, considered doubtful	-	-
	62,334.34	58,140.81
Less: Provision For Doubtful Debts	-	-
	62,334.34	58,140.81
Total	76,149.56	69,076.14

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 20 : CASH AND BANK BALANCES

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
a) Cash and Cash equivalents		
(i) Cash in hand	28.93	14.60
(ii) Cheques, Drafts in hand	14.28	113.21
(iii) Balance with Banks:		
In Current and Cash Credit Accounts	1,897.33	2,856.30
In Fixed Deposits Accounts ((Refer Note 20.1 (a) (i))	5,330.00	-
	7,270.54	2,984.11
b) Other Bank Balances		
(i) In Fixed Deposits Accounts (Refer Note 20.1 (a) (ii))	25,670.05	3,540.79
(ii) In Fixed Deposits Accounts (Refer Note 20.1(b))	294.96	1,150.31
(iii) In earmarked Accounts:		
-Unpaid Dividend Accounts	93.14	92.44
	26,058.15	4,783.54
Total	33,328.69	7,767.65

Note 20.1 : FIXED DEPOSITS WITH BANKS

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
a) Free From any Lien		
i) Maturing within 3 months from date of deposit (Classified as cash and cash equivalents)	5,330.00	-
ii) Maturing after 3 months from date of deposit but within one year of Balance Sheet date (Classified as other bank balance)	25,670.05	3,540.79
iii) Maturing after one year of Balance Sheet date (Classified as non current asset)	2,000.00	-
	33,000.05	3,540.79
b) Under Lien		
i) Maturing within 3 months from date of deposit (Classified as other bank balances)	-	1,150.00
ii) Maturing after 3 months from date of deposit but within one year of Balance Sheet date (Classified as other bank balance)	294.96	0.31
iii) Maturing after one year of Balance Sheet date (Classified as non current asset)	-	-
	294.96	1,150.31
Total	33,295.01	4,691.10

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 21 : SHORT-TERM LOANS AND ADVANCES

(₹ in lacs)

Particulars	As at 30.09.2013			As at 30.09.2012		
	Secured, considered good	Unsecured, considered good	Total	Secured, considered good	Unsecured, considered good	Total
Loans and Advances to employees	63.75	493.47	557.22	67.04	419.82	486.86
Balance with Government Department and Others	-	2,300.05	2,300.05	-	1,778.12	1,778.12
Security Deposit	31.03	-	31.03	30.87	-	30.87
Prepaid Expenses	-	1,310.22	1,310.22	-	503.31	503.31
Advance to Suppliers						
- to Others	-	9,655.25	9,655.25	-	11,192.46	11,192.46
- to Related Parties	-	431.05	431.05	-	-	-
Export Incentive Receivable	-	1,606.06	1,606.06	-	3,571.09	3,571.09
Loan to Subsidiary Companies:						
- Saraswati Sugar Mills Limited	-	-	-	-	735.16	735.16
Other advances	-	214.49	214.49	-	156.61	156.61
Total	94.78	16,010.59	16,105.37	97.91	18,356.57	18,454.48

Note 22 : OTHER CURRENT ASSETS

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
Interest accrued but not due on Deposits	648.23	18.25
Others	29.28	26.31
Total	677.51	44.56

Note 23 : CONTINGENT LIABILITIES & COMMITMENTS

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
I Contingent Liabilities:		
a) Claims against the Company not acknowledged as debts (including sales tax under dispute)	1,172.92	650.59
b) Guarantees furnished by the bankers on behalf of the Company and counter indemnity furnished by the Company to bankers for the same amount. *	114,796.21	104,932.34
* Includes Performance Bank Guarantees given on behalf of subsidiary company Isgec Covema Limited	-	21.50
c) Bonds executed in favour of President of India against Export Promotion Capital Goods license	5,711.24	6,632.60
d) Bonds executed in favour of President of India against Advance Authorizations *	26,128.20	-

Notes to the Financial Statements as at and for the year ended 30th September 2013

* Includes Bonds given on behalf of joint venture company Isgec Hitachi Zosen Limited	8,438.00	-
e) Bills discounted with Banks / Financial Institutions outstanding at the year end	2,718.90	-
f) Corporate Guarantees furnished by the Company to Customers	1,245.12	1,505.01
II Letters of Credit outstanding	4,808.29	4,080.37
III Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	1,774.84	1,171.83

Note 24 : REVENUE FROM OPERATIONS

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Sale of products (Refer Note 24.1 below)	233,884.96	255,197.52
Erection, Commissioning and other receipts	16,035.90	11,709.66
Other operating revenues (Refer Note 24.2 below)	9,113.87	8,041.69
Total	259,034.73	274,948.87
Less: Excise Duty	7,771.32	8,591.45
Net	251,263.41	266,357.42

Note 24.1 : SALE OF PRODUCTS(NET OF EXCISE DUTY)

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Mechanical & Hydraulic Presses	17,016.85	15,345.43
Boiler Drums, Boiler Parts & Piping	21,427.25	18,398.46
Pressure Vessels, Columns, Reactors, Heat Exchangers	33,843.80	40,672.35
Ingots	278.65	113.26
Steel & CI Castings	11,748.75	13,877.25
Supply of Boiler, Sugar & Power Plants	141,798.34	158,199.32
Total	226,113.64	246,606.07

Note 24.2 : OTHER OPERATING REVENUE

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Commission Earned	155.32	212.18
Export Incentive	4,198.72	3,471.23
Packing Receipts	46.64	45.50
Unclaimed Balances Written off	103.42	65.82
Excess Provision Written Back	774.98	1,025.91
Scrap and Waste Sale	1,156.77	1,636.04
Lease rent receipts (Refer note 35.2)	2,499.60	1,187.31
Others	178.42	397.70
Total	9,113.87	8,041.69

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 25 : OTHER INCOME

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Interest Income		
- On Loans to Subsidiary Companies	197.21	286.57
- Other Interest Income	180.95	120.38
- On Bank Deposits	1,391.58	1,135.88
Dividend Income on Investments		
Long Term - Non Trade		
- Subsidiary Companies	745.49	745.49
- Other Companies	0.06	0.06
Current - Non Trade		
- Mutual Funds	-	-
Net gain on sale of current investments	1,292.38	1,072.48
Profit on sale of Fixed Assets	134.57	75.78
Insurance Claim Receipts	107.13	53.58
Profit from Farm Operations (Refer Note No 25.1)	7.38	2.77
Other Non-operating Income	203.95	185.85
Total	4,260.70	3,678.84

Note 25.1 : PROFIT FROM FARM OPERATIONS

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Income:		
Sale of Farm Produce	11.60	10.08
Miscellaneous Income	0.25	0.20
Total	11.85	10.28
Expenditure:		
Salaries, Wages and Bonus	4.63	4.54
Cultivation Expenses	2.57	2.58
Miscellaneous Expenses	0.35	0.15
Repairs and Maintenance:		
- Machinery and Tractors	0.28	0.23
- Building	-	0.06
Depreciation	0.05	0.06
	7.88	7.62
(Increase)/Decrease in Stock	(3.41)	(0.11)
Total	4.47	7.51
Profit	7.38	2.77

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 26 : COST OF MATERIALS, COMPONENTS, STORES AND SPARES CONSUMED

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Raw Materials & Components (Refer Note 26.1 & 26.2(i))	35,017.04	50,802.00
Consumption of Stores and Spares (Refer Note 26.2(ii))	3,823.24	4,783.72
Total	38,840.28	55,585.72

Note 26.1 : DETAILS OF RAW MATERIALS AND COMPONENTS CONSUMED

(₹ in lacs)

Type of Materials	Units	Year ended 30.09.2013		Year ended 30.09.2012	
		Quantity	Value	Quantity	Value
Iron and Steel	MT	24,278.00	10,937.00	32857.50	21,366.14
Non-ferrous	MT	336.00	222.66	422.00	274.68
Alloys	MT	362.36	809.44	597.36	1,523.73
M.S. Scrap	MT	4,745.55	1,331.15	5110.33	1,428.11
Components issued for jobs			21,716.79		26,209.34
Total			35,017.04		50,802.00

Note 26.2 : ANALYSIS OF MATERIAL CONSUMED

(₹ in lacs)

	Year ended 30.09.2013		Year ended 30.09.2012	
	%	Value	%	Value
i) Raw Materials & Components				
Imported	15.27%	5,346.39	29.39%	14,930.69
Indigenous	84.73%	29,670.65	70.61%	35,871.31
Total	100.00%	35,017.04	100.00%	50,802.00
ii) Stores & Spares				
Imported	2.09%	79.77	1.42%	67.89
Indigenous	97.91%	3,743.47	98.58%	4,715.83
Total	100.00%	3,823.24	100.00%	4,783.72

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 27 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK - IN - PROGRESS AND STOCK - IN - TRADE

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Opening stock:		
Finished Goods	-	16.89
Work - in - Progress	29,818.57	26,528.06
Trading Goods	-	79.29
Total	29,818.57	26,624.24
Closing stock		
Finished Goods	55.49	-
Work - in - Progress	17,060.79	29,818.57
Trading Goods	38.88	-
Total	17,155.16	29,818.57
Net increase (-)/decrease	12,663.41	(3,194.33)

Note 28 : EMPLOYEES BENEFITS EXPENSES

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Salaries and wages	17,532.50	16,446.49
Contribution to Provident and other Funds (Refer Note 28(i)(a) & 28(i)(b))	1,197.92	1,049.56
Staff Welfare Expenses	461.92	476.71
Total	19,192.34	17,972.76

Note 28.1 : DETAILS OF EMPLOYEE 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 profit and loss account, expenses for the following Defined Contribution Plan:

(₹ in lacs)

Particulars	2012-13	2011-12	2010-11	2009-10	2008-09
Provident Fund	841.64	791.69	710.10	600.39	494.17
Employees State Insurance	48.51	87.62	108.11	72.07	71.08
Superannuation fund	62.08	-	-	-	-
Total	952.23	879.31	818.21	672.46	565.25

Notes to the Financial Statements as at and for the year ended 30th September 2013

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)				
	2012-13	2011-12	2010-11	2009-10	2008-09	2012-13	2011-12	2010-11	2009-10	2008-09
i. Change in Present value of Obligation										
a. Present Value of Obligation at the beginning of the year	2,962.45	2,757.11	2,166.78	1,840.10	1,793.29	1,080.27	914.42	794.19	592.23	548.12
b. Interest cost	237.00	220.57	172.21	147.21	143.64	86.12	73.42	63.63	47.44	43.86
c. Current service cost	264.12	233.92	214.28	159.06	133.94	225.08	219.97	200.57	147.76	109.38
d. Benefits paid	(319.29)	(200.66)	(141.98)	(107.63)	(174.13)	(239.75)	(242.12)	(237.10)	(169.67)	(142.27)
e. Actuarial (gain) / loss	207.14	(48.48)	345.81	128.05	(56.64)	54.02	114.57	120.85	176.41	33.14
f. Present Value of Obligation at the end of the year	3,351.42	2,962.45	2,757.11	2,166.78	1,840.10	1,205.74	1,080.27	942.12	794.19	592.23
ii. Change in the Fair value of Plan Assets										
a. Fair Value of Plan Assets at the beginning of the year	2,934.03	2,723.91	2,433.32	2,160.76	1,918.47	N.A.	N.A.	N.A.	N.A.	N.A.
b. Expected Return of Plan Assets	264.06	251.96	219.00	184.75	153.48	-	-	-	-	-
c. Contributions	223.58	158.24	202.07	78.47	309.24	-	-	-	-	-
d. Benefits paid	(319.29)	(200.66)	(141.98)	(107.63)	(174.13)	-	-	-	-	-
e. Actuarial Gain / (Loss) on Plan Assets	8.42	0.59	11.48	116.97	(46.29)	-	-	-	-	-
f. Fair Value of Plan Assets at the end	3,110.81	2,934.03	2,723.91	2,433.32	2,160.76	-	-	-	-	-
iii. Reconciliation of Fair Value of Assets and Obligations										
a. Fair Value of Plan Assets at the end of the year	3,110.81	2,934.03	2,723.91	2,433.32	2,160.76	-	-	-	-	-
b. Present Value of Obligation at the end of the year	3,351.42	2,962.45	2,757.11	2,166.78	1,840.10	1,205.74	1,080.27	942.12	794.19	592.23
c. Amount recognised in the Balance Sheet	(240.61)	(28.42)	(33.20)	266.54	320.66	(1,205.74)	(1,080.27)	(942.12)	(794.19)	(592.23)
- Current	-	-	-	-	-	(117.41)	(119.49)	(88.05)	-	-
- Non Current	(240.61)	(28.42)	(33.20)	-	-	(1,088.33)	(960.78)	(854.06)	-	-
iv. Expenses recognised in the statement of Profit & Loss										
a. Current Service Cost	264.12	233.92	214.28	159.06	133.94	225.08	219.97	200.57	147.76	109.38
b. Interest Cost	237.00	220.57	172.21	147.21	143.64	86.12	73.42	63.63	47.44	43.86
c. Expected Return on Plan Assets	(264.06)	(251.96)	(219.00)	(184.75)	(153.48)	-	-	-	-	-
d. Actuarial (Gain) / Loss	198.72	(49.07)	334.33	11.08	(10.35)	54.02	114.57	120.85	176.41	33.14
e. Expenses recognised in the Profit & Loss	435.77	153.46	501.82	132.60	113.75	365.22	407.97	385.05	371.62	186.38
v. Actuarial Assumptions										
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)	9.25%	9.25%	9.00%	8.55%	8.00%					
c. Rate of Escalation in Salary (p.a)	6.50%	6.50%	6.50%	5.50%	5.50%	6.50%	6.50%	6.50%	5.50%	5.50%

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)				
	2012-13	2011-12	2010-11	2009-10	2008-09	2012-13	2011-12	2010-11	2009-10	2008-09
Defined Benefit Obligation	3,351.42	2,962.45	2,757.11	2,166.78	1,840.10	1,205.74	1,080.27	942.12	794.19	592.23
Plan Assets	3,110.81	2,934.03	2,723.91	2,433.32	2,160.76	-	-	-	-	-
Surplus / (Deficit)	(240.61)	(28.42)	(33.20)	266.54	320.66	(1,205.74)	(1,080.27)	(942.12)	(794.19)	(592.23)
Experience adjustment on Plan Liabilities	(207.14)	48.48	(345.81)	(128.05)	56.64	(54.02)	(114.57)	(120.85)	(176.41)	(33.14)
Experience adjustment on Plan Assets	1.09	7.40	22.43	128.86	(46.29)	-	-	-	-	-

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 29 : FINANCE COSTS

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Interest on Borrowings		
Banks	1,646.64	1,529.19
Others	447.03	725.21
Other Borrowing Cost	156.56	295.55
Total	2,250.23	2,549.95

Note 30 : OTHER EXPENSES

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Power & Fuel	1,976.79	1,945.19
Other Manufacturing Expenses	12,742.69	14,324.01
Repairs to:		
-Machinery	363.98	283.53
-Building	419.39	270.95
-Others	45.84	36.24
Rent (Refer Note 35.1)	477.46	425.99
Insurance	330.00	400.88
Rates and Taxes	109.24	233.90
Commission to Selling Agents and Others	5,145.49	4,813.75
Bank Charges	1,350.33	1,285.79
Royalty	359.00	476.01
Electricity and Water Charges	266.30	396.74
Donation	4.12	4.75
Office and Miscellaneous Expenses	4,476.06	4,223.57
Payment to Statutory Auditors		
-Statutory audit fees	9.00	5.00
-For Company Law Matters	4.81	4.00
-For Reimbursement of expenses	1.51	2.05
Packing, Forwarding and Transportation Expenses	14,721.85	19,853.19
Design & Technical Expenses	1,486.60	1,696.57
Travelling Expenses	4,167.43	3,644.00
Managerial Remuneration (Refer Note 30.1)	1,151.10	1,112.78
Directors' Commission / Fee	4.77	5.19
Rebate and Discount	97.32	146.45
Bad debts written off	6.22	77.45
Loss on Assets Sold / Written Off	13.90	17.51
Net loss on foreign currency transactions and translations	3,313.01	5,383.80
Total	53,044.21	61,069.29

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 30.1 : MANAGERIAL REMUNERATION

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
(a) To the Whole time Directors:		
(i) Salary	69.60	64.41
(ii) Contribution to Provident Fund, Group Gratuity Fund and Superannuation Fund	12.35	9.73
(iii) Other Perquisites	2.16	2.14
(iv) Commission	1,066.99	1,036.50
	1,151.10	1,112.78
(b) To Other Directors:		
(i) Commission	1.71	1.50
(ii) Sitting Fee	3.06	3.69
	4.77	5.19
Total Managerial Remuneration	1,155.87	1,117.97
Calculation as per Section 349 of the Companies Act, 1956 in respect of Managerial Remuneration is as follows:		
Profit for the year before tax	10,478.61	10,070.46
Add : Provision for doubtful Debts	-	-
Loss on sale of fixed assets	13.90	17.51
Loss on diminution in value of Investments	-	-
	10,492.51	10,087.97
Less: Profit on sale of fixed assets	134.57	75.78
Profit as per Section 349	10,357.94	10,012.19
Add : Managerial Remuneration	84.11	76.28
Commission to Whole time Directors	1,066.99	1,036.50
Commission to Non Executive Directors	1.71	1.50
Sitting Fees to Non Executive Directors	3.06	3.69
Net Profit as per Section 198	11,513.81	11,130.16
Maximum remuneration payable restricted to:		
- Whole time Directors 10% of above	1,151.38	1,113.02
- Other Directors 1% of above	115.14	111.30

Note 31 : CURRENT TAX

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Provision for Tax	2,592.58	2,517.23

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 32 : 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 30.09.2013	Year ended 30.09.2012
a) Net Profit / (Loss) available to Equity Shareholders (Rs. in lacs)	7,242.01	7,003.76
b) Number of Equity Shares outstanding during the year for the purpose of calculation of Earning Per Share	7,369,540	7,369,540
c) Nominal value of Equity Share (In Rs.)	10.00	10.00
d) Basic & Diluted Earning per Share (In Rs.)	98.27	95.04

Note 33 : 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 principle enunciated in Accounting Standard (AS-17). Hence, separate segment information is not applicable.

(b) Secondary Segment

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

- Revenue within India includes sales to customers located within India and earnings in India.
- Revenue outside India 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	2012-13			2011-12		
	India	Outside India	Total	India	Outside India	Total
(i) Revenue by geographical market	137,722.37	117,801.74	255,524.11	146,004.65	124,031.61	270,036.26
(ii) Carrying amount of segment assets	239,794.84	21.37	239,816.21	210,003.42	15.86	210,019.28
(iii) Addition to fixed assets	7,557.56	-	7,557.56	11,708.18	-	11,708.18

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 34 : 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.
Joint Venture with 51 % share holding	Isgec Hitachi Zosen Limited (Refer note 14.1)
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

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
a) Purchase of goods		
-Subsidiaries		
Saraswati Sugar Mills Ltd.	16.69	6.73
-Joint Venture		
Isgec Hitachi Zosen Limited	752.24	57.89
-Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	164.50	151.35
Total	933.43	215.97

Notes to the Financial Statements as at and for the year ended 30th September 2013

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
b) Sale of goods		
-Subsidiaries		
Saraswati Sugar Mills Ltd.	1,389.81	8.26
-Joint Venture		
Isgec Hitachi Zosen Limited	208.63	183.35
Total	1,598.44	191.61
c) Purchase of fixed Assets		
-Subsidiaries		
Saraswati Sugar Mills Ltd.	-	1,897.84
Isgec Covema Limited	18.15	-
-Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	14.59	-
Total	32.74	1,897.84
d) Rendering of services		
-Subsidiaries		
Saraswati Sugar Mills Ltd.	22.76	4.22
-Joint Venture		
Isgec Hitachi Zosen Limited	86.34	44.54
-Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	26.27	20.27
Total	135.37	69.03
e) Services received		
-Joint Venture		
Isgec Hitachi Zosen Limited	4,373.02	2,924.39
-Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	0.02	0.33
Total	4,373.04	2,924.72

Notes to the Financial Statements as at and for the year ended 30th September 2013

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
f) Rent received		
-Joint Venture		
Isgec Hitachi Zosen Limited	2,499.60	1,187.31
-Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	0.39	0.38
Total	2,499.99	1,187.69
g) Rent Paid		
-Entities over which key management personnel can exercise significant influence		
Blue Water Enterprises	56.17	51.78
Total	56.17	51.78
h) Remuneration to Directors		
-Key management personnel		
Mr. Aditya Puri (Managing Director)	575.55	556.39
Mrs. Nina Puri (Wholetime Director)	575.55	556.39
Relatives of Key management personnel		
Mr. Ranjit Puri (Chairman)	0.75	0.86
Total	1,151.85	1,113.64
i) Interest paid		
-Key management personnel		
Mr. Aditya Puri (Managing Director)	0.52	1.06
Mrs. Nina Puri (Wholetime Director)	-	0.01
-Relatives of Key management personnel		
Mr. Ranjit Puri (HUF)	0.03	0.06
Total	0.55	1.13
j) Guarantees given on behalf of		
-Subsidiaries		
Isgec Covema Limited	-	21.50
Total	0.55	1.13
k) Bonds given on behalf of		
-Joint Venture		
Isgec Hitachi Zosen Limited	8,438.00	-
Total	8,438.00	-

Notes to the Financial Statements as at and for the year ended 30th September 2013

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
l) Interest Received		
Subsidiaries		
Saraswati Sugar Mills Ltd.	197.21	264.76
Isgec Covema Limited	-	21.81
Total	197.21	286.57
m) Amount payable as at year end		
Subsidiaries		
Saraswati Sugar Mills Ltd.	-	1.29
Joint Venture		
Isgec Hitachi Zosen Limited	448.03	843.17
Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	15.04	16.20
Key management personnel		
Mr. Aditya Puri (Managing Director)	523.07	514.07
Mrs. Nina Puri (Wholetime Director)	547.37	535.14
Relatives of Key management personnel		
Mr. Ranjit Puri (Chairman)	0.23	0.23
Mr. Ranjit Puri (HUF)	0.66	0.66
Total	1,534.40	1,910.76
n) Amount receivable as at year end		
Subsidiaries		
Saraswati Sugar Mills Ltd.	857.58	735.17
Joint Venture		
Isgec Hitachi Zosen Limited	431.05	-
Entities over which key management personnel can exercise significant influence		
Blue Water Enterprises	10.11	10.11
Total	1,298.74	745.28
o) Investment as at year end		
Subsidiaries		
Saraswati Sugar Mills Ltd.	7,009.99	7,009.99
Isgec Covema Ltd.	199.99	199.99
Isgec Exports Ltd	10.00	10.00
Isgec Engineering & Projects Ltd.	330.00	5.00
Joint Venture		
Isgec Hitachi Zosen Limited	5,100.00	5,100.00
Total	12,649.98	12,324.98

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 35.1: 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 Profit & Loss account for the year are:

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
a) Residential premises	99.02	101.17
b) Commercial premises	373.03	319.34
c) Plant and machinery	5.41	5.48
Total	477.46	425.99

Note 35.2 : LEASE RENT INCOME

(a) 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	Year ended 30.09.2013	Year ended 30.09.2012
(i) Not later than one year	2,499.60	2,499.60
(ii) Later than one year and not later than five years	9,998.40	9,998.40
(iii) Later than five years	8,748.60	11,248.20
Total	21,246.60	23,746.20

Note 36 : VALUE OF IMPORTS ON C.I.F. BASIS

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Raw Materials	5,167.31	12,187.90
Components & Spare Parts	1,523.25	1,936.09
Goods for resale	758.87	13.88
Capital Goods	1,412.89	5,588.99
Total	8,862.32	19,726.86

Note 37 : EARNINGS IN FOREIGN EXCHANGE

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Export of Goods & Services on F.O.B basis	112,870.70	105,924.54

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 38 : EXPENDITURE IN FOREIGN CURRENCY (CASH BASIS)

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Travelling Expenses	1,413.79	1,206.70
Royalty	279.61	434.12
Brokerage & Commission	4,442.64	4,218.46
Interest on ECB Loan (for foreign remittance)	507.35	354.48
Technical Know how	731.13	896.97
Others	10,607.04	12,174.20
Total	17,981.56	19,284.93

Note 39 : DIVIDEND PAID IN FOREIGN CURRENCY

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Dividend Paid in foreign currency	-	-
No. of Equity Shares held by Non Resident Shareholders	499,155	500,578
No. of Non Resident Shareholders	30	29
Year for which Dividend relates	N.A.	N.A.
Dividend to Non Resident Shareholders has been paid in Indian Rupees		

Note 40 : 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 30.09.2013	As at 30.09.2012
a) The particulars of forward contracts entered into hedging purpose outstanding as at year end are as under:		
i) For receivables	25,034.91	11,612.78
ii) For loans	11,756.09	15,772.28
iii) For hedging interest payments on loans	-	-
b) Unhedged foreign currency exposures as at year end are as under:		
i) Receivables	2,778.96	4,849.35
ii) Advances to Suppliers	48.18	66.06
iii) Payables to Suppliers	107.74	100.85
iv) For Loans	-	1,782.67

Notes to the Financial Statements as at and for the year ended 30th September 2013

Note 41 : 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	
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)	Filling of Cost Audit Report	Year ended 30.09.2013	Year ended 30.09.2012
	i) Due Date of Filling of Cost Audit Report	29.03.2014	29.03.2013
	ii) Actual Date of Filling Cost Audit Report	Not yet Due	26.03.2013

Note 42 : There is no other information required to be disclosed apart from the information already disclosed, pursuant to the requirements of Schedule VI to the Companies act,1956

Note 43 : Previous year figures have been regrouped/ recast wherever considered necessary to confirm to current year 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

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

Place : Noida
Dated : 23 November, 2013

Vinod K. Nagpal
Director

**CONSOLIDATED REPORTS
AND
ACCOUNTS
FOR
THE YEAR ENDED
30th SEPTEMBER, 2013**

Auditors Report on Consolidated Financial Statements of Isgec Heavy Engineering Limited Its Subsidiaries and Joint Ventures

Independent Auditors' Report

To The Board of Directors of Isgec Heavy Engineering Limited

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Isgec Heavy Engineering Limited, its subsidiaries and joint venture which comprise the consolidated Balance Sheet as at 30th September 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and Notes to Consolidated Financial Statements comprising of a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India more particularly in accordance with requirements of Accounting Standard (AS) 21, Consolidated Financial Statements and Accounting Standard (AS) 27, Financial Reporting of Interest in Joint Ventures as notified under the Companies (Accounting Standards) Rules 2006. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the consolidated Balance Sheet, of the state of affairs of the Company as at 30th September 2013;
- b) In the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matter

1. We did not audit the financial statements of three subsidiaries, Isgec Engineering & Projects Limited (IEPL), Isgec Covema Limited (ICL) and Isgec Exports Limited (IEL), whose adjusted financial statements reflect total assets of ₹ 714.80 lacs and total liabilities of ₹ 10.76 lacs as at 30th September, 2013 and total revenue of ₹ 17.31 lacs and total expenses of ₹ 12.58 lacs and net cash inflows of ₹ 40.27 lacs for the year ended on that date. The financial statements of ICL and IEL have been made and audited up to 31st March, 2013; significant group transactions between the date of these financial statements and that of Company's financial statement have been given effect to in these financial statements. These financial statement have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on the report of the other auditors.
2. The financial statements of Isgec Hitachi Zosen Limited (IHZL) joint venture but consolidated as a subsidiary in accordance with Accounting Standard (AS) 21, Consolidated Financial Statement and made up to 31st March 2013 have been audited by us. However, the management has for the purpose of preparation and presentation of these consolidated financial statements got prepared as per its books of accounts the financial statements of IHZL as on and upto 30th September 2013 that reflect total assets of ₹ 15,495.19 lacs and total liabilities of ₹ 6,419.41 lacs as at 30th September, 2013 and total revenue of ₹ 7,417.64 lacs and total expenses of ₹ 9,330.18 lacs and net cash outflows of ₹ 3,141.54 lacs for the period ended on that date.

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

(K. K. TULSHAN)

Place: Noida
Date: 23 November, 2013

Partner
Membership No. 085033

CONSOLIDATED BALANCE SHEET As At 30th September, 2013

(₹ in Lacs)

Particulars	Note No.	As at 30.09.2013	As at 30.09.2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	736.95	736.95
(b) Reserves and Surplus	4	70,902.60	63,461.57
		71,639.55	64,198.52
(2) Minority Interest			
		4,447.13	5,065.73
(3) Non-current Liabilities			
(a) Long-term Borrowings	5	11,435.02	15,360.31
(b) Deferred Tax Liabilities	6	2,889.75	2,324.50
(c) Other Long-term Liabilities	7	10,550.68	9,686.01
(d) Long-term Provisions	8	13,273.16	10,083.64
		38,148.61	37,454.46
(4) Current Liabilities			
(a) Short-term Borrowings	9	18,607.05	6,370.99
(b) Trade Payables	10	65,755.89	58,591.22
(c) Other Current Liabilities	11	65,348.18	54,558.98
(d) Short-term Provisions	12	6,165.44	8,092.15
		155,876.56	127,613.34
Total		270,111.85	234,332.05
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets	13		
(i) Tangible Assets		48,876.01	44,449.24
(ii) Intangible Assets		5,511.23	3,558.61
(iii) Capital Work-in-progress		1,793.21	4,900.55
		56,180.45	52,908.40
(b) Non-current Investments	14	311.17	311.27
(c) Deferred Tax Assets	6	703.85	51.82
(d) Long-term Loans and Advances	15	1,477.65	1,580.81
(e) Other Non-current Assets	16	2,037.01	51.07
		60,710.13	54,903.37
(2) Current Assets			
(a) Current Investments	17	23,798.54	17,487.31
(b) Inventories	18	49,624.17	55,447.88
(c) Trade Receivables	19	76,122.39	70,777.21
(d) Cash and Bank Balances	20	40,310.07	16,495.58
(e) Short-term Loans and Advances	21	18,786.58	19,156.79
(f) Other Current Assets	22	759.97	63.91
		209,401.72	179,428.68
Total		270,111.85	234,332.05
Company Overview and Significant Accounting Policies	1 & 2		
Notes to the financial statements	1 to 47		

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

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

Place : Noida

Dated : 23 November, 2013

Vinod K. Nagpal

Director

CONSOLIDATED STATEMENT OF PROFIT & LOSS For The Year Ended 30th September, 2013

(₹ in Lacs)

Particulars	Note No.	Year Ended 30.09.2013	Year Ended 30.09.2012
I. Revenue from Operations	24	303,237.10	315,202.32
Less: Excise Duty		9,808.34	10,264.30
		293,428.76	304,938.02
II. Other Income	25	4,296.85	3,393.17
III. Total Revenue		297,725.61	308,331.19
IV. Expenses:			
(a) Cost of Material Consumed	26	77,386.89	85,956.12
(b) Purchase of goods for resale		91,639.63	99,299.71
(c) Changes in Inventories of Finished Goods, Work - in - Progress and Stock - in - trade	27	8,206.53	(4363.36)
(d) Employee Benefits Expenses	28	23,982.88	21,613.91
(e) Financial Costs	29	2,693.76	3,145.05
(f) Depreciation		6,441.59	5,535.87
(g) Erection & Civil Cost		20,625.15	22,187.98
(h) Other Expenses	30	54,462.59	60,831.75
Total Expenses (IV)		285,439.02	294,207.03
V. Profit before Tax (III-IV)		12,286.59	14,124.16
VI. Tax Expense:			
(a) Current Tax	31	4,808.22	4,195.72
(b) Deferred Tax	6	(86.78)	384.62
		4,721.44	4,580.34
VII. Profit after Tax for the period (V-VI)		7,565.15	9,543.82
Add/Less : Minority Interest in (income)/losses		618.60	(165.73)
Profit/(loss) for the period		8,183.75	9,378.09
VIII. Basic /Diluted earning per share of ₹ 10 Each (In ₹)	32	111.05	127.25
Company Overview and Significant Accounting Policies	1 & 2		
Notes to the financial statements	1 to 47		

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
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M.No. 085033

S. K. Khorana
Executive Director & Company Secretary

Aditya Puri
Managing Director

Place : Noida
Dated : 23 November, 2013

Vinod K. Nagpal
Director

CONSOLIDATED CASH FLOW STATEMENT for the year ended 30th September, 2013

(₹ in Lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
A. Cash flow from Operating activities:		
Net (loss)/profit before tax but after exceptional /extraordinary items	12,286.59	14,124.16
Adjustments for:		
Depreciation	6,441.59	5,535.87
Interest Expense	2,693.76	3,145.05
Interest Income	(2,190.22)	(1,710.64)
Income from Investment - Dividends	(214.30)	(8.99)
(Profit)/Loss on Sale/Revaluation of store	5.05	4.20
(Profit)/Loss on Fixed Assets sold (Net)	(154.44)	(154.19)
(Profit)/Loss on Sale of Investment	(1,305.99)	(1,127.41)
Debts / Advances Written off	6.22	79.33
Bad Debt w/o now realised	(0.03)	-
Liability no longer required written back	(950.05)	(1,128.46)
Operating profit before working capital changes	16,618.18	18,758.92
Adjustments for changes in working capital :		
- (Increase) / Decrease in Trade Receivables	(5,351.08)	(6,121.79)
- (Increase) / Decrease in Other Receivables	(1,519.61)	(3,035.87)
- (Increase) / Decrease in Inventories	5,818.66	(1,076.81)
- Increase / (Decrease) in Trade, Other Payables and Provisions	23,052.24	(3,842.62)
Cash generated from operations	38,618.38	4,681.83
- Taxes (Paid) / Received (Net of TDS)	(4,421.89)	(4,878.28)
Net cash from operating activities	34,196.49	(196.45)
B. Cash flow from Investing Activities		
Purchase of fixed assets	(9,889.20)	(11,686.55)
Proceeds from Sale of fixed assets	330.00	1,680.07
(Investment)/Repayment of Inter Corporate Deposit	-	2,000.00
Change in Minority Interest	-	4,900.00
Sale/(Purchase) of Investments	(5,005.14)	470.15
Dividend Received	214.30	8.99
Interest Received (Revenue)	1,501.20	1,916.98
Net cash used in investing activities	(12,848.84)	(710.36)

C. Cash flow from Financing activities:		
Proceeds/(Repayment) from Secured loans	1,288.60	7,992.96
Proceeds/(Repayment) of unsecured loans	5,125.40	(1,895.40)
Interest and other Borrowing cost Paid	(3,210.92)	(3,053.06)
Dividend Paid	(736.25)	(718.89)
Net cash used in financing activities	2,466.83	2,325.61
Net Increase/(Decrease) in Cash & Cash Equivalents	23,814.48	1,418.80
Cash and cash equivalents as at 30.09.2012	16,495.58	15,076.77
Cash and cash equivalents as at 30.09.2013	40,310.07	16,495.58
Cash and cash equivalents comprise		
Cash, Cheques & Drafts (in hand) and Remittances in transit	227.52	375.46
Current accounts(dividend account)	93.14	92.44
Balance with Scheduled Banks	2,251.28	2,597.28
Term Deposit & Margin Money with Banks (against Bank Guarantees & Letter of Credit issued by Bank)	37,738.13	13,430.40
	40,310.07	16,495.58

Notes :

- The above Cash flow statement has been prepared under the indirect method setout in Accounting Standard - 3.
- Figures in brackets indicate cash outgo.
- Previous period figures have been regrouped and recast wherever necessary to conform to the current period classification.
- Following non cash transactions have not been considered in the cash flow statement.
- Tax deducted at source (on income)

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
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For and on behalf of Board of Directors

CA. K.K. Tulshan

Partner
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S. K. Khorana
Executive Director & Company Secretary

Aditya Puri
Managing Director

Place : Noida
Dated : 23 November, 2013

Vinod K. Nagpal
Director

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note-1 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) and Delhi Stock Exchange (DSE).

Note-2 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) As the company holds 51% equity shareholding in the joint venture Isgec Hitachi Zosen Limited, the interest in Joint Venture is consolidated in accordance with Accounting Standard (AS) 21 – "Consolidated Financial Statements".
- c) 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.
- d) 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.
- e) 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.
- f) 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.
- g) 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 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 – (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.

(vi) Depreciation and Amortization

Depreciation is provided on fixed assets at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 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 – (AS)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.
- 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. Investments in Joint Ventures are accounted for in the Consolidated Financial Statements as per Accounting Standard (AS) – 27 “Financial Reporting of Interest in Joint Ventures”.

(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.

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

(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 fund.

(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 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.

(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.

(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.

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-(AS)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

Provision for taxation for the company's financial year ended September 30th, 2013, being different from tax year, has been determined based on the results for the six months ended March, 2013 (assessment year 2013-14) and on actual tax return filed and for the six months ended September 2013 (assessment year 2014-15) based on result for the period. The ultimate liability for the assessment year 2014-15 however will be determined on the total income of the Company for the year ending March 31, 2014.

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.

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 3 : SHARE CAPITAL

Particulars	As at 30.09.2013		As at 30.09.2012	
	Number of shares	(₹ in lacs)	Number of shares	(₹ in lacs)
Authorised				
Equity shares of ₹ 10/-each with voting rights	8,500,000	850.00	8,500,000	850.00
Issued				
Equity shares of ₹ 10/-each with voting rights	7,369,540	736.95	7,369,540	736.95
Subscribed and Fully Paid-up				
Equity shares of ₹ 10/-each with voting rights	7,369,540	736.95	7,369,540	736.95
	7,369,540	736.95	7,369,540	736.95

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 Rs. 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.

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

Particulars	As at 30.09.2013		As at 30.09.2012	
	Number of shares	(₹ in lacs)	Number of shares	(₹ in lacs)
Equity shares outstanding at the beginning of the year	7,369,540	736.95	7,369,540	736.95
Add: Issued during the year	-	-	-	-
Less: Shares bought back	-	-	-	-
Equity shares outstanding at the close of the year	7,369,540	736.95	7,369,540	736.95

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

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

Class of shares/Name of the shareholders:	As at 30.09.2013		As at 30.09.2012	
	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.	3,300,019	44.78%	3,277,161	44.47%
(ii) Mr. Ranjit Puri (individually and/or jointly with others)	659,201	8.94%	659,201	8.94%
(iii) Mr. Aditya Puri (individually and/or jointly with others)	456,808	6.20%	456,808	6.20%
(iv) Mr. Ranjan Tandon (individually and/or jointly with others)	438,900	5.96%	438,900	5.96%

(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.

Note 4: RESERVES AND SURPLUS

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(a) Capital Reserve		
Balance outstanding at the beginning of the year	0.01	0.01
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the close of the year	0.01	0.01
(b) Capital Redemption Reserve		
Balance outstanding at the beginning of the year	1.58	1.58
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the close of the year	1.58	1.58
(c) Securities Premium Account		
Balance outstanding at the beginning of the year	450.22	450.22
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the close of the year	450.22	450.22

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(d) General Reserve		
Balance outstanding at the beginning of the year	15,965.68	14,972.97
Add: Additions during the year	956.79	992.71
Less: Utilised during the year	-	-
Balance outstanding at the close of the year	16,922.47	15,965.68
(e) Surplus in Statement of Profit and Loss		
Balance outstanding at the beginning of the year	47,044.08	39,637.50
Add: Corporate Dividend Tax on Proposed Final Dividend of Saraswati Sugar Mills Ltd for year ended 30.09.2012 not approved by shareholders.	120.93	-
Add: Additions during the year	8,183.75	9,378.10
Less: Appropriations		
- Proposed Dividend - @ ₹ 10/- per share (Previous year @ ₹ 10 per share)	736.95	736.95
- Dividend Tax	126.70	241.86
- Transfer to General Reserve	956.79	992.71
Balance outstanding at the close of the year	53,528.32	47,044.08
Total	70,902.60	63,461.57

Note 5 : LONG-TERM BORROWINGS

(₹ in lacs)

Particulars	As at 30.09.2013			As at 30.09.2012		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Term loan						
(a) From Banks						
External Commercial Borrowings (Refer Note-5.1 below)	7,065.98	-	7,065.98	11,756.10	-	11,756.10
Sugar Development Fund (Refer Note-5.2 below)	-	-	-	-	62.50	62.50
(b) Deposits - (Refer Note 5.3 below)						
Public	-	3,974.35	3,974.35	-	3,356.55	3,356.55
Shareholders	-	385.84	385.84	-	184.50	184.50
Directors	-	8.85	8.85	-	0.66	0.66
TOTAL	7,065.98	4,369.04	11,435.02	11,756.10	3,604.21	15,360.31

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 5.1 : Particulars of External Commercial Borrowing (₹ in lacs)

Initial Loan Amount	Term Loan outstanding as at 30.09.13	Current maturity	Long term	Rate of Interest (p.a.)	Term of repayment	Security
1,198.00	74.89 (374.44)	74.89 (299.55)	- (74.89)	7.51%	Repayable in quarterly installments of ₹ 74.89 lacs each. Last installment of ₹ 74.89 lacs due on 31.12.2013	First charge on movable and immovable fixed assets of the company located at Dahej, Gujarat, unit of the Company.
980.00	245.00 (490.00)	245.00 (245.00)	- (245.00)	9.40%	Repayable in quarterly installments of ₹ 61.25 lacs each. Last payment of ₹ 122.50 lacs due on 09.06.2014	First charge on movable and immovable fixed assets of the company located at Dahej, Gujarat, unit of the Company.
1,446.00	271.24 (632.89)	271.24 (361.65)	- (271.24)	9.60%	Repayable in quarterly installments of ₹ 90.41 lacs. Last installment of ₹ 90.41 lacs due on 23.06.2014	First charge on movable and immovable fixed assets of the company located at Dahej, Gujarat, unit of the company.
5,658.00	2,923.30 (4,384.95)	1,461.65 (1,461.65)	1,461.65 (2,923.30)	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 due on 22.07.2015	Exclusive charge on specific movable and immovable fixed assets.
9,890.00	8,241.67 (9,890.00)	2,637.34 (1,648.33)	5,604.33 (8,241.67)	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.
Total	11,756.10 (15,772.28)	4,690.12 (4,016.18)	7,065.98 (11,756.10)			

Note 5.2: Particulars of Sugar Development Fund Loan (₹ in lacs)

Title	Loan outstanding as on 30.09.13	Current maturity	Short term	Long term	Term of repayment	Security
Sugar Development Fund Loan	62.50 (125.00)	62.50 (62.50)	- (-)	- (62.50)	Repayable in May 2014	Unsecured

Note 5.3: Particulars of Public Deposit (₹ in lacs)

Deposits	Deposit outstanding as on 30.09.13	Current maturity	Short term	Long term	Period of Deposit : Rate of Interest (p.a.)	Term of repayment	Security
Public	5,487.78 (6,231.20)	1,494.92 (2,838.12)	18.51 (36.53)	3,974.35 (3,356.55)	6 Months 6.00% 1 Year 6.00% 2 Year 7.00% 3 Year 9.00%	Repayment on due maturity date	Unsecured
Shareholder	452.30 (1,517.86)	63.35 (1,333.36)	3.11 (-)	385.84 (184.50)			
Director	9.51 (36.10)	0.66 (35.44)	- (-)	8.85 (0.66)			
Total	5,949.59 (7,785.16)	1,558.93 (4,206.92)	21.62 (36.53)	4,369.04 (3,541.71)			

Note 5.4: Figures in parenthesis pertains to previous year.

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 6 : 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. 2011	Credit / (Charge) during the year	As at 01.10.2012	Credit / (Charge) during the year	As at 30.09.2013
Depreciation	(3,087.30)	(391.94)	(3,479.24)	(223.46)	(3,702.70)
Business Loss	-	-	-	645.35	645.35
Other Timing Differences	1,199.24	7.32	1,206.56	(335.11)	871.45
Net Deferred Tax	(1,888.06)	(384.62)	(2,272.68)	86.78	(2,185.90)

	As at 30.09.2013	As at 30.09.2012
Amount Recognised in Balance Sheet		
Deferred Tax Liabilities (Item No. I- 3 (b))	(2,889.75)	(2,324.50)
Deferred Tax Assets (Item No. II- 1 (c))	703.85	51.82
	(2,185.90)	(2,272.68)

Note 7 : OTHER LONG TERM LIABILITIES

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(a) Trade Payables other than to Micro & Small Enterprises	-	14.88
(b) Others:		
(i) Interest accrued but not due on Public Deposits	302.17	260.68
(ii) Advance from Customers	10,068.14	9,258.59
(iii) Security and Other Deposits	180.37	148.28
(iv) Sundries	-	3.58
Total	10,550.68	9,686.01

Note 8 : LONG-TERM PROVISIONS

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(a) Provision for Employee Benefits:		
(i) Provision for Leave Encashment (unfunded) (Refer Note 28.1)	1,258.87	1,069.05
(ii) Provision for Pension (Unfunded)	1,520.90	1,586.05
(iii) Provision for Gratuity (Funded) (Refer Note 28.1)	280.44	28.94
(b) Provision Others		
(i) Provision for Performance Warranties/ After Sales Service (Refer Note 8.1)	10,212.95	7,399.60
Total	13,273.16	10,083.64

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 8.1 : 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 30.09.2013	As at 30.09.2012
(a) Movement of provision for Performance Warranties / After Sales Services		
(i) Opening Balance	13,691.87	11,088.17
(ii) Provided for during the year	5,028.51	4,602.10
(iii) Used during the year	(3,818.65)	(1,179.45)
(iv) Reversed during the year	(603.32)	(818.95)
(v) Closing Balance	14,298.41	13,691.87
Break up of Closing Balance		
Long term provisions	10,212.95	7,399.60
Short term provisions	4,085.46	6,292.27
(b) Timing of outflow/uncertainties	Outflow on claims to be made by Customers.	

Note 9 : SHORT-TERM BORROWINGS

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
a) Secured		
(i) Cash Credit (Refer note 9.1 and 9.2)	3,585.43	4,551.79
(ii) Buyers' Credit (Refer note 9.1)	-	728.86
(iii) Packing Credit Loan from Banks (Refer Note 9.1 & 9.3)	7,000.00	-
	10,585.43	5,280.65
b) Unsecured		
(i) Public Deposits (Refer note 5.3)		
Public	18.51	36.53
Shareholders	3.11	-
Related Parties	-	-
(ii) Packing Credit Loan from Banks (Refer Note 9.3)	8,000.00	1,053.81
	8,021.62	1,090.34
Total	18,607.05	6,370.99

Note 9.1 Secured by hypothecation of inventories and by a charge on book debts and other assets of the company, on pari passu basis to working capital consortium bankers.

Note 9.2 Repayable on demand

Note 9.3 Average rate of interest on Packing Credit Loans from Banks is 7.78%

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 10 : TRADE PAYABLES

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(a) To Micro & Small Enterprises (Refer Note 10.1)	78.76	54.59
(b) To Other than Micro & Small Enterprises	65,636.91	58,520.43
(c) To Related Parties	40.22	16.20
Total	65,755.89	58,591.22

Note 10.1 : TRADE PAYABLES TO MICRO AND SMALL ENTERPRISES

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
a) Amount remaining unpaid to any supplier		
Principal Amount	78.76	54.59
Interest due thereon	-	-
b) Interest paid under Micro, Small and Medium Enterprises (Development) Act, 2006	0.06	0.02
c) Interest due (Other than (b) above)	-	-
d) Interest accrued and unpaid	-	-
e) Interest due and payable till actual payment	-	-

Note 11 : OTHER CURRENT LIABILITIES

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(a) Current maturities of long-term debt *		
(i) External Commercial Borrowing (Refer note 5.1)	4,690.12	4,016.18
(ii) Sugar Development Fund (Refer note 5.2)	62.50	62.50
(iii) Deposits (Refer note 5.3)		
Public	1,494.92	2,838.12
Shareholders	63.35	1,333.36
Directors	0.66	35.44
(b) Interest accrued but not due on borrowings	602.18	1,170.76
(c) Advance from customers	51,604.54	38,046.79
(d) Unpaid dividends	93.14	92.44
(e) Unpaid matured deposits	162.80	128.08

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(f) Interest accrued on unpaid matured deposits	46.83	36.89
(g) Creditors for Capital expenditure	319.17	773.59
(h) Other creditors	918.87	399.22
(i) Other creditors related parties	0.89	2.49
(j) Statutory remittances	1,435.38	1,867.35
(k) Security and Other Deposits	196.40	204.17
(l) Director's Current Account	3.45	1.93
(m) Book Overdraft	103.67	26.39
(n) Director's Remuneration	1,068.31	1,037.92
(o) Payables to Employees	909.58	1,333.31
(p) Other Liabilities	1,571.42	1,152.05
Total	65,348.18	54,558.98

* For details of Security for Current maturities of long term debt please refer Note 5.1

Note 12 : SHORT-TERM PROVISIONS

(₹ in lacs)

Particulars	As at 30.09.2013		As at 30.09.2012	
(a) Provision for Employee Benefits:				
(i) Provision for Leave Encashment (Unfunded) (Refer note 28.1)		137.61		136.58
(ii) Provision for Pension (Unfunded)		185.33		280.71
(iii) Provision for Contribution to Superannuation Fund (Funded)		3.56		21.19
(b) Provision Others:				
(i) Provision for Performance, Warranties / After Sales Services (Refer Note 8.1)		4,085.46		6,292.27
(ii) Provision for Income Tax :				
Provision for Income Tax	4808.22		3,107.24	
Less: Prepaid Taxes	3791.69	1016.53	2,603.72	503.52
(iii) Provision for Proposed Equity Dividend		736.95		736.95
(iv) Provision for Tax on Proposed Dividend		-		120.93
Total		6,165.44		8,092.15

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 13 : FIXED ASSETS

	(₹ in Lacs)									
	Gross Block					Depreciation			Net Block	
	Balance as at 01.10.2012	Additions	Deductions/ Adjustments	Balance as at 30.09.2013	Balance as at 01.10.2012	For the year	Deduction on disposal of assets	Balance as at 30.09.2013	Balance as at 30.09.2012	
Tangible Assets										
Land (Free Hold)	3,882.75	1,732.43	11.98	5,603.20	-	-	-	5,603.20	3,882.75	
Land (Lease Hold)	2,657.89	-	-	2,657.89	389.89	71.69	-	2,196.31	2,268.00	
Buildings and Roads	15,813.15	1,414.09	1.15	17,226.09	5,401.23	948.09	1.00	10,877.77	10,411.92	
Plant and Machinery	47,596.88	6,433.20	212.79	53,817.29	21,715.52	4,085.76	115.70	28,131.71	25,881.36	
Furniture & Fixtures	1,135.95	129.96	1.74	1,264.17	708.12	99.69	1.22	457.58	427.83	
Vehicles	1,700.13	301.69	162.10	1,839.72	973.55	225.39	102.41	743.19	726.58	
Office equipments	2,932.53	288.55	28.23	3,192.85	2,081.73	266.97	22.10	866.25	850.80	
TOTAL	75,719.28	10,299.92	417.99	85,601.21	31,270.04	5,697.59	242.43	48,876.01	44,449.24	
Previous Year - Tangible Assets	67,054.32	11,060.61	2,395.65	75,719.28	27,193.06	4,946.75	869.77	44,449.24		
Intangible Assets										
Goodwill	342.10	-	-	342.10	342.10	-	-	-	-	
Software (Acquired)	1,035.88	340.83	-	1,376.71	688.92	175.72	-	512.07	346.96	
Technical Know How (Acquired)	4,226.37	2,355.84	-	6,582.21	1,014.72	568.33	-	4,999.16	3,211.65	
TOTAL	5,604.35	2,696.67	-	8,301.02	2,045.74	744.05	-	5,511.23	3,558.61	
Previous Year - Intangible Assets	5,355.76	248.59	-	5,604.35	1,455.91	589.83	-	3,558.61		
GRAND TOTAL	81,323.63	12,996.59	417.99	93,902.23	33,315.78	6,441.64	242.43	54,387.24	48,007.85	
PREVIOUS YEAR	72,410.08	11,309.20	2,395.65	81,323.63	28,648.97	5,536.58	869.77	48,007.85		

Notes :

1. Borrowing costs capitalised during the year Nil (Previous year ₹ 56.16 lacs).
2. Cost of software includes Purchase Price, Duties & taxes (Other than recoverable from taxing authorities).
3. Opening balances of Gross block and accumulated depreciation have been regrouped/ reclassified/rearranged wherever considered necessary.
4. Depreciation capitalised during the year Nil (Previous year ₹ 0.64 lacs).
5. Useful Life of Additions under Software is 5 years and for technical know how is 10 years.

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 14 : NON-CURRENT INVESTMENTS - AT COST

Particulars	Face Value (₹)	As at 30.09.2013		As at 30.09.2012	
		No. of Shares	Value (₹ in lacs)	No. of Shares	Value (₹ in lacs)
Investments (at cost)					
a) Investment in Equity Instruments					
Other Companies (Quoted) - Non Trade:					
Haryana Oxygen Limited	10	2500	0.25	2500	0.25
Less : Provision for diminution in the value of Investment (Market value of the investment Nil (Previous year Nil))			(0.25)		(0.25)
DCM Shriram Industries Ltd. (Market Value ₹ 80.03 Lacs (Previous Year ₹ 115.80 Lacs))	10	265000	304.75	265000	304.75
Reliance Industries Ltd. (Market Value ₹ 5.79 Lacs (Previous Year ₹ 5.89 Lacs))	10	704	3.36	704	3.36
Reliance Power Ltd. (Market Value ₹ 0.59 Lacs (Previous Year ₹ 0.85 Lacs))	10	872	2.46	872	2.46
b) Other Investment (unquoted) - Trade					
Post Office Saving Account			0.60		0.70
Total			311.17		311.27
Aggregate Value of Investments :					
Unquoted			-		-
Quoted (Aggregate market value ₹ 86.41 Lacs (Previous year ₹ 122.54 Lacs))			310.82		310.82
Provision for diminution in value of Investments Unquoted			(0.25)		(0.25)
			0.60		0.70
Total			311.17		311.27

Note 15: LONG-TERM LOANS AND ADVANCES

(₹ in lacs)

Particulars	As at 30.09.2013			As at 30.09.2012		
	Secured, considered good	Unsecured, considered good	Total	Secured, considered good	Unsecured, considered good	Total
(a) Capital Advance	-	142.92	142.92	-	602.33	602.33
(b) Security Deposits						
- to Others	-	937.30	937.30	-	606.15	606.15
- to Related Parties	-	10.11	10.11	-	10.11	10.11
(c) Loans and Advances to employees	265.84	114.75	380.59	234.23	125.49	359.72
(d) Income Tax on Cumulative Deposit Scheme	-	2.41	2.41	-	-	-
(e) Advance to suppliers	-	2.43	2.43	-	2.50	2.50
(f) Prepaid Expenses	-	1.89	1.89	-	-	-
Total	265.84	1,211.81	1,477.65	234.23	1,346.58	1,580.81

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 16 : OTHER NON-CURRENT ASSETS

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
(a) Long-term Trade Receivables		
(i) Secured, considered good	-	-
(ii) Unsecured, considered good	-	-
(b) Security and Other Deposits	-	-
(c) Pre-operative Expenses	33.94	47.88
(d) Others (Refer Note 20.1(a)(iii))	2,003.07	3.19
Total	2,037.01	51.07

Note 17 : CURRENT INVESTMENTS

Particulars	Face Value (₹)	As at 30.09.2013		As at 30.09.2012	
		No. of Units	Value (₹ in lacs)	No. of Units	Value (₹ in lacs)
Investments (at cost) - Non Trade					
Investment in Mutual Funds (Unquoted)					
Axis Liquid Fund - Direct - Growth	1000	44810.804	606.14	-	-
Axis Short Term Fund -Growth	10	7752719.266	1,000.00	-	-
Birla Sunlife Dynamic Bond Fund - Retail- Growth - Regular Plan	10	7359633.710	1,500.00	-	-
DWS Short Maturity Fund - Regular Plan - Annual Bonus	10	2788635.125	601.25	-	-
DWS Treasury Fund - Investment - Regular Plan - Bonus	10	4023589.381	401.43	-	-
DSP Black Rock Liquidity Fund- Institutional Plan-Growth	1000	-	-	78405.947	1,237.94
DSP Strategic Bond Fund - Direct Plan - Growth	1000	70467.351	1,000.00	-	-
DSP Blackrock Money Manager - Regular Plan - Growth	1000	36685.187	594.86	-	-
Templeton India Treasury Management A/c Super Inst. Plan - Growth	1000	5638.763	100.00	-	-
HDFC Liquid Fund -Premium Plan- Growth	10	-	-	7167699.377	1,600.00
HDFC Liquid Fund -Premium Plan- Daily Dividend Reinvestment	10	-	-	8801688.467	1,079.07
HDFC Quarterly Interval Fund - C - Retail Plan - Direct - Growth	10	6326780.175	1,040.00	-	-
HDFC Short Term Opportunities Fund - Growth	10	7886237.394	1,015.37	-	-
HDFC FMP 90D Aug 2013 (1) Series 27- Direct 27-Normal Dividend	10	6000000.000	600.00	-	-

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Particulars	Face Value (₹)	As at 30.09.2013		As at 30.09.2012	
		No. of Units	Value (₹ in lacs)	No. of Units	Value (₹ in lacs)
HDFC FMP 90D Sept 2013 (1) Series 27- Direct 27-Normal Dividend	10	3501510.000	350.15	-	-
Kotak Floater Long Term- Growth	10	-	-	2849587.380	500.00
ICICI Prudential Blended Plan B - Regular Plan - Growth Option - I	10	3274068.686	588.55	-	-
ICICI Prudential Liquid Super Institutional Plan-Growth	100	-	-	184270.339	304.93
SBI Magnum Income Fund- Regular Plan - Growth	10	9722676.248	2,800.00	-	-
SBI Premier Liquid Fund - Super Institutional - Growth	1000	-	-	297917.557	5,239.88
SBI Premier Liquid Fund - Institutional - Daily Dividend	1000	-	-	129649.721	1,300.71
SBI Premier Liquid Fund - Regular Plan - Growth	1000	62342.936	1,200.00	-	-
SBI Short Term Debt Fund- Regular Plan - growth	10	10957863.363	1,500.00	-	-
SBI SHF Ultra Short Term Fund Institutional Plan - Growth	1000	-	-	34690.545	500.00
Reliance Liquid Fund-Treasury Plan- Institutional Option-Growth	10	-	-	14496.032	394.41
Reliance Liquid Fund-Treasury Plan- Growth Plan-Growth	1000	60643.694	1,806.58	-	-
Reliance Liquid Fund-Treasury Plan- Direct Daily Dividend Reinvestment	1000	67238.436	1,029.27	-	-
Reliance Money Manager Fund- Institutional Option -Growth	1000	-	-	352596.353	5,330.37
Reliance Monthly Interval Fund - Series I -Growth	10	6144468.749	1,000.00	-	-
Reliance Monthly Interval Fund - Series II -Growth	10	9239183.995	1,500.00	-	-
Reliance Monthly Interval Fund - Series I-Direct Daily Dividend Reinvestment	10	7496909.460	749.94	-	-
Reliance Quarterly Interval Fund - Series II -Growth	10	3040900.106	500.00	-	-
Reliance Quarterly Interval Fund - Series II-Direct Daily Dividend Reinvestment	10	3148621.902	315.00	-	-
Reliance Short Term Fund -Growth Option	10	9005723.137	2,000.00	-	-
Total			23,798.54		17,487.31
Aggregate Value of Investments :					
Unquoted			23,798.54		17,487.31
Quoted			-		-
Provision for diminution in value of Investments			-		-
Total			23,798.54		17,487.31

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 18: INVENTORIES

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
Raw Materials (at lower of cost or net realisable value)	14,577.32	9,994.80
Raw Material in Transit (at lower of cost or net realisable value)	298.68	713.00
Stores and Spares Parts (at lower of cost or net realisable value)	2,863.50	2,720.79
Stores in transit (at lower of cost or net realisable value)	9.51	13.43
Goods for Resale in Transit (at lower of cost or net realisable value)	481.77	2,425.94
Work-in-Progress :		
a) Engineering Goods (at lower of cost or net realisable value)	18,150.01	26,980.59
b) Ingots and Steel Castings (at lower of cost or net realisable value)	1,482.43	2,424.31
c) Erection (at lower of cost or net realisable value)	1,340.95	919.36
d) Sugar (at lower of cost or net realisable value)	22.69	18.13
Finished Stock :		
i) Ingots and Steel Castings (at lower of cost or net realisable value)	55.49	-
ii) Trading Goods	38.88	-
iii) Sugar (at lower of cost or net realisable value)	10,136.10	9,046.03
iv) Molasses (Average net realisable value)	116.42	161.08
Loose Tools (at lower of cost or net realisable value)	38.44	21.85
Farm Stock & Standing Crops (at estimated market value and at estimated cost respectively)	11.98	8.57
Total	49,624.17	55,447.88

Note 19 : TRADE RECEIVABLES

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	13,975.50	10,936.04
Unsecured, considered doubtful	88.70	88.70
	14,064.20	11,024.74
Less: Provision For Doubtful Debts	88.70	88.70
	13,975.50	10,936.04
Other Trade Receivables		
Secured, considered good	-	-
Unsecured, considered good	62,146.89	59,841.17
Unsecured, considered doubtful	-	0.32
	62,146.89	59,841.49
Less: Provision For Doubtful Debts	-	0.32
	62,146.89	59,841.17
Total	76,122.39	70,777.21

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 20 : CASH AND BANK BALANCES

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
a) Cash and Cash equivalents		
(i) Cash in hand	40.58	29.32
(ii) Cheques, Drafts in hand	186.94	346.14
(iii) Balance with Banks:		
In Current and Cash Credit Accounts	2,251.28	2,597.28
In Fixed Deposits Accounts (Refer Note 20.1 (a) (i))	7,960.75	43.00
	10,439.55	3,015.74
b) Other Bank Balances		
(i) In Fixed Deposits Accounts (Refer Note 20.1 (a) (ii))	26,556.15	12,237.09
(ii) In Fixed Deposits Accounts (Refer Note 20.1(b))	3,221.23	1,150.31
(iii) In earmarked Accounts:		
-Unpaid Dividend Accounts	93.14	92.44
	29,870.52	13,479.84
Total	40,310.07	16,495.58

Note 20.1 : FIXED DEPOSITS WITH BANKS

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
a) Free From any Lien		
i) Maturing within 3 months from date of deposit (Classified as cash and cash equivalents)	7,960.75	43.00
ii) Maturing after 3 months from date of deposit but within one year of Balance Sheet date (Classified as other bank balance)	26,556.15	12,237.09
iii) Maturing after one year of Balance Sheet date (Classified as non current asset)	2,000.00	-
	36,516.90	12,280.09
b) Under Lien		
i) Maturing within 3 months from date of deposit (Classified as other bank balances)	1,550.00	1,150.00
ii) Maturing after 3 months from date of deposit but within one year of Balance Sheet date (Classified as other bank balance)	1,671.23	0.31
iii) Maturing after one year of Balance Sheet date (Classified as non current asset)	-	-
	3,221.23	1,150.31
Total	39,738.13	13,430.40

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 21 : SHORT-TERM LOANS AND ADVANCES

(₹ in lacs)

Particulars	As at 30.09.2013			As at 30.09.2012		
	Secured, considered good	Unsecured, considered good	Total	Secured, considered good	Unsecured, considered good	Total
Loans and Advances to employees	63.75	594.75	658.50	67.04	516.11	583.15
Balance with Government Department and Others	-	3,635.98	3,635.98	-	2,484.80	2,484.80
Security Deposit	31.03	188.64	219.67	31.83	-	31.83
Prepaid Expenses	-	1,373.79	1,373.79	-	558.36	558.36
Advance to Suppliers	-	-	-	-	-	-
- to Others	-	11,063.55	11,063.55	-	11,228.37	11,228.37
Export Incentive Receivable	-	1,606.06	1,606.06	-	3,571.09	3,571.09
Other advances	-	229.03	229.03	-	699.19	699.19
Total	94.78	18,691.80	18,786.58	98.87	19,057.92	19,156.79

Note 22 : OTHER CURRENT ASSETS

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
Interest accrued but not due on Deposits	715.15	26.13
Pre-operative Expenses	15.54	11.47
Others	29.28	26.31
Total	759.97	63.91

Note 23 : CONTINGENT LIABILITIES & COMMITMENTS

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
I Contingent Liabilities:		
a) Claims against the Group not acknowledged as debts (including sales tax under dispute)	1,378.48	1,035.21
b) Guarantees furnished by the bankers on behalf of the Company and counter indemnity furnished by the Company to bankers for the same amount.	115,797.24	105,972.78
c) Bonds executed in favour of President of India against Export Promotion Capital Goods licence	6,011.24	6,632.60
d) Bonds executed in favour of President of India against Advance Authorizations	26,128.20	-
e) Bills discounted with Banks / Financial Institutions outstanding at the year end	2,718.90	-
f) Corporate Guarantees furnished by the Company to Customers	1,245.12	1,505.01
II Letters of Credit outstanding	12,898.78	4,292.02
III Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	1,886.95	1,171.83

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 24 : REVENUE FROM OPERATIONS

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Sale of products		
-Sale of Engineering Goods (Refer Note 24.1)	234,048.88	255,011.75
-Sale of Sugar and by Products (Refer Note 24.1)	46,328.12	41,184.44
Erection, Commissioning and other receipts	15,944.97	11,724.01
Other operating revenues (Refer Note 24.2)	6,915.13	7,282.12
Total	303,237.10	315,202.32
Less: Excise Duty	9,808.34	10,264.30
Net	293,428.76	304,938.02

Note 24.1 : SALE OF PRODUCTS (NET OF EXCISE DUTY)

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Mechanical & Hydraulic Presses	17,016.85	15,345.43
Boiler Drums, Boiler Parts & Piping	21,427.25	18,398.46
Pressure Vessels, Columns, Reactors, Heat Exchangers	35,093.53	40,470.51
Ingots	278.65	113.26
Steel Castings	11,748.75	13,877.25
Supply of Boiler, Sugar & Power Plants	140,414.83	158,199.62
Total	225,979.86	246,404.53
Sale of Sugar and by products		
Sugar	40,871.71	36,188.14
Molasses	3,423.82	2,759.80
Sale of By Products	293.27	579.42
Total	44,588.80	39,527.36

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 24.2 : OTHER OPERATING REVENUE

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Commission Earned	155.32	212.18
Export Incentive	4,198.72	3,755.93
Packing Receipts	46.64	45.50
Unclaimed Balances Written off	166.08	92.31
Excess Provision Written Back	783.97	1,036.15
Bad Debt w/o now realised	0.03	-
Scrap and Waste Sale	1,385.95	1,742.11
Others	178.42	397.94
Total	6,915.13	7,282.12

Note 25 : OTHER INCOME

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Interest Income		
- Other Interest Income	196.92	138.91
- On Bank Deposits	1,993.27	1,500.60
- Reimbursement of Excise duty Interest	0.03	71.13
Dividend Income on Investments		
Long Term - Non Trade		
- Other Companies	4.03	0.06
Current - Non Trade		
- Mutual Funds	210.27	8.93
Net gain on sale of current investments	1,305.99	1,127.41
Profit on sale of Fixed Assets	210.09	189.93
Insurance Claim Receipts	124.56	93.59
Profit from Farm Operations (Refer Note No 25.1)	2.08	(3.07)
Other Non-operating Income	249.61	265.68
Total	4,296.85	3,393.17

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 25.1 : PROFIT FROM FARM OPERATIONS

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Income:		
Sale of Farm Produce	6.30	4.24
Miscellaneous Income	0.25	0.20
Total	6.55	4.44
Expenditure:		
Salaries, Wages and Bonus	4.63	4.54
Cultivation Expenses	2.57	2.58
Miscellaneous Expenses	0.35	0.15
Repairs and Maintenance:		
- Machinery and Tractors	0.28	0.23
- Building	-	0.06
Depreciation	0.05	0.06
	7.88	7.62
(Increase)/Decrease in Stock	(3.41)	(0.11)
Total	4.47	7.51
Profit	2.08	(3.07)

Note 26 : COST OF MATERIALS, COMPONENTS, STORES AND SPARES CONSUMED

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Raw Materials & Components	72,043.70	80,015.65
Consumption of Stores and Spares	5,343.19	5,940.47
Total	77,386.89	85,956.12

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 27 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK - IN - PROGRESS AND STOCK - IN - TRADE

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Opening stock		
Finished Goods	9,207.11	8,533.75
Work - in - Progress	30,342.39	26,573.10
Trading Goods	-	79.29
Total	39,549.50	35,186.14
Closing stock		
Finished Goods	10,308.01	9,207.11
Work - in - Progress	20,996.08	30,342.39
Trading Goods	38.88	-
Total	31,342.97	39,549.50
Net increase (-)/decrease	8,206.53	(4,363.36)

Note 28 : EMPLOYEES BENEFITS EXPENSES

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Salaries and wages	21,814.15	19,654.28
Contribution to Provident and other Funds (Refer Note 28(i)(a) & 28(i)(b))	1,577.10	1,374.41
Staff Welfare Expenses	591.63	585.22
Total	23,982.88	21,613.91

Note 28.1 : DETAILS OF EMPLOYEE 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 account, expenses for the following Defined Contribution Plan:

(₹ in lacs)

Particulars	2012-13	2011-12	2010-11	2009-10	2008-09
Provident Fund	1,079.60	998.17	887.11	764.70	636.46
Employees State Insurance	48.51	87.62	108.11	72.07	71.23
Superannuation fund	62.08	-	-	-	-
Total	1,190.19	1,085.79	995.22	836.77	707.69

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

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)				
	2012-13	2011-12	2010-11	2009-10	2008-09	2012-13	2011-12	2010-11	2009-10	2008-09
i. Change in Present value of Obligation										
a. Present Value of Obligation at the beginning of the year	4,108.64	3,704.28	3,020.31	2,724.70	2,571.90	1,265.63	1,058.42	902.35	698.38	640.84
b. Interest cost	330.01	309.08	247.63	216.53	210.00	98.00	82.94	71.92	55.30	51.03
c. Current service cost	318.79	279.76	259.19	197.79	172.55	243.52	229.47	209.85	156.21	118.15
d. Benefits paid	(456.34)	(288.10)	(227.11)	(208.88)	(263.14)	(257.88)	(250.80)	(244.03)	(182.06)	(148.79)
e. Actuarial (gain) / loss	247.64	12.84	404.26	90.17	34.28	47.21	85.59	118.33	174.52	40.02
f. Present Value of Obligation at the end of the year	4,548.74	4,017.86	3,704.28	3,020.31	2,725.59	1,396.48	1,205.63	1,058.42	902.35	701.25
ii. Change in the Fair Value of Plan Assets										
a. Fair Value of Plan Assets at the beginning of the year	4,005.31	3,674.38	3,246.87	2,912.03	2,603.43	N.A.	N.A.	N.A.	N.A.	N.A.
b. Expected Return of Plan Assets	372.72	347.07	303.45	261.99	225.23	-	-	-	-	-
c. Contributions	346.01	263.52	347.90	171.62	400.59	-	-	-	-	-
d. Benefits paid	(454.49)	(288.10)	(227.11)	(208.88)	(263.14)	-	-	-	-	-
e. Actuarial Gain / (Loss) on Plan Assets	(1.25)	(7.95)	3.26	110.10	(54.08)	-	-	-	-	-
f. Fair Value of Plan Assets at the end of the year	4,268.30	3,988.92	3,674.38	3,246.87	2,912.03	-	-	-	-	-
iii. Reconciliation of Fair Value of Assets and Obligations										
a. Fair Value of Plan Assets at the end of the year	4,268.30	3,988.92	3,674.38	3,246.87	2,912.03	-	-	-	-	-
b. Present Value of Obligation at the end of the year	4,548.74	4,017.86	3,704.28	3,020.31	2,725.59	1,396.48	1,205.63	1,058.42	902.35	701.25
c. Amount recognised in the Balance Sheet	(280.44)	(28.94)	(29.90)	226.56	186.44	(1,396.48)	(1,205.63)	(1,058.42)	(902.35)	(701.25)
- Current	-	-	-	-	-	(137.61)	(136.58)	(101.22)	-	-
- Non Current	(280.44)	(28.94)	(29.90)	-	-	(1,258.87)	(1,069.05)	(957.20)	-	-
iv. Expenses recognised in the statement of Profit & Loss										
a. Current Service Cost	318.79	279.76	259.19	197.79	172.55	243.52	229.47	209.85	156.21	118.15
b. Interest Cost	330.01	309.08	247.63	216.53	210.00	98.00	82.94	71.92	55.30	51.03
c. Expected Return on Plan Assets	(372.72)	(347.07)	(303.45)	(261.99)	(225.23)	-	-	-	-	-
d. Actuarial (Gain) / Loss	248.89	20.79	401.00	(19.93)	88.36	47.21	85.59	118.33	174.52	40.02
e. Expenses recognised in the Profit & Loss	524.97	262.56	604.37	132.40	245.68	388.73	398.01	400.10	386.03	209.20
v. Actuarial Assumptions										
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)	9.25%	9.25%	9.00%	8.55%	8.00%	-	-	-	-	-
c. Rate of Escalation in Salary (p.a)	6.50%	6.50%	6.50%	5.50%	5.50%	6.50%	6.50%	6.50%	5.50%	5.50%

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)				
	2012-13	2011-12	2010-11	2009-10	2008-09	2012-13	2011-12	2010-11	2009-10	2008-09
Defined Benefit Obligation	4,548.74	4,017.86	3,704.28	3,020.31	2,725.59	1,396.48	1,205.63	1,058.42	902.35	701.25
Plan Assets	4,268.30	3,988.92	3,674.38	3,246.87	2,912.03	-	-	-	-	-
Surplus / (Deficit)	(280.44)	(28.94)	(29.90)	226.56	186.44	(1,396.48)	(1,205.63)	(1,058.42)	(902.35)	(701.25)
Experience adjustment on Plan Liabilities	(247.64)	(12.84)	(404.26)	(90.17)	(34.28)	(47.21)	(85.59)	(118.33)	(174.52)	(40.02)
Experience adjustment on Plan Assets	1.09	-	14.21	121.99	(54.08)	-	-	-	-	-

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 29 : FINANCE COSTS

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Interest on Borrowings:		
Banks	2,029.18	2,089.14
Others	448.15	703.45
Other Borrowing Cost	216.43	352.46
Total	2,693.76	3,145.05

Note 30 : OTHER EXPENSES

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Power & Fuel	2,368.32	2,195.15
Other Manufacturing Expenses	10,145.15	12,498.16
Repairs to:		
-Machinery	834.50	490.58
-Building	641.63	372.97
-Others	48.25	37.47
Rent (Refer Note 38)	545.75	478.94
Insurance	394.70	448.82
Rates and Taxes	140.64	251.01
Commission to Selling Agents and Others	5,250.55	4,918.05
Bank Charges	1,390.96	1,293.02
Royalty	359.00	476.01
Electricity and Water Charges	280.80	396.74
Donation	4.62	19.80
Office and Miscellaneous Expenses	5,201.29	4,715.31
Payment to Statutory Auditors		
-Statutory audit fees	14.05	8.99
-For Company Law Matters	4.81	4.00
-For Reimbursement of expenses	1.97	2.05
Packing, Forwarding and Transportation Expenses	15,093.33	20,028.18
Design & Technical Expenses	1,886.60	1,696.57
Travelling Expenses	4,421.23	3,726.54
Managerial Remuneration	1,151.10	1,112.78
Directors' Commission / Fee	5.48	5.64
Rebate and Discount	101.03	148.84
Bad debts written off	6.22	79.33
Loss on Assets Sold / Written Off	55.65	35.74
Loss/Provision on Sales/Disposal/Diminution in Value of Investments/Stores	5.05	4.20
Net loss on foreign currency transactions and translations	4,109.91	5,386.86
Total	54,462.59	60,831.75

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 31 : CURRENT TAX

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Provision for Tax	4,808.22	4,195.72

Note 32 : 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 30.09.2013	Year ended 30.09.2012
a) Net Profit / (Loss) available to Equity Shareholders (₹ in lacs)	8,183.75	9,378.09
b) Number of Equity Shares outstanding during the year for the purpose of calculation of Earning Per Share	7,369,540	7,369,540
c) Nominal value of Equity Share (in ₹)	10.00	10.00
d) Basic & Diluted Earning per Share (in ₹)	111.05	127.25

Note 33 : SEGMENT REPORTING

A. Information about Primary segments

(₹ in Lacs)

	Sugar	Engineering	Unallocated	Eliminations	Total
Revenue					
External	44,683.91 (39,858.90)	248,744.85 (265,079.12)	- (-)	- (-)	293,428.76 (304,938.02)
Inter-segment	16.69 (6.73)	1,407.27 (12.48)	- (-)	-1,423.96 (-19.21)	- (-)
Total revenue	44,700.60 (39,865.63)	250,152.12 (265,091.60)	- (-)	-1,423.96 (-19.21)	293,428.76 (304,938.02)
Results					
Segment result	4,799.43 (5,030.03)	6,253.98 (9,039.69)	- (-)	- (-)	11,053.41 (14,069.72)
Unallocated expenditure net of unallocated income	- (-)	- (-)	- (-)	- (-)	- (-)
Interest Expense					
a) External	-382.66 (-559.95)	-2,094.67 (-2,232.64)	- (-)	- (-)	-2,477.33 (-2,792.59)

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

(₹ in Lacs)

	Sugar	Engineering	Unallocated	Eliminations	Total
b) Inter Segment	-202.07	-	-	202.07	-
	(-269.62)	(-)	(-)	(269.62)	(-)
Profit on Sale of Investments					
a) External	13.61	1,292.38	-	-	1,305.99
	(54.93)	(1,072.48)	(-)	(-)	(1,127.41)
Dividend Income					
a) External	214.24	0.06	-	-	214.30
	(8.93)	(0.06)	(-)	(-)	(8.99)
Interest income					
a) External	18.72	2,171.50	-	-	2,190.22
	(17.25)	(1,693.39)	(-)	(-)	(1,710.64)
b) Inter Segment	-	202.07	-	-202.07	-
	(-)	(269.62)	(-)	(-269.62)	(-)
Profit / Loss(-) before taxation and exceptional items	4,461.27	7,825.32	-	-	12,286.59
	(4,281.57)	(9,842.60)	(-)	(-)	(14,124.17)
Provision for Deferred tax	-78.78	-8.00	-	-	-86.78
	(113.64)	(498.26)	(-)	(-)	(384.62)
Provision for Income tax	2,214.17	2,594.05	-	-	4,808.22
	(1,472.08)	(2,723.64)	(-)	(-)	(4,195.72)
Profit / Loss(-) after taxation and before exceptional items	2,325.88	5,239.27	-	-	7,565.15
	(2,923.13)	(6,620.70)	(-)	(-)	(9,543.83)
Other Information					
Segment assets	28,579.13	241,782.58	-	-953.71	269,408.00
	(26,227.73)	(208,882.10)	(-)	(-829.60)	(234,280.23)
Segment liabilities	10,578.84	184,400.04	-	-953.71	194,025.17
	(10,547.55)	(155,298.02)	(-)	(-829.60)	(165,015.97)
Capital expenditure-External	1,748.40	8,140.85	-	-	9,889.25
	(520.70)	(11,166.59)	(-)	(-)	(11,687.29)
Inter-segment	-	-	-	-	-
	(-)	(1,897.84)	(-)	(-1,897.84)	(-)
Depreciation	992.76	5,448.83	-	-	6,441.59
	(1,019.97)	(4,515.90)	(-)	(-)	(5,535.87)

Note :- Previous year figures are indicated in parenthesis.

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

B. Information about Secondary Business Segments (₹ in Lacs)

	India	Outside India	Total
Revenue by geographical market			
External	179,923.87 (184,299.58)	117,801.74 (124,031.61)	297,725.61 (308,331.19)
Total	179,923.87 (183,753.45)	117,801.74 (124,031.61)	297,725.61 (307,785.06)
Carrying amount of segment assets	269,386.63 (234,264.37)	21.37 (15.86)	269,408.00 (234,280.23)
Addition to fixed assets	9,889.25 (11,687.29)	- (-)	9,889.25 (11,687.29)

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
- Engineering which comprises of production and sales of heavy Engineering equipments, mechanical and hydraulic presses and castings and construction and erection boilers, sugar plant and machinery 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 30th September 2013

(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 34 The Consolidated financial statements (CFS) have been prepared in accordance with Accounting Standard (AS-21) "Consolidated Financial Statements" and Accounting Standard (AS-27) "Financial Reporting Interests in Joint Venture". The CFS comprises the financial statements of Isgec Heavy Engineering Limited, its subsidiaries and joint venture.

Note 35 a) The list of Subsidiaries included in the Consolidated Financial Statements is as under:

Name of the Subsidiary Company/ Joint Venture	Proportion of Ownership as at September 30, 2013	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
Isgec Hitachi Zosen Limited (See Note e)	51.00%	India

*including 0.01 % held by the nominees of the company.

- b) The reporting dates for all the above companies are 31st March 2013, except for Saraswati Sugar Mills Limited and Isgec Engineering & Projects Limited which are 30th September, 2013. The financial statements of these entities, except for Isgec Hitachi Zosen Limited 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 upto 30th September, 2013 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.
- 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.

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

- e) Isgec Hitachi Zosen Limited (IHZL) is a joint venture between the Company and Hitachi Zosen Corporation, Japan. As the Company holds 51% equity in the equity share capital of IHZL, IHZL has been consolidated in accordance with Accounting Standard (AS) 21 on Consolidated Financial Statements.

Note 36 a) In respect of Saraswati Sugar Mills Limited, 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 Judgment. The Company has challenged the amendment as malafide in the hon'ble Delhi High Court. Similar challenge has been made in the Supreme Court by another sugar factory. The case filed by us has 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 High Court of Punjab & Haryana. The High Court decided the matter in favour of the Group, hence no liability has been accounted for. However subsequently the Supreme Court has, through an interim order, on the appeal of the State Government directed all the assesseees to file the returns under the Local Area Development Tax Act. The Group has since filed the returns.

Note 37 : 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 Wholetime Director & Father of Mr. Aditya Puri Managing Director) Mrs. Tanupriya Puri (wife of Mr. Aditya Puri Managing Director)

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

II Related Party Transactions

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
a) Purchase of goods		
-Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	527.41	482.25
-Key management personnel		
Mr. Aditya Puri (Managing Director)	2.63	1.93
-Relatives of Key management personnel		
Mr. Ranjit Puri (Chairman)	2.63	1.64
Total	532.67	485.82
b) Purchase of fixed Assets		
-Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	14.59	-
Total	14.59	-
c) Rendering of services		
-Subsidiaries		
-Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	26.27	20.27
Total	26.27	20.27
d) Services received		
-Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	13.01	13.87
Total	13.01	13.87
e) Commission Paid		
-Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	7.54	12.13
-Key management personnel	-	-
-Relatives of Key management personnel	-	-
Total	7.54	12.13
f) Rent received		
-Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	0.39	0.38
Total	0.39	0.38

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
g) Rent Paid		
-Entities over which key management personnel can exercise significant influence		
Blue Water Enterprises	56.17	51.78
Total	56.17	51.78
h) Remuneration to Directors		
-Key management personnel		
Mr. Aditya Puri (Managing Director)	575.55	556.39
Mrs. Nina Puri (Wholetime Director)	575.55	556.39
-Relatives of Key management personnel		
Mr. Ranjit Puri (Chairman)	0.95	1.01
Total	1,152.05	1,113.79
i) Interest paid		
-Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	0.12	0.12
-Key management personnel		
Mr. Aditya Puri (Managing Director)	0.52	1.06
Mrs. Nina Puri (Wholetime Director)	-	0.01
-Relatives of Key management personnel		
Mr. Ranjit Puri (Chairman)	-	-
Mr. Ranjit Puri (HUF)	0.03	0.06
Total	0.67	1.25
j) Amount payable as at year end		
-Entities over which key management personnel can exercise significant influence		
Yamuna Syndicate Limited	41.11	16.20
-Key management personnel		
Mr. Aditya Puri (Managing Director)	523.07	514.07
Mrs. Nina Puri (Wholetime Director)	547.37	535.14
-Relatives of Key management personnel		
Mr. Ranjit Puri (Chairman)	0.23	0.23
Mr. Ranjit Puri (HUF)	0.66	0.66
Total	1,112.44	1,066.30
k) Amount receivable as at year end		
-Entities over which key management personnel can exercise significant influence		
Blue Water Enterprises	10.11	10.11
Total	10.11	10.11

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 38: 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 Profit & Loss account for the year are:

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
a) Residential premises	159.64	103.17
b) Commercial premises	380.70	370.29
c) Plant and machinery	5.41	5.48
Total	545.75	478.94

Note 39 : VALUE OF IMPORTS ON C.I.F. BASIS:

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Raw Materials	9,444.22	12,187.90
Components & Spare Parts	2,068.12	1,936.08
Goods for resale	758.87	13.88
Capital Goods	1,588.69	5,588.99
Total	13,859.90	19,726.85

Note 40 : EARNINGS IN FOREIGN EXCHANGE:

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Export of Goods & Services on F.O.B basis	112,870.70	105,924.54

Note 41 : EXPENDITURE IN FOREIGN CURRENCY (CASH BASIS)

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
Travelling Expenses	1,429.59	1,206.70
Royalty	279.61	434.12
Brokerage & Commission	4,442.64	4,218.46
Interest on ECB Loan (for foreign remittance)	507.35	354.48
Technical Know how	731.13	896.97
Others	10,786.53	12,174.20
Total	18,176.85	19,284.93

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 42 : REVENUE EXPENDITURE ON RESEARCH & DEVELOPMENT:

(₹ in lacs)

Particulars	Year ended 30.09.2013	Year ended 30.09.2012
a) Salary	5.79	5.25
b) Contribution to Provident Fund	0.24	0.30
c) Others	-	-
Total	6.03	5.55

Note 43 : 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 30.09.2013	As at 30.09.2012
a) The particulars of forward contracts entered into hedging purpose outstanding as at year end are as under:		
i) For receivables	25,034.91	11,612.78
ii) For loans	11,756.10	15,772.28
iii) For hedging interest payments on loans	-	-
b) Unhedged foreign currency exposures as at year end are as under:		
i) Receivables	2,778.96	4,849.35
ii) Advances to Suppliers	48.18	66.06
iii) Payables to Suppliers	107.74	100.85
iv) For Loans	-	1,782.67

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 44 : Information for Subsidiaries

The disclosure in accordance with Direction under Section 212(8) of the Companies Act, 1956 issued vide General Circular No. 2/2011 dated 8th February, 2011 (file No. 51/12/2007-CL-III) of Ministry of Corporate Affairs, Government of India.

Description	2012-13				2011-12				(₹ in lacs)	
	Isgec Covema Ltd.	Isgec Exports Ltd.	Saraswati Sugar Mills Ltd.	Isgec Engineering & Projects Ltd.	Isgec Hitachi Zosen Ltd.	Isgec Covema Ltd.	Isgec Exports Ltd.	Saraswati Sugar Mills Ltd.		Isgec Engineering & Projects Ltd.
1 Name of The Subsidiary Companies	Year Ended 31st March 2013	Year Ended 31st March 2013	Year Ended 30th September 2013	Year Ended 30th September 2013	Year Ended 30th September 2013*	Year Ended 31st March 2012	Year Ended 31st March 2012	Year Ended 30th September 2012	Year Ended 30th September 2012	Period Ended 30th September 2012**
2 Financial year of the Subsidiary Companies	200.00	10.00	709.99	330.00	10,000.00	200.00	10.00	709.99	5.00	10,000.00
3 Capital	77.26	86.11	17,290.30	0.67	(924.22)	75.41	83.06	14,970.18	0.37	338.23
4 Reserves	287.32	96.62	28,585.61	330.86	15,495.19	1,205.69	96.85	26,227.73	5.46	11,592.65
5 Total Assets	10.06	0.51	10,585.32	0.19	6,419.41	930.28	3.79	10,547.56	0.09	1,254.42
6 Total Liabilities										
7 Detail of Investments										
a. Deposit with Post Office	-	-	0.60	-	-	-	-	0.70	-	-
b. Investment in Other Companies	-	-	304.75	-	-	-	-	304.75	-	-
c. Investment in Mutual Funds	-	-	3,084.36	-	-	-	-	2,679.78	-	-
8 Turnover	11.75	4.85	45,054.92	0.71	7,417.64	71.03	4.87	40,247.94	0.29	3,421.35
9 Profit/(Loss) for the year before Tax	(0.09)	4.42	4,461.27	0.40	(1,912.54)	(28.00)	4.41	4,281.57	0.12	500.68
10 Provision for Taxation										
a. Current Tax	-	1.37	2,214.17	0.10	-	-	1.36	1,472.08	0.04	205.01
b. Deferred Tax	(1.93)	-	(78.78)	-	(650.08)	(8.65)	-	(113.64)	-	(42.56)
11 Profit/(Loss) for the year after Tax	1.84	3.05	2,325.88	0.30	(1,262.47)	(19.35)	3.05	2,923.13	0.08	338.23
12 Interim Dividend	-	-	745.49	-	-	-	-	745.49	-	-
13 Proposed Dividend	-	-	-	-	-	-	-	745.49	-	-

* "The financial year is from 1st April to 31st March. The figures drawn and reported are from 1st October 2012 to 30th September 2013".

** "The financial year is from 1st April to 31st March. The figures drawn and reported are from 21st March 2012 to 30th September 2012 i.e from the date of incorporation to the reporting date".

Notes to the Consolidated Financial Statements as at and for the year ended 30th September 2013

Note 45 : 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			
a)	Products covered for Cost Audit	Ingots and Engineering Machinery		Sugar	
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	Year ended 30.09.2013	Year ended 30.09.2012	Year ended 30.09.2013	Year ended 30.09.2012
	i) Due Date of Filling of Cost Audit Report	29.03.2014	29.03.2013	29.03.2014	29.03.2013
	ii) Actual Date of Filling Cost Audit Report	Not yet Due	26.03.2013	Not yet Due	19.03.2013

Note 46 There is no other information required to be disclosed apart from the information already disclosed, pursuant to the requirements of Schedule VI to the Companies Act,1956.

Note 47 Previous year figures have been regrouped/ recast wherever considered necessary to conform to current year 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

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

Place : Noida
Dated : 23 November, 2013

Vinod K. Nagpal
Director

