



Ho-425-S

Dated: 07.08.2018

Manager – Department of Corporate Services,
Bombay Stock Exchange Ltd.,
Registered Office: Floor 25,
P J Towers, Dalal Street,
Mumbai 400 001

Dear Sir/Madam,

Furnishing of Information as per
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Scrip Code : 533033, Scrip Id: ISGEC

Sub: Unaudited Standalone Financial Results for the quarter and three months ended
June 30, 2018

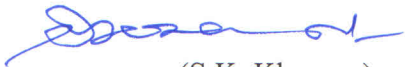

1. In terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose Unaudited Standalone Financial Results of the Company for the quarter and three months ended June 30, 2018. These results were approved by the Board of Directors in its meeting held on today i.e. August 07, 2018 at 03:45 p.m..
2. These results were subjected to a Limited Review by the Statutory Auditors of the Company. A copy of the Limited Review Report given by the Statutory Auditors which was placed before the Board of Directors in its meeting held on today is also enclosed.

The meeting of the Board of Directors was concluded at 04:15 p.m..

The above is for your information and records please.

Thanking you,

Yours faithfully,
For Isgec Heavy Engineering Limited


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


Encl: (i) Unaudited Standalone Financial Results for the quarter
and three months ended on June 30, 2018

(ii) Limited Review Report.

ISGEC HEAVY ENGINEERING LIMITED

REGD. OFFICE : YAMUNANAGAR - 135 001 (HARYANA) CIN: L23423HR1933PLC000097

Tel: +91-120-4085405, Fax: +91-0120-2412250 Email: cfo@isgec.com, Website: www.isgec.com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS

FOR THE QUARTER ENDED 30TH JUNE, 2018

A Statement of Financial Result

All figures in Rs. Lakhs except earning per share

Sl. No.	Particulars (Refer Notes Below)	Quarter ended			Year ended
		30.06.2018 (Unaudited)	31.03.2018 (Audited)	30.06.2017 (Unaudited)	31.03.2018 (Audited)
I	Revenue from Operations	71,419	81,887	49,444	2,61,537
II	Other Income	728	947	1,792	7,234
III	Total Income (I+II)	72,147	82,834	51,236	2,68,771
IV	Expenses :				
	(a) Cost of materials consumed	14,891	13,933	12,065	53,499
	(b) Purchase of stock-in-trade	18,656	22,326	11,002	72,763
	(c) Erection & commissioning expenses	5,685	4,633	12,599	32,412
	(d) Change in inventories of finished goods, work-in-progress and stock-in-trade (Increase)/decrease	2,984	7,945	(8,938)	(2,680)
	(e) Employee benefits expense	6,919	7,993	6,657	27,781
	(f) Finance costs	118	181	197	712
	(g) Depreciation and amortisation expense	1,547	1,917	1,589	6,715
	(h) Other expenses	16,629	20,278	13,545	60,776
	Total expenses (IV)	67,429	79,206	48,716	2,51,978
V	Profit/(Loss) before exceptional items and tax (III-IV)	4,718	3,628	2,520	16,793
VI	Exceptional items	-	-	-	-
VII	Profit/(Loss) before tax (V+VI)	4,718	3,628	2,520	16,793
VIII	Tax expense:				
	a) Current Tax	1,750	1,057	965	5,577
	b) Deferred Tax	(127)	(91)	(137)	(682)
IX	Profit/(Loss) for the period (VII-VIII)	3,095	2,662	1,692	11,898
X	Other Comprehensive Income				
	A (i) Items that will not be reclassified to profit or loss	16	216	(14)	177
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(6)	(75)	5	(62)
	B (i) Items that will be reclassified to profit or loss				
	(ii) Income tax relating to items that will be reclassified to profit or loss				
XI	Total Comprehensive Income for the period (IX+X)	3,105	2,803	1,683	12,013
XII	Paid up equity share capital (Face Value of the equity share Rs.10/- each)	735	735	735	735
XIII	Other equity excluding revaluation reserve				1,21,549
XIV	Earning Per Share (of Rs. 10 /- each) (not annualised)				
	(a) Basic (in Rs.)	42.09	36.20	23.01	161.81
	(b) Diluted (in Rs.)	42.09	36.20	23.01	161.81

B Segment Information

Effective 1st April, 2018, Chief Operating Decision Maker (CODM) of the Company is monitoring the performance of the Company in the following Segments:-

- a) Manufacturing of Machinery and Equipment Segment
- b) Engineering, Procurement and Construction Segment

The composition of the Segments, to enable the aforesaid objective consists of:

Manufacturing of Machinery and Equipment Segment comprising manufacture of Process Plant Equipment, Presses, Castings, Boiler Tubes & Panels and Containers.

Engineering, Procurement and Construction Segment consists of Projects and Turnkey Solutions for Sugar Plants, Distilleries, Power Plants, Boilers, Air Pollution Control Equipment, Building and Factories.

The Segments reported are as per Ind As 108 "Operating Segments" read with SEBI Circular dated 5th July, 2016. The identification of Operating Segments is consistent with performance assessment going forward by the Management.

In respect of both these Segments for the Company, sales and margins do not accrue uniformly during the year.

Statement of segment-wise Revenue, Results, Total assets and Total Liabilities are as under:

(Rs. In Lakhs)

Sl. No.	Particulars	Quarter ended			Year ended
		30.06.2018	31.03.2018	30.06.2017	31.03.2018
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
I	Segment Revenue				
	a) Manufacturing of Machinery & Equipment	32,990	31,838	17,264	1,06,742
	b) Engineering, Procurement and Construction	43,959	55,908	35,514	1,72,048
	c) Unallocated	5	20	0	24
	Total	76,954	87,766	52,778	2,78,814
	Less: Inter segment Revenue	5,535	5,879	3,334	17,277
	Net Sales/Income from Operations	71,419	81,887	49,444	2,61,537
II	Segment Results (Profit+)/Loss(-) before tax and interest from each segment				
	a) Manufacturing of Machinery & Equipment	3,987	2,444	1,524	12,937
	b) Engineering, Procurement and Construction	1,731	2,140	2,014	6,277
	c) Unallocated	150	266	867	3,970
	Total	5,868	4,850	4,405	23,184
	Less: i) Interest	59	105	157	571
	ii) Inter segment Interest	1,091	1,117	1,728	5,820
	Total Profit before tax	4,718	3,628	2,520	16,793
	Inter Segment result have been arrived at after considering inter segment interest income.				
III	Segment Assets				
	a) Manufacturing of Machinery & Equipment	1,03,567	1,07,156	1,02,841	1,07,156
	b) Engineering, Procurement and Construction	2,52,687	2,24,837	2,27,371	2,24,837
	c) Unallocated Corporate assets	78,961	77,004	88,475	77,004
	Total	4,35,215	4,08,997	4,18,687	4,08,997
	Less: Inter segment assets	70,770	76,118	94,568	76,118
	Total assets	3,64,445	3,32,879	3,24,119	3,32,879
IV	Segment Liabilities				
	a) Manufacturing of Machinery & Equipment	86,157	89,656	91,329	89,656
	b) Engineering, Procurement and Construction	1,98,977	1,70,146	1,69,380	1,70,146
	c) Unallocated Corporate Liabilities	24,691	26,911	43,994	26,911
	Total	3,09,825	2,86,713	3,04,703	2,86,713
	Less: Inter segment Liabilities	70,770	76,118	94,568	76,118
	Total Liabilities	2,39,055	2,10,595	2,10,135	2,10,595

Notes:

1. The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and as amended thereafter.
2. In accordance with the requirement of Ind AS, revenue from operations for the quarter ended 30th June, 2018 is net of Goods and Service Tax (GST). However, revenue from operations for the period upto 30th June, 2017 is inclusive of excise duty. Accordingly revenue from operations for the quarter ended 30th June, 2018 is not comparable with the corresponding previous quarter.
3. The Ministry of Corporate Affairs (MCA), on 28 March 2018, notified Ind AS 115 "Revenue from Contracts with Customers" as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The new standard is effective from April 1, 2018. The adoption of Ind-AS 115 by the Company effective 1st April 2018 has no significant impact on the financial results for the quarter ended 30th June, 2018.
4. The Company has stated as under in audited Results Published for quarter and year ended 31st March, 2018:
 - "(a) The company is executing contracts to design, engineer, procure, construct, commission and deliver a Bio-Refinery project in the Philippines. There was manifestation of latent conditions leading to cost overrun and delay in completion of the project within the contractual delivery date. The Company notified the customer that these risks were to their account under the contract. The customer issued directions to continue with the project and started paying the additional cost to the sub-contractors directly. The project is substantially complete. The customer, on 30th January 2018, however, invoked the Bank Guarantees amounting to about Rs.134 crores and wrongly terminated the contract, and also claimed damages.
 - (b) The Company has referred the dispute to Arbitration under the Singapore International Arbitration Centre (SIAC), as per contract with the customer.
 - (c) The legal advice is that the Company has good prospect of success in proving its claims against the customer and accordingly no provision has been made in the books of accounts."SIAC has constituted the Arbitral Tribunal. The Arbitration is likely to take about 15-20 months for completion. There is no other change.
5. Figures for the previous period have been regrouped / reclassified to conform to the figures for the current period.
6. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on 7th August, 2018 and have been subjected to Limited Review by the Statutory Auditors.

FOR ISGEC HEAVY ENGINEERING LIMITED


(ADITYA PURI)
MANAGING DIRECTOR

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Date : 7th August, 2018
Place: Yamunanagar

Independent Auditor's Limited Review Report

**The Board of Directors,
Isgec Heavy Engineering Limited
Yamuna Nagar, Haryana**

Introduction

We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") and the accompanying notes of **ISGEC HEAVY ENGINEERING LIMITED** ("the Company") for the quarter ended 30th June, 2018 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/ 62/2016 dated 5th July, 2016.

This statement is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Conclusion

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results, prepared in accordance with the applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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SCV & Co. (a Partnership firm) converted into SCV & Co. LLP (a Limited Liability Partnership firm) with effect from May 3, 2018. Post its conversion to SCV & Co. LLP, its ICAI registration number is 000235N/ N500089 (ICAI registration number before conversion was 000235N)



Emphasis of Matter

We draw attention to Note No. 4 to the statement of unaudited standalone financial results for the quarter ended 30th June 2018 which describes the nature and expected outcome with respect to the ongoing litigation regarding the Bio-refinery project in Philippines. Our opinion is not modified in respect of this matter.

Place: New Delhi
Dated: 7.8.2018



For SCV & Co. LLP
Chartered Accountants
Firm Regn. No.
000235N/N500089

Abhinav Khosla
(Abhinav Khosla)
Partner
M. No. 087010