



Uploaded on BSE Listing Centre  
Website: <http://listing.bseindia.com>

Ho-425-S

Dated: 28-05-2018

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

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

**Subject: Audited Financial Results (Standalone and Consolidated) & Outcome of Board Meeting**

Dear Sir/ Madam,

This is in continuation of our letter dated 16<sup>th</sup> May, 2018, we wish to inform that at the Board Meeting held today i.e. on Monday, 28<sup>th</sup> May, 2018, at 11:00 a.m., the Board of Directors have approved the Audited Financial Results (Standalone and Consolidated) for the quarter and year ended 31<sup>st</sup> March, 2018.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith:-

- 1). Audited Standalone Financial Results for the quarter and year ended on 31<sup>st</sup> March, 2018 along with Auditors' Report thereon.
- 2). Audited Consolidated Financial Results for the year ended on 31<sup>st</sup> March, 2018 along with Auditors' Report thereon.

The meeting of the Board of Directors was concluded at 03:45 p. m.

The above is for your information and records please.

Thanking you,

Yours faithfully,  
For Isgce Heavy Engineering Limited

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

Encl: As above

**ISGEC HEAVY ENGINEERING LIMITED**

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

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

**STATEMENT OF STANDALONE FINANCIAL RESULTS**

**FOR THE QUARTER AND YEAR ENDED 31.03.2018**

(₹ in lakhs except earning per share)

Sl. No.	Particulars (Refer notes below)	Quarter ended			Year ended	
		31.03.2018 (Audited)	31.12.2017 (Unaudited)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)
I	Revenue from operations	81,887	66,281	93,463	261,537	311,099
II	Other Income	947	753	2,915	7,234	9,323
III	<b>Total Income (I+II)</b>	<b>82,834</b>	<b>67,034</b>	<b>96,378</b>	<b>268,771</b>	<b>320,422</b>
IV	<b>Expenses :</b>					
	(a) Cost of materials consumed	13,933	14,861	11,159	53,499	42,726
	(b) Purchase of stock-in-trade	22,326	16,810	39,958	72,763	117,875
	(c) Change in inventories of finished goods and work-in-progress (Increase)/decrease	7,945	576	3,591	(2,680)	(4,869)
	(d) Employee benefits expense	7,993	6,570	6,868	27,781	26,784
	(e) Finance costs	181	164	695	712	2,080
	(f) Depreciation and amortisation expense	1,917	1,603	1,661	6,715	6,382
	(g) Erection & commissioning expenses	4,633	8,602	7,977	32,412	37,806
	(h) Other expenses	20,278	13,467	17,249	60,776	64,872
	<b>Total expenses (IV)</b>	<b>79,206</b>	<b>62,653</b>	<b>89,158</b>	<b>251,978</b>	<b>293,656</b>
V	<b>Profit/(Loss) before exceptional items and tax (III-IV)</b>	<b>3,628</b>	<b>4,381</b>	<b>7,220</b>	<b>16,793</b>	<b>26,766</b>
VI	Exceptional items	-	-	-	-	-
VII	<b>Profit/(Loss) before tax (V+VI)</b>	<b>3,628</b>	<b>4,381</b>	<b>7,220</b>	<b>16,793</b>	<b>26,766</b>
VIII	Tax expense					
	a) Current Tax	1,057	1,778	1,477	5,577	8,138
	b) Deferred Tax	(91)	(341)	(85)	(682)	(235)
IX	<b>Profit/(Loss) for the period (VII-VIII)</b>	<b>2,662</b>	<b>2,944</b>	<b>5,828</b>	<b>11,898</b>	<b>18,863</b>
X	Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit or loss	216	(12)	(14)	177	(55)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(75)	4	4	(62)	19
	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	<b>Total Comprehensive Income for the period (IX+X)</b>	<b>2,803</b>	<b>2,936</b>	<b>5,818</b>	<b>12,013</b>	<b>18,827</b>
XII	Paid up equity share capital (Face Value of the equity share ₹ 10/- each)	735	735	735	735	735
XIII	Reserve excluding Revaluation Reserves				121,549	111,815
XIV	<b>Earning Per Share (of ₹ 10/- each) (not annualised)</b>					
	(a) Basic (in ₹)	36.20	40.04	79.26	161.81	256.54
	(b) Diluted (in ₹)	36.20	40.04	79.26	161.81	256.54



**STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS  
 FOR THE YEAR ENDED 31.03.2018**

(₹ in lakhs except earning per share)			
Sl. No.	Particulars	Current year ended 31.03.2018 (Audited)	Previous year ended 31.03.2017 (Audited)
I	Revenue from operations	382,586	405,589
II	Other income	5,728	9,362
III	<b>Total income (I+II)</b>	<b>388,314</b>	<b>414,951</b>
IV	<b>Expenses :</b>		
	(a) Cost of materials consumed	116,632	106,380
	(b) Purchase of stock-in-trade	72,852	117,874
	(c) Change in inventories of finished goods and work-in-progress (Increase)/decrease	25,386	(9,883)
	(d) Employee benefits expense	34,001	32,725
	(e) Finance cost	2,216	4,312
	(f) Depreciation and amortisation expense	8,075	7,529
	(g) Erection & commissioning expenses	32,424	37,811
	(h) Other expenses	71,622	81,511
	<b>Total expenses (IV)</b>	<b>363,208</b>	<b>378,259</b>
V	<b>Profit/(Loss) before exceptional items and tax (III-IV)</b>	<b>25,106</b>	<b>36,692</b>
VI	Exceptional items	-	-
VII	<b>Profit/(Loss) before tax (V+VI)</b>	<b>25,106</b>	<b>36,692</b>
VIII	Tax expense		
	a) Current Tax	9,057	9,774
	b) Deferred Tax	(792)	2,084
IX	<b>Profit/(Loss) for the year (VII-VIII)</b>	<b>16,841</b>	<b>24,834</b>
X	Other Comprehensive Income (OCI)		
	A (i) Items that will not be reclassified to profit or loss	(62)	447
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(54)	18
	B (i) Items that will be reclassified to profit or loss	24	15
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
XI	<b>Total Comprehensive Income for the year (IX+X)</b>	<b>16,749</b>	<b>25,314</b>
XII	<b>Profit for the year</b>	<b>16,841</b>	<b>24,834</b>
	<b>Attributable to:</b>		
	Owners of the parent	15,728	24,210
	Non-controlling interests	1,113	624
	<b>Total comprehensive income for the year:</b>	<b>16,749</b>	<b>25,314</b>
	<b>Attributable to:</b>		
	Owners of the parent	15,616	24,694
	Non-controlling interests	1,133	620
XIII	Paid up equity share capital (Face Value of the equity share ₹ 10/- each)	735	735
XIV	Reserve excluding Revaluation Reserves	137,378	124,629
XV	<b>Earning Per Share (of ₹ 10 /- each)</b>		
	(a) Basic (in ₹)	213.90	329.25
	(b) Diluted (in ₹)	213.90	329.25



## ISGEC HEAVY ENGINEERING LIMITED

CIN: L23423HR1933PLC000097

Balance Sheet as at 31.03.2018

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	As at	As at	As at	As at
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	(Audited)	(Audited)	(Audited)	(Audited)
<b>ASSETS</b>				
(1) <b>Non-current assets</b>				
(a) Property, plant and equipment	41,047	42,645	57,585	57,856
(b) Capital work - in - progress	2,928	1,536	3,155	1,783
(c) Goodwill on Consolidation	-	-	530	530
(d) Other intangible assets	4,501	3,792	4,764	3,886
(e) Intangible assets under Development	-	-	-	128
(f) Financial assets				
(i) Investments	14,281	14,281	523	826
(ii) Trade receivables	3,549	4,471	3,631	4,568
(iii) Loans	402	415	451	472
(iv) Others	866	712	1,194	1,043
(g) Deferred tax assets	192	-	269	863
(h) Other non - current assets	908	29	957	110
<b>Sub Total - Non Current Assets</b>	<b>68,674</b>	<b>67,881</b>	<b>73,059</b>	<b>72,065</b>
(2) <b>Current Assets</b>				
(a) Inventories	46,610	40,448	83,997	107,575
(b) Financial assets				
(i) Investments	36,601	68,846	36,601	68,846
(ii) Trade receivables	110,773	107,109	113,600	113,335
(iii) Cash and cash equivalents	16,586	2,611	17,968	3,570
(iv) Bank balances other than (iii) above	4,114	9,568	6,059	10,603
(v) Loans	921	8,330	1,042	1,135
(vi) Others	5,414	3,372	5,562	3,888
(c) Current tax assets	-	-	2	2
(d) Other current assets	43,186	28,270	44,984	31,216
<b>Sub Total - Current Assets</b>	<b>264,205</b>	<b>268,554</b>	<b>309,815</b>	<b>340,170</b>
<b>Total Assets</b>	<b>332,879</b>	<b>336,435</b>	<b>382,874</b>	<b>412,235</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity share capital	735	735	735	735
(b) Other equity	121,549	111,815	137,378	124,629
<b>Equity attributable to the owners of the parent</b>	<b>122,284</b>	<b>112,550</b>	<b>138,113</b>	<b>125,364</b>
Non Controlling Interest	-	-	7,183	6,051
<b>Total equity</b>	<b>122,284</b>	<b>112,550</b>	<b>145,296</b>	<b>131,415</b>
<b>LIABILITIES</b>				
(1) <b>Non - current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	-	-	-	3,701
(ii) Other financial liabilities	134	183	161	418
(b) Provisions	4,793	6,742	5,406	7,152
(c) Deferred tax liabilities	-	427	663	1,226
(d) Other non - current liabilities	25,344	14,869	25,384	14,912
<b>Sub Total - Non Current Liabilities</b>	<b>30,271</b>	<b>22,221</b>	<b>31,614</b>	<b>27,409</b>
(2) <b>Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	8,227	10,956	14,320	29,979
(ii) Trade payables	102,525	131,197	110,995	141,666
(iii) Other financial liabilities	6,417	6,859	11,050	9,706
(b) Other Current liabilities	49,098	38,381	55,126	56,926
(c) Provisions	13,307	14,041	14,142	14,731
(d) Current tax liabilities	750	230	331	403
<b>Sub Total - Current Liabilities</b>	<b>180,324</b>	<b>201,664</b>	<b>205,964</b>	<b>253,411</b>
<b>Total Equity &amp; Liabilities</b>	<b>332,879</b>	<b>336,435</b>	<b>382,874</b>	<b>412,235</b>



## Segment Reporting - Consolidated

(₹ in lakhs)

Sl. No.	Particulars	Current year ended 31.03.2018 (Audited)	Previous year ended 31.03.2017 (Audited)
1	<b>Segment Revenue</b>		
	(a) Sugar	80,994	62,750
	(b) Engineering	302,338	342,896
	Total	383,332	405,646
	Less : Inter Segment	(746)	(57)
	<b>Net Sales / Income from Operations</b>	<b>382,586</b>	<b>405,589</b>
2	<b>Segment Results</b>		
	<b>Profit (+) / Loss (-) before Tax and Interest from Each segment</b>		
	(a) Sugar	7,965	10,669
	(b) Engineering	19,127	30,122
	Total	27,092	40,791
	Less Interest	(1,986)	(4,099)
	<b>Total Profit Before Tax</b>	<b>25,106</b>	<b>36,692</b>
3	<b>Segment assets</b>		
	(a) Sugar	39,838	55,188
	(b) Engineering	343,558	364,367
	Total	383,396	419,555
	Less : Inter Segment	(522)	(7,320)
	<b>Total segment Assets</b>	<b>382,874</b>	<b>412,235</b>
4	<b>Segment Liabilities</b>		
	(a) Sugar	19,039	36,465
	(b) Engineering	219,061	251,675
	Total	238,100	288,140
	Less : Inter Segment	(522)	(7,320)
	<b>Total segment Liabilities</b>	<b>237,578</b>	<b>280,820</b>

## Notes:

- The above Standalone and Consolidated results of the company were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 28th May, 2018.
- 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 as amended thereafter. The Company adopted Ind AS from 1st April, 2016.
- The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the previous quarter of the current financial year.
- Figures for the previous period have been regrouped / reclassified / recasted to conform to the figures for the current period.
- (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 ₹ 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.
- In accordance with the requirement of Ind AS, revenue from operations for the quarter ended 31st March, 2018 is net of Goods and Service Tax (GST). However, revenue from operations for the period up to 30th June, 2017 is inclusive of Excise Duty. Accordingly revenue from operations for the quarter and year ended 31st March, 2018 are not comparable with the previous period presented above.
- The Board in order to conserve the resources did not recommend any final dividend. Interim dividend of ₹ 16/- per Equity Share of ₹ 10/- each has already been declared and disbursed.
- In terms of SEBI Circular CIR/CFD/CMD/56//2016 dated 27 May, 2016 the Company hereby declares that the auditors have issued audit reports both for standalone and consolidated financial results with unmodified opinion for the year ended 31st March, 2018.

FOR ISGEC HEAVY ENGINEERING LIMITED

Date : 28th May, 2018  
Place: Noida



*[Signature]*  
ADITYA PURI  
MANAGING DIRECTOR

**Independent Auditor's Report on Quarterly Standalone Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To

The Board of Directors,

**Isgec Heavy Engineering Limited**

We have audited the quarterly standalone financial results of **Isgec Heavy Engineering Limited** ('the Company') for the quarter ended 31<sup>st</sup> March 2018 and the year to date standalone financial results for the period from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

These quarterly standalone financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone financial results based on our audit of such Ind AS interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard, 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.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



**New Delhi**

C-20, Panchsheel Enclave, New Delhi-110017  
T: +91 - 11 - 41200800

D-62, Panchsheel Enclave, New Delhi-110017  
T: +91 - 11 - 26497629/30

4/18, Asaf Ali Road, New Delhi-110002  
T: +91 - 11 - 23274888/77410

**Ludhiana**

B-XIX-220, Rani Jhansi Road, Ghumar Mandi, Ludhiana -121001  
T: +91 - 161 - 2774527 • F: +91 - 161 - 2771618

## Opinion

In our opinion and to the best of our information and according to the explanations given to us these quarterly standalone financial results as well as the year to date results:

(i) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July 2016 in this regard; and

(ii) give a true and fair view of the net profit and other financial information for the quarter ended 31<sup>st</sup> March 2018 as well as the year ended on the same date.

## Emphasis of Matter

We draw attention to Note no.5 to the statement of audited financial results for the quarter and year ended 31<sup>st</sup> March 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.

## Other Matters

The comparative financial information of the Company for the year ended 31<sup>st</sup> March 2017 prepared in accordance with Ind AS included in this statement have been audited by the predecessor auditor. The report of the predecessor auditor dated 29<sup>th</sup> May 2017 on the comparative financial information expressed an unmodified conclusion / opinion.

PLACE: NEW DELHI  
DATED: 28<sup>th</sup> May 2018



For SCV & Co. LLP  
CHARTERED ACCOUNTANTS  
FRN :000235N/N500089

*Abhinav Khosla*

(ABHINAV KHOSLA)  
PARTNER  
M. No. 087010

**Independent Auditor's Report on Consolidated Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To

The Board of Directors,

**Isgec Heavy Engineering Limited**

We have audited the consolidated year to date financial results of **Isgec Heavy Engineering Limited** ('the Company') for the period from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Those consolidated year to date financial results have been prepared from the consolidated financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



**New Delhi**

C-20, Panchsheel Enclave, New Delhi-110017  
T: +91 - 11 - 41200800

D-62, Panchsheel Enclave, New Delhi-110017  
T: +91 - 11 - 26497629/30

4/18, Asaf Ali Road, New Delhi-110002  
T: +91 - 11 - 23274888/77410

**Ludhiana**

B-XIX-220, Rani Jhansi Road, Ghumar Mandi, Ludhiana -121001  
T: +91 - 161 - 2774527 • F: +91 - 161 - 2771618

We did not audit the financial statements of eight subsidiaries included in the consolidated year to date results, whose consolidated financial statements reflect total assets of Rs. 26,574.70 Lakhs as at 31<sup>st</sup> March 2018; the total revenue of Rs. 46,486.41 Lakhs and net cash flows of Rs.779.17 Lakhs for the year ended 31<sup>st</sup> March 2018. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion on the annual financial results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us these annual consolidated financial results:

- (i) include the financial results of the following entities:
  - a. IsgecCovema Limited
  - b. Isgec Exports Limited
  - c. Saraswati Sugar Mills Limited
  - d. Isgec Engineering & Projects Limited
  - e. Freelook Software Private Limited
  - f. Isgec Hitachi Zosen Limited
  - g. Isgec Foster Wheeler Boilers Private Limited
  - h. Isgec Titan Metal Fabricators Private Limited
  - i. IsgecRedecam Enviro Solutions Private Limited
- (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July 2016 in this regard; and
- (iii) give a true and fair view of the consolidated net profit and other financial information for the year ended 31<sup>st</sup> March 2018.



### **Emphasis of Matter**

We draw attention to Note no. 5 to the statement of audited consolidated financial results for the year ended 31st March 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.

### **Other Matters**

The comparative financial information of the Company for the year ended 31 March 2017 prepared in accordance with Ind AS included in this statement have been audited by the predecessor auditor. The report of the predecessor auditor dated 29th May 2017 on the comparative financial information expressed an unmodified opinion.

**PLACE: NEW DELHI**  
**DATED: 28<sup>th</sup> May 2018**



**For SCV & Co. LLP**  
**CHARTERED ACCOUNTANTS**  
**FRN :000235N/N500089**

*Abhinav Khosla*  
**(ABHINAV KHOSLA)**  
**PARTNER**  
**M. No. 087010**