

*39th*  

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*Annual Report*  

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**2014-2015**  

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**IST LIMITED**

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## 39th Annual Report 2014-2015

**BOARD OF DIRECTORS**

AIR MARSHAL (RETD.) D. KEELOR, CHAIRMAN  
SHRI S.C. JAIN, EXECUTIVE DIRECTOR  
LT. COL. (RETD.) N.L. KHITHA, DIRECTOR (TECH.)  
MRS. SARLA GUPTA, DIRECTOR  
SHRI MAYUR GUPTA, DIRECTOR  
SHRI GAURAV GUPTAA, DIRECTOR  
BRIG. (RETD.) G.S. SAWHNEY, DIRECTOR  
SHRI R.K. JAIN, DIRECTOR  
SHRI SUBHASH CHANDER JAIN, DIRECTOR

**COMPANY SECRETARY**

SHRI R.K. SAPRA

**AUDITORS**

M/S. O.P. DADU & CO.,  
CHARTERED ACCOUNTANTS, NEW DELHI

**BANKERS**

STATE BANK OF INDIA

**REGISTERED OFFICE & WORKS**

DHARUHERA INDUSTRIAL COMPLEX,  
DELHI JAIPUR HIGHWAY NO. 8,  
KAPRIWAS, DHARUHERA,  
REWARI – 123106 (HARYANA)  
TEL: (01274) 267346-48;  
FAX: (01274) 267444;  
Website: www.istindia.com;  
CIN: L33301HR1976PLC008316

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## NOTICE

Notice is hereby given that the 39th Annual General Meeting of IST Limited, will be held on Wednesday, the 30th September, 2015 at 11.30 A.M. at the Registered Office of the Company at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari – 123106 (Haryana), to transact the following business:

1. To consider and adopt the Audited Financial Statement (including Audited Consolidated Financial Statement) for the financial year ended 31st March 2015 and Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Mayur Gupta (DIN : 00131376), who retires by rotation and being eligible has offered himself for reappointment.
3. To appoint a director in place of Lt. Col. N. L. Khitha (Retd.) (DIN : 01128275), who retires by rotation and being eligible has offered himself for reappointment.
4. To ratify the appointment of Statutory Auditors and authorize Board of Directors to fix their remuneration and in this regard to consider, and if thought fit, to pass, the following resolution, with or without modification(s), as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder the appointment of M/s. O.P. Dadu & Co., Chartered Accountants (Firm Registration No. 001201N), who had been appointed as Statutory Auditors of the Company at 38th Annual General Meeting (AGM) held on 30th September, 2014 to hold office from the conclusion of 38th AGM until the conclusion of the 41st AGM subject to ratification of the appointment by the members at every AGM, be and is hereby ratified and the Board of Directors be and are hereby authorized to fix the remuneration as may be recommended by Audit Committee in consultation with the Auditors for the Financial Year ending March 31, 2016.”

### SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, consent of the shareholders of the Company be and is hereby accorded to re-appoint Lt. Col. N.L. Khitha (Retd.) (DIN: 01128275) as Whole Time Director, designated as Director (Technical) of the Company for a period of 2 years with effect from 01st June, 2015 to 31st May, 2017 and to pay him remuneration, as per details given below :

Basic Pay	Rs.20,000/- per month
Dearness Allowance	Rs. 7,000/- per month
House Rent Allowance	Rs.10,000/- per month
Special Allowance	Rs.13,000/- per month

### PERQUISITES

#### PART-A

- a) Reimbursement of medical expenses actually incurred by the Director (Technical) and his family subject to ceiling of one month's basic pay in a year.
- b) Leave Travel Allowance – Expenses incurred by the Director (Technical) and his family subject to the ceiling of one month's basic pay in a year.
- c) Reimbursement of Car Expenses – All expenses incurred by the Director (Technical) in connection with the running and maintenance of car including Driver's Salary for the purpose of Official Work.
- d) Reimbursement of actual expenses incurred by the Director (Technical) on use of telephone / mobile phone for official work.

#### PART-B

- a) Earned Leave : One month's leave as per rules of the Company for every 11 months of service. Leave accumulated and not availed of during his tenure as Director (Technical) will be allowed to be encashed as per rules of the Company.
- b) Reimbursement of Expenses – The Director (Technical) shall also be entitled to reimbursement of expenses actually and properly incurred for the



purpose of business and business development of the Company.

#### **OTHER CONDITIONS :**

If during the currency of tenure of the Director (Technical), the Company has no profits or its profits are inadequate in any financial year, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule –V of the Companies Act, 2013.

FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable, to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek approval of statutory authority, if any, as may be required in this regard;

FURTHER RESOLVED THAT the Board of Directors of the Company and / or the Remuneration Committee be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Lt. Col. N.L. Khitha (Retd.).

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

“RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV, Section 152

and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Subhash Chander Jain (DIN: 00169972), who was appointed as an Additional Director/ Independent Director, in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years till the conclusion of the Annual General Meeting of the Company to be held in the year 2020.”

#### **7. To consider and, if thought fit, to pass with or without modification(s), the following Resolutions as Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 149, Section 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mrs. Sarla Gupta, (DIN: 00069053), who was appointed as an Additional Director / Women Director liable to retire by rotation, in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Director of the Company, liable to retire by rotation.”

By Order of the Board

(R.K. SAPRA)  
COMPANY SECRETARY  
FCS-3785

Place : New Delhi

Date : 11.08.2015

#### **NOTES:**

- 1. A Member entitled to attend and vote at the Meeting is entitled to appoint another person as a Proxy to attend and vote on a Poll on his/her behalf. A Proxy need not be a Member of the Company. However, proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the Annual General Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
2. The Instrument of Proxy in Form MGT 11 (Proxy Form) prescribed under Companies (Management and Administration) Rules, 2014 pursuant to Section 105(6) of the Companies Act, 2013 is given separately in the Annual Report.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2015 to 30th September, 2015 (both days inclusive) for the purpose of this Annual General Meeting.



5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members are requested to bring the Attendance Slip duly filled in along with their copy of Annual Report to the Meeting.
7. The Members are requested to contact the Company's Registrars and Share Transfer Agents, MAS Services Limited for all their queries, transfer requests, or any other matter relating to their shareholding in the Company as per their following contact details :

Mas Services Limited,  
T-34, 2nd Floor, Okhla Industrial Area,  
Phase-II, New Delhi – 110020;  
Phone : 011-26387281-83;  
Fax : 011-26387384;  
email: info@masserv.com
8. Members are requested to (i) quote their Registered Folio Numbers / DP ID & Client ID Nos. in all correspondences with the Company / with the Registrars and Share Transfer Agents; and (ii) promptly notify any change in their address to the Registrars and Share Transfer Agents, in case they still hold the Equity Shares in physical form.
9. Dematerialization of the Equity Shares of the Company : The Equity Shares of the Company are compulsorily required to be held under DEMAT mode for Trading on the floor of the Stock Exchanges, where such Equity Shares are listed. These can be held in electronic form with any Depository Participant (DP) with whom the Members have their Depository Account. All the Members, holding Equity Shares of the Company in the physical form, are advised to get the same dematerialized. The Members may contact the Registrars and Share Transfer Agents of the Company at their address mentioned above.
10. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail id for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically, with the Company's Registrars and Share Transfer Agents.
11. Electronic copy of the Annual Report for financial year 2014-15 along with the Notice of the 39th Annual General Meeting of the Company (including Attendance Slip and Proxy Form) is being sent to all the members whose email IDs are registered with the Registrar/Depository Participants(s) with their consent for communication purposes unless any member has requested for a hard copy of the same.
12. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2014-15 along with Notice of the 39th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent by other permissible modes.
13. Members may also note that the Notice of the 39th Annual General Meeting and the Annual Report for 2014-15 will also be available on the Company's website: [www.istindia.com](http://www.istindia.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during 10:00 A.M. to 5:00 P.M on any working day, excluding Saturday. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same. For any communication, the shareholders may also send requests to the Company's investor email id: [istgroup.ho@gmail.com](mailto:istgroup.ho@gmail.com).

#### VOTING THROUGH ELECTRONIC MEANS

14. Voting through electronic means: Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and the revised Clause 35B of the Listing Agreement, the Company is providing remote e-voting facility to enable the members to cast their votes electronically on all the resolutions set forth in the Notice convening the 39th Annual General Meeting. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide the remote e-voting facilities. The Instructions for remote e-voting are provided in the Attendance Slip, which is enclosed along with the Annual Report. Members are advised to read the instructions carefully before exercising their vote.

By Order of the Board

(R.K. SAPRA)  
COMPANY SECRETARY  
FCS-3785

Place : New Delhi  
Date : 11.08.2015



## STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 (THE ACT)

Attached to the Notice convening the 39<sup>th</sup> Annual General Meeting of IST Limited to be held on Wednesday, the 30<sup>th</sup> September, 2015.

### Item No. 5:

Lt. Col. N.L. Khitha (Retd.) is Whole Time Director, Designated as Director (Technical) of the Company. His term of appointment, as per resolution passed by the Shareholders of the Company in Annual General Meeting held on 28<sup>th</sup> September, 2013, has expired on 31.05.2015.

The Board of Directors of the Company in its meeting held on 30.05.2015 considered reappointment of Lt. Col. N.L. Khitha (Retd.) as Whole Time Director, to be Designated as Director (Technical) for a further period of 2 years with effect from 1<sup>st</sup> June, 2015.

As Mr. Lt. Col. N.L. Khitha (Retd.) has attained age of 77 years, relevant provisions of the Companies Act, 2013, were also discussed by the Board, which, inter alia, provide that appointment of a person having age of 70 years or above as Whole Time Director may be made by passing a special resolution with due justification in the explanatory statement.

The Board of Directors, keeping in view smooth and efficient running of Technical affairs of the Company by Lt. Col. N.L. Khitha (Retd.) and also keeping in view the good health possessed by him, recommend reappointment of Lt. Col. N.L. Khitha (Retd.), as Whole Time Director, designated as Director (Technical) of the Company for a further period of 2 years with effect from 1<sup>st</sup> June, 2015 on remuneration and terms and conditions as given in the proposed resolution.

None of the Directors or other Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Special Resolution except the appointee himself.

### Item No. 6:

Mr. Subhash Chander Jain was appointed as an Additional Director / Independent Director by the Board on 30.05.2015. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr. Subhash Chander Jain being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director of the Company for a period of five years. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs.1,00,000/- proposing the candidature of Mr. Subhash Chander Jain for the office of Independent Director, to be re-appointed as such under the provisions of Section 149 of the Companies Act, 2013. The Company has received from Mr. Subhash Chander Jain (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr. Subhash Chander Jain fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his re-appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his association would be of immense benefit to the Company and it is desirable to appoint Mr. Subhash Chander Jain as an Independent Director.

Except Mr. Subhash Chander Jain, none of the Directors or key managerial personnel or their relatives is interested or concerned in the resolution.

The Board recommends the special resolution in relation to the appointment of Mr. Subhash Chander Jain as an Independent Director, for the approval by the members of the Company.

### Item No. 7:

Mrs. Sarla Gupta was appointed as an Additional Director by the Board on 14.05.2015. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mrs. Sarla Gupta being eligible and offering herself for appointment, is proposed to be appointed as Director (Non-Executive / Non-Independent of the Company, ), liable to retire by rotation. The Company has received notice in writing under the provisions of Section 160 of the



Companies Act, 2013, from a member along with a deposit of Rs.1,00,000/- proposing the candidature of Mrs. Sarla Gupta for the office of Director, to be re-appointed as such under the provisions of Section 149 of the Companies Act, 2013. The Company has received from Mrs. Sarla Gupta (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mrs. Sarla Gupta fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her reappointment as Director of the Company.

The Board considers that his association would be of immense benefit to the Company and it is desirable to appoint Mrs. Sarla Gupta as Director of the Company.

Except Mrs. Sarla Gupta, herself and Mr. Mayur Gupta & Mr. Gaurav Gupta, Directors of the Company, being her relatives, none of the Directors or key managerial personnel or their relatives is interested or concerned in the resolution.

The Board recommends the resolution in relation to the appointment of Mrs. Sarla Gupta as a Director, for the approval by the members of the Company.

By Order of the Board

(R.K. SAPRA)  
COMPANY SECRETARY  
FCS-3785

Place : New Delhi  
Date : 11.08.2015

#### DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE FORTHCOMING 39TH ANNUAL GENERAL MEETING

Name of the Director	Mrs. Sarla Gupta	Mr. Subhash Chander Jain	Lt. Col. N.L. Khitha (Retd.)	Mr. Mayur Gupta
Date of Birth	25.01.1955	15.06.1949	25.09.1937	27.03.1977
Date of Appointment	14.02.2015	30.05.2015	01.06.2011	01.10.2006
Expertise in Specific functional Areas	Business	Law, Banking, Finance, Accounts, Business and Industry.	Held various distinguished positions in Army and has vast experience in Technical and Administration Fields. Business Development .	MBA (MIS & E-Business) from Bentley College Bentley College Boston, USA Business Administration & Finance
List of Public Companies in which Directorship is held	Whole Time Director, Gurgaon Infospace Limited Director, IST Steel and Power Limited Director, Antique Investment Co. Ltd.	—	—	Director, GPC Technology Limited Director, Gurgaon Infospace Limited
Chairman / Member of the Committees of the Board of Companies on which he / she is a Director	—	Member, Audit Committee, IST Limited	Member, CSR Committee, IST Limited	Member, Risk Management Committee IST Limited

**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the 39th Annual Report and the Company's audited financial statement for the financial year ended March 31, 2015.

**FINANCIAL RESULTS**

The summarized financial results for the year ended March 31, 2015 and for the previous year ended March 31, 2014 are as follows:

Particulars	Rs. / lacs			
	Standalone		Consolidated	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Income from Operations	1,839.04	2,131.87	7,694.73	7,550.75
Other Income	564.37	439.12	947.63	681.12
Total Expenses	2,076.49	2,091.50	2,453.82	2,353.41
Finance Cost	2.57	2.23	2.57	2.23
Profit before Tax	324.35	477.26	6,185.97	5,876.23
Tax Expenses	71.70	78.86	330.70	285.04
Share of Profit from Associates	—	—	-29.36	224.20
Profit after Tax	252.65	398.40	5,825.91	5,815.39

**APPROPRIATION OF PROFIT AFTER TAX FOR TRANSFER TO RESERVES**

The Company proposes to transfer Rs.252.65 lacs to the General Reserve out of the current year Profit.

**DIVIDEND**

Your Directors have not recommended any dividend for the year 2014-15.

**SHARE CAPITAL**

During the year under review:

- No Equity shares have been issued with differential voting rights. Hence, no disclosure is required in terms of Rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014.
- No issue of Sweat Equity Share has been made. Hence, no disclosure is required in terms of Rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014.
- There was no issue of Employee Stock Option. Hence, no disclosure is required in terms of Rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014.
- There was no provision made by the Company for any money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence, no disclosure is required in terms of Rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014.
- The issued, subscribed and fully paid up share capital of the Company as on 1st April, 2014 and 31st March, 2015 remained unchanged.

**THE STATE OF COMPANY'S AFFAIRS**

During the year under review the gross revenue from operations of your Company has declined to Rs.1839.04 lacs from Rs.2131.87 lacs i.e. by 13.73%, Profit before Tax has declined to Rs. 324.35 lacs from Rs.477.26 lacs i.e. 32.04% and Net Profit declined to Rs.252.65 lacs from Rs.398.40 lacs i.e. by 36.58%, as compared to the previous year. The reasons for this downfall are -

- The Auto Component Industry in India is highly price sensitive. The Original Equipment Manufacturers do not grant price increase though the input costs have increased. This has impacted profits of the Company.





- The Company has discontinued production of some components which were grossly unprofitable. This has resulted into decline in turnover.
- Costs have been incurred for producing new components / assemblies.

## **SUBSIDIARIES AND ASSOCIATE COMPANIES**

Gurgaon Infospace Limited is wholly owned subsidiary of the Company and IST Steel & Power Limited is Associate of the Company as per provisions of the Companies Act, 2013.

## **CONSOLIDATED FINANCIAL STATEMENTS**

Applicable provisions of the Companies Act, 2013 and the Accounting Standards on consolidated Financial Statements and Accounting for Investments in Subsidiary and Associate Companies, have been followed in preparation of the audited consolidated financial statements.

## **CHANGE IN NATURE OF BUSINESS, IF ANY**

There has been no change in any business of the Company.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, Mrs. Sarla Gupta was inducted on the Board as an Additional Director in the category of Non-Independent / Woman Director on 14th February, 2015. Further the Board appointed Mr. Subhash Chander Jain as an Additional Director in the category of Independent Director on 30th May, 2015.

In terms of Section 161 of the Companies Act 2013, Mrs. Sarla Gupta and Mr. Subhash Chander Jain shall hold office up to the date of the ensuing Annual General meeting. The Company has received notices in writing along with the requisite deposits pursuant to Section 160 of Companies Act, 2013, proposing their appointment as Directors of the Company.

Your Board, based on the recommendation of the Nomination and Remuneration Committee of the Board has recommended the appointment of Mrs. Sarla Gupta as a Non-independent / Woman Director of the Company liable to retire by rotation and Mr. Subhash Chander Jain as an Independent Director for a period of 5 years with effect from the date of appointment.

The tenure of office of Lt. Col. N.L. Khitha (Retd.), Whole Time Director, designated as Director (Technical) was upto 31.05.2015. The Board, on recommendation of the Nomination and Remuneration Committee, at its meeting held on 30th May, 2015 has re-appointed Lt. Col. N.L. Khitha (Retd.) as Director (Technical) for a further period of 2 years w.e.f. 1st June, 2015 till 31st May, 2017 subject to approval by the Members at the ensuing Annual General Meeting in terms of Section 196, 197 and 203 read with of Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

Mr. Mayur Gupta and Lt. Col. N. L. Khitha (Retd.) are subject to re-appointment as Director in the ensuing Annual General Meeting, consequent upon their retirement as a Director by rotation in terms of Section 152(6) of the Companies Act, 2013.

## **KEY MANAGERIAL PERSONNEL**

In terms of Section 203 of the Companies Act, 2013 the Company has following Key Managerial Personnel

Mr. S.C. Jain, Whole Time Director, designated as Executive Director

Lt. Col. N.L. Khitha, Whole Time Director, designated as Director (Technical)

Mr. D.N. Tulshyan, Chief Financial Officer

Mr. R.K. Sapra, Company Secretary

## **STATEMENT ON DECLARATIONS GIVEN BY INDEPENDENT DIRECTORS**

The Declarations required under Section 149(7) of the Companies Act, 2013 from the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as under Clause 49.II.B of the Listing Agreement with the Stock Exchanges, were duly received by the Company.



## CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance requirements under the Companies Act, 2013 and as stipulated in the Clause 49 (Revised) under the listing agreement with the stock exchanges.

A separate report on Corporate Governance under the listing agreement, along with certificate from the Statutory Auditors of the Company confirming the compliance, is annexed as Annexure – ‘A’.

## DETAILS OF BOARD MEETINGS

The details of Board Meeting during the financial year 2014-15 and details on Board of Directors are provided in the Corporate Governance Report.

## COMMITTEES OF THE BOARD

### a) Audit Committee

Details on composition, terms of reference, meetings and attendance etc. are given in the Corporate Governance Report.

### b) Nomination and Remuneration Committee

Details on composition, terms of reference, remuneration policy, meetings and attendance, details of remuneration to Directors, etc. are given in the Corporate Governance Report.

### c) Corporate Social Responsibility Committee

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company as under

Name	Category of Director	Chairman / Members
Air Marshal Denzil Keelor (Retd.)	Independent	Chairman
Mr. Gaurav Gupta	Non-Executive	Member
Lt. Col. N.L. Khitha (Retd.)	Executive	Member

The CSR Committee has formulated and recommended to the Board, Corporate Social Responsibility Policy (CSR Policy) *inter-alia* indicating the activities to be undertaken by the Company, which has been approved by the Board and has been uploaded on the Company's website.

Further Details on Corporate Social Responsibility are given in Annexure 'F' to the Report of the Board of Directors.

### a) Stakeholders Relationship Committee

Details on composition, meetings and attendance, details of investor complaints received and redressal thereof etc. are given in the Corporate Governance Report.

### b) Risk Management Committee

Details on composition, meetings and attendance, risk management policy etc. are given in the Corporate Governance Report.

## PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

The Board of Directors upon recommendation of Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board members, including Independent Directors.

In compliance with Clause 49 of the Listing Agreement, the performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated.

## SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

The Independent Directors of the Company met separately on 31st January, 2015 without the presence of Non-Independent Directors and the members of management. The meeting was attended by all the Independent Directors. The meeting was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company. In accordance with the Listing Agreement, following matters were, *inter-alia*, discussed in the meeting:



- Performance of Non-Independent Directors and Board as a whole.
- Performance of the Chairman of the Company.
- Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## **FAMILIARIZATION PROGRAM FOR THE INDEPENDENT DIRECTORS**

The Company conducts Familiarization Program for the Independent Directors to provide them an opportunity to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management Personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its various operations and the industry of which it is a part.

## **EXTRACT OF ANNUAL RETURN**

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is given as Annexure-'C'.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company believes in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has adopted an effective Whistle Blower Policy, enabling directors, employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

This policy on protected disclosure by a Whistle Blower in respect of any unethical and improper practice or wrongful conduct prohibits the Company to take any adverse personnel action against the Whistle Blower for disclosing in good faith any unethical and improper practice or alleged wrongful conduct. A Whistle Blower who observes any unethical and improper practice or wrongful conduct may make protected disclosure to the concerned Head of Department and /or to the Executive Director of the Company and/or to the Audit Committee of the Board.

The detailed Whistle Blower Policy is available on the Company's website [www.istindia.com](http://www.istindia.com).

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31st March, 2015, and of the profit and loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **AUDITORS AND AUDITORS' REPORT**

M/s. O.P. Dadu & Co., Chartered Accountants, Statutory Auditors of the Company, hold office till the conclusion of the Annual General Meeting on for the Financial Year 2016-17 and subject to ratification by the shareholders



at the Annual General Meetings are eligible for re-appointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

## **COST AUDIT**

In terms of Section 148(3) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company is maintaining Cost records. However the company is exempt to have cost audit conducted.

## **SECRETARIAL AUDIT**

The Board has appointed M/s RKS & Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as Annexure 'D' to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## **RELATED PARTY TRANSACTIONS**

During the year, the Company had not entered into any new contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website <http://www.istindia.com>.

Your Directors draw attention of the members to Note No. 38 to the financial statement which sets out related party disclosures.

Necessary disclosure of related party transactions in terms of Clause h of Sub section 3 of Section 134 of the Companies Act, 2013 read with rule 8 (2) of the Companies (Accounts) Rules, 2014 is given in Form AOC-2 as Annexure 'H' to this Report.

## **LOANS, GUARANTEES OR INVESTMENTS**

Your Company has not provided any Guarantee for any party. Particulars of investments under section 186 of the Companies Act, 2013, as required to be disclosed in terms of Section 134(1)(g) of the Act, has been provided in the accompanying financial statement (Note Nos. 12 & 13).

## **HUMAN RESOURCES**

Your Company treats its "human resources" as one of the most important assets. The Management of the Company lays continuous focus on human resources, who are trained from time to time to attain the required standards. The correct recruitment practices are in place to attract the best technical manpower to ensure that the Company maintains its competitive position with respect to execution. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis.

Your Company employed 239 personnel on its roll as on 31st March, 2015. During the year under review, the Company did not have any employee on its payroll, who:

- a. if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees;
- b. if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month;
- c. if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.



The total remuneration drawn by the Managing Directors and Key Managerial Personnel forms part of Extracts from the Annual Return in Form MGT 9, given in Annexure - 'C'.

## **STATEMENTS OF SUBSIDIARIES / ASSOCIATE COMPANIES**

The Operational income of wholly owned subsidiary of the Company, namely - Gurgaon Infospace Limited during the year was Rs.5,855.69 lacs as against Rs.5,418.88 lacs during the previous year. The Net Profit of the subsidiary company during the year was Rs.5,602.63 lacs as against Rs.5,192.78 lacs during the previous year.

Your Company has an Associate entity named IST Steel and Power Limited, in which the Company holds 30.80% Equity Shares. There was no operational income of this company during the year ended 31.03.2014 as compared to Rs.92.80 lacs during the previous financial year. The Company incurred net loss after Tax – Rs.113.33 lacs as against profit of Rs.880.04 lacs during the previous year.

Accompanying Financial Statement consolidates financials of the Subsidiary / Associate Companies. Statement under Section 129 (3) of Companies Act, 2013 in prescribed format is enclosed at Annexure 'H' to the Directors' Report.

## **RISK MANAGEMENT POLICY**

In terms of the requirement of the Companies Act, 2013 and Clause 49.VI of the Listing Agreement, the Company has developed and implemented the Risk Management Policy. The Risk Management Committee of the Board reviews the Policy periodically.

The major risks and concerns being faced by the Company are discussed in report on Management Discussion and Analysis forming part of this Report.

## **REMUNERATION POLICY**

The Company follows a policy on Remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board. Further details on the same have been given in the Report on Corporate Governance

The required disclosure under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as Annexure 'E' to this report.

## **INTERNAL FINANCIAL CONTROL**

Your Company has adequate Internal Financial Control System at all levels of Management and they are reviewed from time to time. The Internal Audit is carried out in house as well as by a firm of Chartered Accountants. The Audit Committee of the Board looks into Auditor's review which is deliberated upon and corrective action taken, where ever required.

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

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years till 31st March 2015. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF) during the year under review.

## **DEPOSITS**

Your Company has not accepted any deposits from public in terms of provisions contained in Chapter V of the Companies Act, 2013, or in terms of corresponding provisions of the Companies Act, 1956.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

A report on the Management Discussion and Analysis concerning the business of the Company is given as Annexure – 'B' to this report.

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

### **(a) Conservation of energy**

- i) The Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.



- ii) No specific investment has been made in reduction in energy consumption.
- iii) As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.
- iv) The Company does not fall under the list of industries, which should furnish this information in Form A annexed to the aforesaid Rules.

**(b) Technology absorption**

The Company's products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. Therefore no technology absorption is required. The company constantly strives for maintenance and improvement in quality of its products and the quality control activities are directed to achieve the aforesaid goal.

**(c) Foreign exchange earnings and Outgo**

During the year, the total foreign exchange used was Rs.21.47 lacs and the total foreign exchange earned was Rs.75.19 lakhs.(Note No. 40 to the financial statements)

**LISTING**

The Equity Shares of your Company continue to be listed on BSE Limited (BSE), and Delhi Stock Exchange Limited. There is no default in payment of Annual listing fees and annual custodian fee in respect of shares held in dematerialisation mode to NSDL and CDSL.

**DEMATERIALISATION OF SHARES**

To provide better and smooth service to the shareholders, the Company's equity shares have been made available for dematerialisation in electronic form in the Depository systems operated by National Securities Depository Limited (NSDL) and Central Depository Services(India) Limited (CDSL), Mumbai. In order to avail the service, shareholders can dematerialized the shares in the electronic form.

**MATERIAL CHANGES AND COMMITMENTS**

You Directors confirm that there are no material changes and commitments, affecting the financial position of the company which has occurred between the end of the financial year of the company and the date of this report.

**GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. the Whole-time Directors of the Company do not receive any remuneration or commission from any of its subsidiaries.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors

Place : New Delhi  
Date : 11th August, 2015

Air Marshal Denzil Keelor (Retd.)  
Chairman  
DIN : 00999470



## CORPORATE GOVERNANCE REPORT

Your Company has been practicing the principle of good Corporate Governance, which comprises all activities that result in the control of the Company in a regulated manner, aiming to achieve transparent, accountable and fair management.

The details of the Corporate Governance Compliance by the Company as per Clause 49 of the Listing Agreement with Stock Exchanges are as under :

### COMPLIANCE OF MANDATORY REQUIREMENTS

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that good Corporate Governance is essential for achieving long term corporate goals and enhancing value to stakeholders. In pursuit, your Company's philosophy of Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and to continuously strive to attain high levels of accountability, transparency, responsibility and fairness in all aspects of its operations. Your Company continues to lay great emphasis on broad principles of Corporate Governance. Your Company, with a view to achieve these objectives, has adopted corporate strategies, prudent business plans and continuous monitoring of performance.

#### 2. BOARD OF DIRECTORS

##### Composition :

The strength of the Board as on March 31, 2015 was 8 Directors, including one Non Executive Chairman, Two Executive Directors / Whole Time Directors and one Non Executive / Non Independent Woman Director. The Board meets the requirement of not less than one-third being independent Directors.

None of the Directors hold Chairmanship of more than 5 Committees or Membership in more than 10 committees of Public Limited Companies.

During the year under review 4 Board meetings were held on 27.05.2014, 12.08.2014, 14.11.2014 and 14.02.2015. In addition, a meeting of Independent Directors was held on 31.01.2015.

The Composition of Board of Directors, their shareholding, attendance during the year and at the Board Meetings and the last Annual General Meeting, Number of other Directorships, Committee memberships and Chairmanships held by them as at 31st March, 2015 are given below:-

Directors / Category	Shares held	Attendance		No. of other Directorships and Committee Memberships / Chairmanships in other public Companies		
		Board Meetings	Last AGM	Director-ships	Committee Member-ships	Committee Chairman-ships
Air Marshal (Retd.) D. Keelor, Chairman (Non Executive / Independent)	—	4	Yes	3	1	4
Mr. S.C. Jain, (Executive Director)	—	4	Yes	4	2	—
Mr. N.L. Khitha, (Director -Technical)	—	4	Yes	—	—	—
Mr. Mayur Gupta, Director (Promoter)	—	4	No	2	—	—
Mr. Gaurav Gupta, Director (Promoter)	—	1	Yes	4	2	—
Brig. G.S. Sawhney (Regd.), Director, Non-Executive / Independent Director	—	2	No	—	—	—
Mr. R.K. Jain, Director Non-Executive / Independent Director	—	3	Yes	1	—	1
Mrs. Sarla Gupta, Woman Director Promoter (appointed on 14.02.2015)	—	—	—	3	—	—



### 3. AUDIT COMMITTEE

#### Broad Terms of Reference:

The terms of reference of this Committee covers the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as in Section 177 the Companies Act, 2013.

The terms of reference of the Audit Committee comprises the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by them;
- Reviewing, with the management, the annual financial statements and auditor's report thereon;
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Approval of the related party transactions as per policy of the Company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Scrutiny of inter-corporate loans and investments;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal observations by the internal auditors into matters where there is irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Review quarterly and annual financial statements before submission to the Board for approval;
- Discuss with Auditors about Internal Control System and to consider their observations and follow up;
- Review of risk management policies and practices;
- Ensure compliance of Internal Control System;
- Investigate on any matter referred by the Board; and
- Make recommendation to the Board on any matter relating to the financial management of the Company, including the Audit Report.
- To review the functioning of the Vigil mechanism;
- To review Management Discussion and Analysis of financial condition and results of operations.

#### Composition :

The Audit Committee of the Company comprises of 3 independent Non-Executive Directors. The Members of the Audit Committee are Financially Literate and Mr. R.K. Jain, Chairman of the Audit Committee possesses rich experience in finance and accounting. The Company Secretary acts as the Secretary to the Audit Committee.

During the year under review 4 Audit Committee meetings were held on 27.05.2014, 12.08.2014, 14.11.2014 and 14.02.2015.

The Composition of Audit Committee and attendance at its meeting is as follows:-

Members	Category	No. of meetings attended
Mr. R.K. Jain	Chairman, Non-Executive & Independent.	3
Air Marshal (Retd.) D. Keelor	Member, Non-Executive & Independent.	4
Brig. (Retd.) G.S. Sawhney	Member, Non-Executive & Independent.	2





## 4. NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company in compliance with Section 178 of the Companies Act, 2013, Rules framed thereunder and amended Clause 49 of the Listing Agreement with the Stock Exchanges has constituted Nomination and Remuneration Committee on 14.11.2014.

### Terms of Reference:

The terms of reference of the Committee include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

### Composition:

The Nomination and Remuneration Committee consists of three Directors out of which two are Independent Directors and one is Non Executive Director. The Committee held two meetings during the financial year on 31.01.2015 and 14.02.2015. The particulars of members and attendance at the Committee Meetings are as under: The details of remuneration paid to Executive Director and Director (Technical) are as under:-

Members	Category	No. of meetings attended
Mr. Gaurav Gupta	Chairman, Non-Executive (Promoter).	2
Air Marshal (Retd.) D. Keelor	Member, Non-Executive & Independent.	2
Brig. (Retd.) G.S. Sawhney	Member, Non-Executive & Independent.	1

### Remuneration Policy :

In compliance with the requirements of the Companies Act, 2013, Rules framed there under and pursuant to the provisions of amended Clause 49 of the Listing Agreement, the Board of Directors of the Company, based on the recommendations of the Nomination and Remuneration Committee, decides remuneration to be paid to the Executive Directors / Whole Time Directors and sitting fee to the Independent / Non Executive Directors. The Committee, while recommending remuneration to be paid, takes into account the financial position of the Company, trend in the industry, background, qualifications, experience, remuneration and performance of the appointee.

### Details of Remuneration paid to Executive Directors / Whole Time Directors during the financial year ended 31st March, 2015:

Name & Designation	Salary (in Rs.)	Perquisites (Rs.)	Total (Rs.)	Tenure of appointment
Mr. S.C. Jain, Executive Director / Whole Time Director	9,65,590	2,06,339	11,71,929	14.08.2014 to 13.08.2016
Mr. N.L. Khitha, Director (Technical) / Whole Time Director	5,40,000	33,000	5,73,000	01.06.2013 to 31.05.2015

None of the Non-executive Director draw any remuneration from the Company except sitting fee of Rs.2,500/- for attending each meeting of the Board of Directors.

### Details of sitting fee paid to Non-executive Directors are given below :

Director	Sitting Fees (Rs.)
Air Marshal (Retd.) D. Keelor	12,500/-
Mr. Mayur Gupta	10,000/-
Mr. Gaurav Gupta	2,500/-
Mr. R.K. Jain	10,000/-
Brig. G.S. Sawhney	7,500/-

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Board of Directors had earlier constituted a Shareholders/ Investors Share Transfer cum Grievance Committee pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges. In compliance with the requirements of Section 178 of the Companies Act, 2013, Rules framed thereunder and amended Clause 49 of the Listing Agreement with the Stock Exchanges, the said Committee has been renamed as Stakeholders Relationship Committee w.e.f. 27.05.2014. The Committee, inter-alia, reviews the status of Investor's grievances and redressal mechanism and recommends measures to improve the level of investor services. Details of shares transfers / transmissions approved by the Committee are placed at the Board Meetings from time to time. The Committee consist of three members under the Chairmanship of a Non-executive Independent Director.

**Composition :**

The constitution of the Committee is as under:-

Members	Category
Air Marshal (Retd.) D Keelor	Chairman, Non Executive & Independent
Mr. S.C. Jain	Member, Executive
Mr. Gaurav Gupta	Member, Non Executive / Promoter

**6. RISK MANAGEMENT COMMITTEE**

The revised Clause 49 mandates constitution of Risk Management Committee. The Committee is required to lay down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company.

The Board of Directors of the Company constituted the Risk Management Committee of the Board on 14th November, 2014 consisting of following Directors

Members	Category
Mr. S.C. Jain	Chairman, Executive
Mr. Mayur Gupta	Member, Non Executive / Promoter

During the year under review the Committee held its meetings on 31.01.2015.

**Compliance Officer :**

Mr. R.K. Sapra, Company Secretary has been designated as Compliance Officer w.e.f. 04.10.2013.

**Details of shareholders' complaints :**

Number of shareholders Complaints received during the period 01.04.2014 to 31.03.2015	11
Number of complaints not solved to the satisfaction of shareholders	Nil
Number of pending complaints as on 31.03.2015.	Nil

**7. GENERAL BODY MEETINGS****(i) Details of the last three Annual General Meetings:**

Financial year	Date	Time	Location of the meeting
2013-14	30.09.2014	11.30 AM	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana)
2012-13	28.09.2013	11.30 AM	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana)
2011-12	28.09.2012	11.00 AM	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana)



**(ii) Special Resolution passed in the previous three AGMs.**

Financial year	Details of Special Resolutions Passed
2013-14	Following 2 Special Resolutions were passed in the AGM held on 30.09.2014: (1) To approve Re-appointment of Mr. S.C. Jain, Executive Director and remuneration payable. (2) Alteration of Articles of Association of the Company.
2012-13	Following 3 Special Resolutions were passed in the AGM held on 28.09.2013: (1) To approve Re-appointment of Lt. Col. (Retd.) N.L. Khitha as Director (Technical) and remuneration payable. (2) To approve appointment of Mrs. Shweta Gupta (a relative of Directors) as Manager (Operations) on remuneration of Rs.2.00 Lacs per month, in Gurgaon Infospace Limited, a Wholly Owned Subsidiary of the Company. (3) To approve appointment of Mrs. Priyanka Gupta (a relative of Directors) as Manager (PR) on remuneration of Rs.2.00 Lacs per month, in Gurgaon Infospace Limited, a Wholly Owned Subsidiary of the Company.
2011-12	No Special Resolution passed in the AGM held on 28.09.12

- (i) No Special resolution was passed through postal ballot during the last year.
- (ii) No special resolution is proposed to be conducted through postal ballot.

## 8. DISCLOSURES

### i) Related Party Transactions

- ii) There have been related party transaction as reflected in notes to the accounts but they are not in conflict with the interest of the Company.

### iii) Details on Non Compliance

There were no instances of non-compliances by the Company on any matter related to capital markets, during the last three years.

- iv) The Company has adopted a Whistle Blower Policy approved by the Board of Directors on 12.08.2014. No incident involving Unethical and Improper Practices or Wrongful Conduct has been reported during the period under review.

### v) Accounting Standards

The Company follows the Accounting Standards laid down by the Institute of Chartered Accountants of India and there has been no deviation during the year.

### vi) Declaration by CEO with regard to Code of Conduct : Yes.

### vii) CEO /CFO certificate : Yes.

## 9. MEANS OF COMMUNICATION

The Company's financial results are forthwith communicated to Bombay Stock Exchange Limited and Delhi Stock Exchange Limited with whom the Company has listing arrangements as soon as they are approved and taken on record by the Board of Directors of the Company. Thereafter the results are published in one National newspaper in English language and one Regional Newspaper in Hindi Language. The financial results are also posted on the website of the Company [www.istindia.com](http://www.istindia.com).



## 10. GENERAL SHAREHOLDERS INFORMATION

<b>Annual General Meeting</b>	
Day, Date & Time	Wednesday, the 30th September, 2015 at 11.30 A.M.
Venue	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana)
Financial year	1st April to 31st March
Book Closure	24.09.2015 to 30.09.2015 (Both days inclusive)
<b>Financial Calendar (Tentative):</b>	1st April, 2015 to 31st March, 2016
<b>Financial reporting Approval and Adoption of Financial Results for the quarter ended -</b>	<b>On or before</b>
30th June, 2015	14th August, 2015
30th September, 2015	14th November, 2015
31st December, 2015	14th February, 2016
31st March, 2016	30th May, 2016

### Listing on Stock Exchanges:

The Equity shares of the Company are listed on Bombay Stock Exchange Limited (Code-508807) and Delhi Stock Exchange Limited.

### Stock Market Data

Stock market data for the Financial Year 2014-15 on Bombay Stock Exchange is as under :

Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
Apr 14	281.00	221.50	Oct 14	356.05	330.00
May 14	286.65	245.00	Nov 14	375.00	343.90
Jun 14	325.00	260.00	Dec 14	401.95	361.00
Jul 14	347.00	305.00	Jan 15	439.90	370.50
Aug 14	354.90	319.65	Feb 15	460.00	395.00
Sep 14	352.80	315.55	Mar 15	496.10	417.00

### Registrars and Share Transfer Agents

#### Mas Services Limited

Address : T-34, 2nd Floor, Okhla Industrial Area, Ph. II, New Delhi - 110020

Tel.: 011-26387281, 26387282, 26387283; Fax: 011-26387384

Email: info@masserv.com

#### Share Transfer System

Share transfer requests received in physical form are registered within 15 days from the date of receipt and demat/remat requests are normally confirmed within the prescribed time from the date of receipt.



## Distribution of shareholding as on 31st March, 2015

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 500	6,713	97.530	6,05,931	10.390
501-1000	105	1.525	75,168	1.289
1001-2000	31	0.450	43,394	0.744
2001-3000	9	0.131	22,509	0.386
3001-4000	1	0.015	3,101	0.053
4001-5000	0	0	0	0
5001-10000	9	0.131	62,335	1.069
10001 and above	15	0.218	50,19,618	86.069
<b>GRAND TOTAL</b>	<b>6,883</b>	<b>100.000</b>	<b>58,32,056</b>	<b>100.000</b>

## Shareholding pattern as on 31st March, 2015:

CATEGORY	NO. OF SHARES	% OF HOLDING
Promoters	43,73,702	74.994
Financial Institutions, Mutual funds, Banks	300	0.005
Foreign Institutional Investors	0	0
Private Bodies Corporate	5,74,298	9.847
Indian Public	8,78,356	15.061
NRIs/ OCBs	4,097	0.070
Others	1,303	0.022
<b>Grand Total</b>	<b>58,32,056</b>	<b>100.00</b>

## Dematerialization of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialized form. As on 31st March, 2015, 23,88,533 (40.96%) Equity shares of total paid up equity shares were held in Dematerialized form.

**NSDL/CDSL –ISIN** : INE684B01011

## Outstanding GDR/ Warrants and Convertible Bonds etc.

There is no outstanding GDR/ Warrants and Convertible Bonds etc.

## Plant Location

Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana)

## Address for Correspondence :

Shareholders correspondence should be addressed to the Registrar and Transfer Agents at the address given below or to the Company's Registered Office or Corporate office.

<p><b>Mas Services Limited,</b> Registrar and Share Transfer Agents Address : T-34, 2nd Floor, Okhla Industrial Area, Ph. II, New Delhi - 110020 Tel.: 011-26387281, 26387282, 26387283 Fax : 011-26387384 Email: info@masserv.com</p>	<p><b>IST Limited</b> <b>Registered Office:</b> Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana) Phone : (0124)267346-48 Fax : (01274) 267444 E-Mail: ist.limited.grg@gmail.com Website: www.istindia.com</p> <p><b>Corporate Office:</b> A-23, Defence Colony, New Delhi-110024</p>
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**IST LIMITED**

**AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF  
CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members,  
**IST Limited**

We have examined the compliance of conditions of Corporate Governance by IST Limited ("The Company") for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the directors and the management, we certify that the Company has complied with the conditions of 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 O.P. DADU & CO.  
CHARTERED ACCOUNTANTS  
FRN. 001201N

Place: New Delhi  
Dated: 11<sup>TH</sup> AUGUST, 2015

(O.P. DADU)  
PARTNER  
M.NO. 010871



## ANNEXURE 'B' TO DIRECTORS' REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The main business streams of your company are –

- a) Manufacturing of Auto Components; and
- b) Development of Infrastructure for IT/ITES Sector.

#### 1. INDUSTRY STRUCTURE AND DEVELOPMENT

##### A. Auto Components

Worldwide, the automotive industry has enjoyed a relatively healthy growth as compared to other sectors. However, the biggest and immediate challenge is the unevenness of global markets.

The Indian automotive industry is not only one of the highest contributors to the country's GDP, but it also provides employment to millions of people, which creates a strong multiplier effect. The industry registered impressive growth during the last two decades. It was able to restructure itself, absorb new technology and align itself to global developments.

The Indian automobile industry, the sixth largest automobile producer in the world, is one of the potential future markets in the world. The performance of Indian market has been inconsistent. The industry witnessed a sluggish start in the fiscal 2014-15. However, with the cost of global crude coming down, fuel economics look good.

The Indian auto industry is showing signs of improvement in performance. The reason for the same is an amalgamation of multiple factors, namely, early signs of economic recovery, and improved consumer sentiment, clubbed with government initiatives to bring in more foreign direct investment into the country. Also, the Government policy initiatives in terms of project implementation, infrastructure development would encourage the growth.

With a stable Government at Centre after long time, Indian economy has shown a moderate growth of approximately 7% in 2014-15. The projected GDP growth for 2015-16 is estimated at 7%- 8% which will impact Auto Sector positively.

##### B. Infrastructure for IT / ITES Sector

Infrastructure is one of the most important sector for propelling overall business and industrial growth of the Country. The industry enjoys intense focus from the top officials of the Government of India for initiating policies that would ensure time-bound creation of world class infrastructure in the country. This sector includes power, bridges, dams, roads and urban infrastructure development, etc..

India is the world's largest sourcing destination for the Information Technology (IT) industry, accounting for approximately 52 per cent of the US\$ 124-130 billion market. The industry employs about 10 million Indians and continues to contribute significantly to the social and economic transformation in the country.

The IT industry has not only transformed India's image on the global platform, but has also fuelled economic growth by energizing the higher education sector especially in engineering and computer science. India's cost competitiveness in providing IT services, which is approximately 3-4 times cheaper than the US, continues to be its unique selling proposition in the global sourcing market.

#### 2. PERFORMANCE AND OUTLOOK

##### a) Manufacturing of Auto Components

During the year under review the gross revenue from operations of your Company has declined to Rs.1839.04 lacs from Rs.2131.87 lacs i.e. by 13.74%, Profit before Tax has declined to Rs. 324.35 lacs from Rs.477.26 lacs i.e. 32.04% and Net Profit declined to Rs.252.65 lacs from Rs.398.40 lacs i.e. by 36.58%, as compared to the previous year. The reasons for this downfall are -

- The Auto Component Industry in India is highly price sensitive. The Original Equipment Manufacturers do not grant price increase though the input costs have increased. This has impacted profits of the Company.



- The Company has discontinued production of some components which were grossly unprofitable. This has resulted into decline in turnover.
- Costs have been incurred for producing new components / assemblies.

Auto Component Manufacturing sector remain the main stream of your company. The Company has been consistently trying to upgrade the quality of its products. The Company look forward to be able to increase its share with major automobile manufacturing companies.

#### **b) Development of Infrastructure for IT / ITES Sector.**

The Wholly owned subsidiary of the Company – Gurgaon Infospace Limited has set up a SEZ at Gurgon for IT / ITES Sector at Village Dundahera, District Gurgaon, Haryana. During the year under review the Operational income of wholly owned subsidiary of the Company, namely - Gurgaon Infospace Limited during the year was Rs.5,855.69 lacs as against Rs.5,418.88 lacs during the previous year. The Net Profit of the subsidiary company during the year was Rs.5,602.63 lacs as against Rs.5,192.78 lacs during the previous year.

In view of emerging opportunities in demand for IT Infrastructure, the Company look forward for continued growth.

### **3. OPPORTUNITIES AND THREATS**

The main business of your Company is manufacturing of High Precision Auto Components. Tremendous opportunities for growth in auto industry are available both in the domestic and overseas markets. The Company has been consistently making its efforts to upgrade the manufacturing technology with a view to increase its market share with major automobile manufacturing companies. It has been observed during the last few years that gradually the industry is becoming high-tech and has witnessed an intense competition in the domestic market.

Gurgaon Infospace Limited, a wholly owned subsidiary of the Company, has set up Sector Specific Special Economic Zone for IT / ITES at Village Dundahera, District Gurgaon, Haryana. Indian IT Industry has been facing threat from the changing US policies which is one of the major market for the Indian IT Industry. The developed countries, in order to protect jobs back home, are extending veiled protectionism, which is yet another threat to Indian IT Industry.

### **4. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The company has strong internal control systems commensurate with its size, in all financial and functional areas.

### **5. HUMAN RESOURCES / INDUSTRIAL RELATIONS**

The Company believes that human resources and industrial relations are the core areas of its business strategy. Participation of employees at all levels is encouraged through suggestions schemes and other means. Industrial relations continue to be harmonious and positive. As a result, employee motivation is high and turnover is low.

### **6. RISKS AND CONCERNS**

The Company is exposed to external and internal risks associated with the business. The operations are directly dependent on the growth of the Indian automotive industry. General economic conditions impact the automotive industry, and, in turn, the operations of the Company as well. To counter these risks, the Company continues to broaden its product portfolio, increase customer profile and expand geographic reach. The Company is exposed to strong competitive pressures both in the domestic market and overseas

### **7. STATEMENT OF CAUTION**

Representations and statements made under 'Management Discussions and Analysis' are based on the projection and expectation on the basis of present market conditions. Actual results may materially differ due to several factors, which could influence the Company's business operations such as demand and supply conditions, prices of input, changes in Government levies, policies, regulations, industrial relations and other economic developments in the country.



**ANNEXURE 'C' TO THE DIRECTORS' REPORT**

**FORM NO. MGT.9**  
**EXTRACT OF ANNUAL RETURN**  
 as on the financial year ended on 31.03.2015  
*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

**I. REGISTRATION AND OTHER DETAILS:**

1	CIN	L33301HR1976PLC008316
2	Registration Date	31/08/1976
3	Name of the Company	IST LIMITED
4	Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES
5	Address of the Registered office and contact details	DHARUHERA INDUSTRIAL COMPLEX, DELHI-JAIPUR HIGHWAY, DHARUHERA, DISTRICT REWARI, HARYANA- 123106
6	Whether listed company	YES
7	Name, Address and Contact details of Registrar and Transfer Agent	MAS SERVICES LIMITED. T-34, OHKLA INDL. AREA, NEW DELHI-110020

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

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

SI. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	INCOME FROM OPERATIONS (Manufacturing)	3040	76.52

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

S.No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Gurgaon Infospace Limited	U72900DL2006PLC151879	Subsidiary	100%	
2.	IST Steel & Power Limited	U27102DL2005PLC139741	Associate	30.80%	



# IST LIMITED

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

### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a. Individual/HUF	0	0	0	-	0	0	0	-	0
b. Central Govt.	0	0	0	0	0	0	0	0	0
c. State Govt. (s)	0	0	0	0	0	0	0	0	0
d. Bodies Corp.	1459781	700	1460481	25.04	1459781	700	1460481	25.04	0
e. Banks/FI	0	0	0	0	0	0	0	0	0
f. Any Other.	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1)</b>	1459781	700	1460481	25.04	1459781	700	1460481	25.04	0
<b>(2) Foreign</b>									
a. NRIs – Individuals	0	0	0	0	0	0	0	0	0
b. Other – Individuals	0	0	0	0	0	0	0	0	0
c. Bodies Corp.	0	2913221	2913221	49.952	0	2913221	2913221	49.952	0
d. Banks / FI	0	0	0	0	0	0	0	0	0
e. Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A)(2)</b>	0	2913221	2913221	49.952	0	2913221	2913221	49.952	0
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	1459781	2913921	4373702	74.994	1459781	2913921	4373702	74.994	0
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a. Mutual Funds	0	0	0	0	0	0	0	0	0
b. Banks/FI	50	250	300	.005	50	250	300	.005	0
c. Central Govt	0	0	0	0	0	0	0	0	0
d. State Govt(s)	0	0	0	0	0	0	0	0	0
e. Venture Capital Funds	0	0	0	0	0	0	0	0	0
f. Insurance Companies	0	0	0	0	0	0	0	0	0
g. FII's	0	0	0	0	0	0	0	0	0
h. Foreign	0	0	0	0	0	0	0	0	0
Venture Capital Funds									
i. Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1)</b>	0	0	0	0	0	0	0	0	0



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Non-Institutions</b>									
a. Bodies Corp.	580795	3575	584370	10.02	580795	3575	584370	10.02	0
i) Indian									
ii) Overseas									
b. Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	111434	0	111434	1.911	111434	0	111434	1.911	0
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0	0	0	0	0	0
c. Others (specify)	0	0	0	0	0	0	0	0	0
Foreign Corporate									
Body	0	0	0	0	0	0	0	0	0
NRI	4960	100	5060	0.086	4960	100	5060	0.086	0
Trusts	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2)</b>	<b>931377</b>	<b>526677</b>	<b>1458054</b>	<b>25</b>	<b>931377</b>	<b>526677</b>	<b>1458054</b>	<b>25</b>	<b>0</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>931427</b>	<b>526927</b>	<b>1458354</b>	<b>25.005</b>	<b>931427</b>	<b>526927</b>	<b>1458354</b>	<b>25.005</b>	
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>2391208</b>	<b>3440848</b>	<b>5832056</b>	<b>100.0</b>	<b>2391208</b>	<b>3440848</b>	<b>5832056</b>	<b>100.0</b>	<b>0</b>



## ii. Shareholding of Promoters

Sl. Shareholder's Name No.	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total Shares	
1. ANTIQUE INVESTMENT COMPANY LIMITED	955700	16.387	—	955700	16.387	—	—
2. DELUX INVESTMENT PVT.LTD.	271825	4.661	—	271825	4.661	—	—
3. GALAXY INTERNATIONAL HOTELS PVT. LTD.	64006	1.098	—	64006	1.098	—	—
4. GPC TECHNOLOGY LIMITED	168950	2.897	—	168950	2.897	—	—
5. GUPTA INTERNATIONAL INVESTMENT CO. LTD	2913221	49.952	—	2913221	49.952	—	—

## iii. Change in Promoters' Shareholding ( please specify, if there is no change):- No Change

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares company	% of total shares of the	No. of shares company	% of total shares of the
1.	ASHOK PANDIT	Nil	—	26,899	0.461
2.	RAJESH JAIN	25890	0.444	23,890	0.41
3.	SARITA ARVIND SANCHETI	14116	0.242	14,216	0.244
4.	ARVINDKUMAR J SANCHETI	13761	0.236	13,795	0.237
5.	RAJIV MALHOTRA	9891	0.17	13,075	0.224
6.	ARVINDKUMAR SANCHETI	12898	0.221	11,894	0.204
7.	SHANTI GIRDHAR	10201	0.175	10,201	0.175
8.	R R B SECURITIES LTD	Nil	—	9,412	0.161
9.	PNR CAPITAL SERVICES LIMITED	Nil	—	7,633	0.131
10.	SHRI PARASRAM HOLDINGS PVT.LTD	11223	0.192	7,392	0.127

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

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
For Each of the Directors and KMP – <b>Mr. D.N. Tulshyan, CFO</b>				
At the beginning of the year	200	0.003	200	0.003
Date wise Increase / Decrease in Share holding during the year	—	—	—	—
<b>At the End of the year*</b>	200	0.003	200	0.003

**V. INDEBTEDNESS:**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	—	—	1,12,00,000	1,12,00,000
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	—	—	1,12,00,000	1,12,00,000
Change in Indebtedness during the financial year	—	—	—	—
• Addition				
• Reduction				
Net Change	—	—	—	—
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	—	—	1,12,00,000	1,12,00,000
<b>Total (i+ii+iii)</b>	—	—	1,12,00,000	1,12,00,000



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of Chairman, Managing Director & CEO
		MR. S.C.Jain, Executive Director
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,65,590
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,06,339
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	—
2.	Stock Option	—
3.	Sweat Equity	—
4.	Commission	
	- as % of profit	
	- others, specify...	—
5.	Others, please specify	—
	Total (A)	11,71,929/-

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

Sl. No.	Particulars of Remuneration	Name of Chairman, Managing Director & CEO
		Mr. N.L.Khitha, Director (Technical)
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,40,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	33,000/-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	—
2.	Stock Option	—
3.	Sweat Equity	—
4.	Commission	
	- as % of profit	
	- others, specify...	—
5.	Others, please specify	—
	Total (A)	5,73,000/-
	Total (A) + (B)	17,44,929/-
	Ceiling as per Act	31,77,957/-



C. Remuneration to other Directors:

1. Independent Directors

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount in Rs.
		Mr. R.K.Jain	Mr. D.Keelor	Mr. G.Sawhney	
	<ul style="list-style-type: none"> <li>Fee for attending board committee meetings</li> <li>Commission</li> <li>Others, please specify</li> </ul>	10,000	12,500	7,500	30,000

2. Other Non- Executive Directors

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount in Rs.	
		Mr. Gaurav Gupta	Mr. Mayur Gupta		
	<ul style="list-style-type: none"> <li>Fee for attending board committee meetings</li> <li>Commission</li> <li>Others, please specify</li> </ul>		2,500	10,000	12,500
			—	—	—

D. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:-**Applicable**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount in Rs.
		Mr. R.K.Sapra, Company Secretary	Mr. D.N.Tulshyan CFO	
1.	Gross salary	10,90,800/-	7,73,862/-	18,64,662/-
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission			
	- as % of profit	—	—	—
	- others, specify...	—	—	—
5.	Others, please specify	—	—	—
	Total	10,90,800/-	7,73,862/-	18,64,662/-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL



## ANNEXURE 'D' TO DIRECTORS' REPORT

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

To,  
The Members,  
**IST Limited**  
Dharuhera Industrial Complex,  
Delhi Jaipur Highway, Dharuhera,  
District Rewari, Rewari, Haryana- 123106

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

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **IST Limited** ("the Company") for the financial year ended on **31<sup>st</sup> March, 2015** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit period)**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit period)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit period)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit period)** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit period)**





(vi) Other laws applicable to the Company listed below:

- a) Payment of Wages Act, 1936
- b) Minimum Wages Act, 1948
- c) Employee's State Insurance Act, 1948
- d) Payment of Gratuity Act, 1972
- e) Factories Act, 1948
- f) Industrial Dispute Act, 1947
- g) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- h) Payment of Bonus Act, 1965
- i) Maternity Benefit Act, 1961
- j) Income Tax Act, 1961,
- k) Air (Prevention And Control of Pollution) Act, 1981
- l) Water (Prevention And Control of Pollution) Act, 1974
- m) Equal Remuneration Act, 1976
- n) The Contract Labour (Regulation And Abolition) Act, 1970
- o) Service Tax
- p) The Central Excise Act, 1944
- q) Central Sales Tax Act, 1956
- r) Haryana Value Added Tax Act 2003
- s) Official Secrets Act, 1923
- t) The Standards of Weight and Measures Act, 1976
- u) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**We have also examined compliance with the applicable clauses of the following:**

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.  
**(Not applicable, since notified and effective from July 1, 2015.)**
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and Delhi Stock exchange.  
During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For RKS & ASSOCIATES  
COMPANY SECRETARIES

RAJ K SEHGAL  
PARTNER

MEMBERSHIP NO. F5213  
CP.NO. 4017

Place : New Delhi  
Date : 11th August, 2015

Note : This report is to be read with our letter which is annexed as 'ANNEXURE A' and forms an integral part of this report.



# IST LIMITED

'ANNEXURE A'

To  
The Members  
**IST Limited**  
Dharuhera Industrial Complex,  
Delhi Jaipur Highway, Dharuhera,  
District Rewari, Rewari, Haryana- 123106

Our report is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For RKS & ASSOCIATES  
COMPANY SECRETARIES

RAJ K SEHGAL  
PARTNER  
MEMBERSHIP NO. F5213  
CP.NO. 4017

Place : New Delhi  
Date : 11th August, 2015



## ANNEXURE 'E' TO DIRECTORS' REPORT

DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 - INFORMATION AS PER RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Name of Director/ KMP	Designation	Remuneration in FY 2014-15 (` In lacs)	Remuneration in FY 2013-14 (` In lacs)	% Increase in remuneration	Ratio of remuneration to MRE
Mr. S.C. Jain	Executive Director	11.72	8.64	35.65	10.65
Lt. Col. N.L. Khitha	Director (Technical)	5.73	5.62	2.00	5.20
<b>Sitting Fee paid to Non Executive / Independent Directors*</b>					
Mrs. Sarla Gupta**	Non Executive Promoter / Woman Director	—	—	—	—
Mr. Mayur Gupta	Non Executive Promoter Director	0.10	0.10	N.A	N.A
Mr. Gaurav Guptaa	Non Executive Promoter Director	0.025	0.10	N.A	N.A
Mr. R.K. Jain	Independent Director	0.10	0.10	N.A	N.A
Brig. G.S. Sawhney (Retd.)	Independent Director	0.075	0.025	N.A	N.A
Air Marshal D. Keelor (Retd.)	Independent Director	0.125	0.125	N.A	N.A
<b>Salary paid to Key Managerial Personnel</b>					
Mr. D.N. Tulshyan	Chief Financial Officer	7.74	6.23	19.50	7.03
Mr. R.K. Sapra	Company Secretary	10.91	10.61	2.82	9.92

\* Sitting fee paid during the previous year and the current year to Non Executive / Independent Directors were at the same rate.

\*\* appointed Director with effect from 14.02.2015

- The increase in Median Remuneration of the Employees (MRE) in FY 2014-15 as compared to FY 2013-14 is 7.8%.
- There were 239 permanent employees on the rolls of the Company.
- The company takes various things like inflation, market trend and other location related issue at the time of increase in remuneration of the employee. Performance is also one of the major criteria in increase of remuneration.
- Company takes same factor in increase of remuneration of Key Managerial Personnel and does not directly concern with the performance of the Company.
- Company does not provide any variable component to its employees and directors except Payment of Bonus to eligible employees as per Payment of Bonus Act, 1965.
- The Market Capitalization of the Company as on 31.03.2014 was Rs.126.85 Crores which increased to ` Rs.279.35 Crores as on 31.03.2015 i.e. by 220.37%. The Price Earning Ratio as at 31.03.2014 was 18.88 which increased to 70.13 as at 31.03.2015 i.e. by 371.45%.
- The average increase in remuneration of employees was in excess than the increase in managerial remuneration during FY 2014-15
- There is no employee who received the remuneration during FY 2014-15 in excess of highest paid director of the Company.
- Company has formulated a Nomination and Remuneration policy as required under section 178 of the Companies Act, 2013 and the remuneration paid to employees are as per the remuneration policy of the Company.

**ANNEXURE 'F' TO DIRECTORS' REPORT  
REPORT ON CSR ACTIVITIES/INITIATIVES**

[Pursuant to Section 135 of the Act read with Companies (CSR Policy) Rules, 2014]

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website www.istindia.com	
2. <b>Composition of the CSR Committee Name</b> Air Marshal Denzil Keelor (Retd.) Mr. Gaurav Gupta Lt. Col. N.L. Khitha (Retd.)	<b>Category of Director</b> Independent Non-Executive Executive	<b>Chairman / Member</b> Chairman Member Member
3. Average net profit of the company for last three financial years.	Rs.7,02,18,716/-	
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Rs.14,04,375/-	
5. Details of CSR activities / projects undertaken during the year a) Total amount to be spent for the financial year b) amount un-spent, if any c) Manner in which the amount spent during financial year.	No Rs. 14,04,375/- Rs. 14,04,375/- The Company has not spent any amount during the financial year.	
6. In case the Company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's Report	The Company has been working on identifying the projects for carrying out CSR activities, this has been taken more time than estimated.  The expenditure on these projects shall be accounted for as and when incurred.	

**Responsibility Statement**

The CSR committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Place : New Delhi  
Date : 11.08.2015

Air Marshal D. Keelor (Retd.)  
Chairman of the Board  
& CSR Committee



## ANNEXURE 'G' TO DIRECTORS' REPORT

### Form AOC-1

(Pursuant to first proviso to sub-section (3) of read with of Companies (Accounts) Rules, 2014)  
**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to  
 Subsidiary and Associate Companies**

<b>Part "A": Subsidiary Company</b>	
1 Name of the subsidiary	GURGAON INFOSPACE LIMITED
2 Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No
3 Reporting currency and Exchange rate as on the last date of the relevant Financial year in	INR
4 Share capital (Paid Up Share Capital)	Rs. 1,00,00,000/-
5 Reserves & surplus	Rs. 2,23,56,61,806/-
6 Total assets	Rs. 2,57,44,96,119/-
7 Total Liabilities	Rs. 2,57,44,96,119/-
8 Investments	Rs. 57,58,29,767/-
9 Turnover	Rs. 62,38,95,669/-
10 Profit before taxation	Rs. 58,61,62,658/-
11 Provision for taxation	Rs. 2,58,99,666/-
12 Profit after taxation	Rs. 56,02,62,992/-
13 Proposed Dividend	Nil
14 % of Shareholding	100%
<b>Part "B": Associate Company</b>	
1. Name of Associate Company	IST STEEL AND POWER LIMITED
2. Latest audited Balance Sheet Date	31.03.2015
3. Shares of Associate held by the company on the year end	88,40,000 (30.80%) Equity Shares.
4. Description of how there is significant influence	Associate Company
5. Reason why the associate venture is not consolidated	Consolidated
6. Networth attributable to Shareholding as per latest audited Balance Sheet	Rs. 15,07,41,730/-
7. <b>Profit / (Loss) for the year</b>	
i. Considered in Consolidation	(Rs. 34,90,449/-)
ii. Not Considered in Consolidation	—

The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations – N.A.
- Names of subsidiaries which have been liquidated or sold during the year – N.A.

For and on behalf of the Board of Directors

D.N. Tulshyan  
C.F.O.

R.K. Sapra  
Company Secretary

Gaurav Gupta  
Director  
DIN - 00047372

S.C. Jain  
Executive Director  
DIN - 00092079

**ANNEXURE 'H' TO THE DIRECTORS' REPORT****Form No. AOC-2**

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

<b>1) Details of contracts or arrangements or transactions not at arm's length basis :</b>	
<p>(a) Name(s) of the related party and nature of relationship</p> <p>(b) Nature of contracts/arrangements/transactions</p> <p>(c) Duration of the contracts / arrangements/ transactions</p> <p>(d) Salient terms of the contracts or arrangements or transactions including the value, if any</p> <p>(e) Justification for entering into such contracts or arrangements or transactions</p> <p>(f) Date(s) of approval by the Board</p> <p>(g) Amount paid as advances, if any</p> <p>(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188</p>	<p>The Company has not entered into any contract or arrangement or transactions with its related parties during the financial year 2014-2015</p>
<b>2) Details of material contracts or arrangement or transactions at arm's length basis :</b>	
<p>(a) Name(s) of the related party and nature of relationship</p> <p>(b) Nature of contracts/arrangements/transactions</p> <p>(c) Duration of the contracts / arrangements/ transactions</p> <p>(d) Salient terms of the contracts or arrangements or transactions including the value, if any</p> <p>(e) Date(s) of approval by the Board</p> <p>(f) Amount paid as advances, if any</p>	<p>The Company has not entered into any contract or arrangement or transactions with its related parties during the financial year 2014-2015.</p>



## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS

### Report on the Standalone Financial Statements

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

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

### Opinion

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



## IST LIMITED

2. As required by Section 143(3) of the Act, we report that :
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director interms of Section 164 (2) of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigation on its financial position in its financial statement refer Note No.29 to the financial statement.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR O.P.DADU & CO.  
CHARTERED ACCOUNTANTS  
FRN. 001201N

PLACE : NEW DELHI  
DATED: 30.05.2015

(O.P.DADU)  
PARTNER  
M.No.010871





## ANNEXURE TO THE AUDITORS' REPORT

In our opinion, and in so far as we have been able to ascertain from the records produced, information furnished and the explanations given to us by the Company

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
2. a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.  
b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. a) The Company has not given any new loan during the year. However, the Company had granted unsecured loan in the past to a party covered in the register maintained under section 189 of the Companies Act, 2013.  
b) The principal amount and interest are repayable as stipulated.  
c) There is no overdue amount of the said loan granted by the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.
5. The company has not accepted any deposit during the year.
6. According to the information and explanation given to us, the Central Government has not specified the maintenance of cost records by the company under section 148(1) of the Companies Act, 2013.
7. a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise duty, Value Added Tax, cess and other statutory dues wherever applicable to it.  
b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, or Sales Tax, Wealth tax, Service Tax , customs duty, excise duty, value added Tax and cess were in arrears, as at 31.03.2015 for a period of more than six months from the date they became payable.  
c) According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise duty, Value Added Tax and cess which have not been deposited on account of any dispute.  
d) According to the information and explanation given to us, there were no amounts which were required to transferred to the investor education and protection fund by the company, in accordance with the relevant provisions of Company Act 1956 and rule made there under.
8. In our opinion there are no accumulated losses of the company. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
9. There were no dues payable to any financial institution or bank or debenture holders during the year.
10. According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
11. The Company has not taken any term loan during the year.
12. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our Audit.

FOR O.P.DADU & CO.  
CHARTERED ACCOUNTANTS  
FRN. 001201N

(O.P.DADU)  
PARTNER  
M.No.010871

PLACE : NEW DELHI  
DATED: 30.05.2015



# IST LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
<b>EQUITY AND LIABILITY</b>			
<b>Shareholder's funds</b>			
(a) Share capital	2	5,84,67,546	5,84,67,546
(b) Reserves and Surplus	3	1,44,81,75,388	1,42,34,58,231
		<b>1,50,66,42,934</b>	<b>1,48,19,25,777</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities (net)	4	1,74,60,000	1,84,00,000
Other Long Term Liabilities	5	1,12,00,000	1,12,00,000
Long-term provisions	6	84,22,365	76,78,768
		<b>3,70,82,365</b>	<b>3,72,78,768</b>
<b>Current liabilities</b>			
Short-term borrowings	7	—	16,39,172
Trade payables	8	40,55,203	43,63,962
Other current liabilities	9	96,32,637	91,19,954
Short-term provisions	10	61,09,300	65,61,292
		<b>1,97,97,140</b>	<b>2,16,84,380</b>
		<b>1,56,35,22,439</b>	<b>1,54,08,88,925</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets	11		
Tangible assets		25,13,15,059	25,82,04,175
Intangible assets		8,42,048	11,72,103
Capital work- in-progress		—	79,72,290
		<b>25,21,57,107</b>	<b>26,73,48,568</b>
Non-current investments	12	97,48,36,512	51,40,01,674
Long-term loans and advances	13	21,65,98,185	21,37,85,535
Other Non-current Assets	14	6,20,740	1,20,740
		<b>1,44,42,12,544</b>	<b>99,52,56,517</b>
<b>Current assets</b>			
Current Investments	15	15,022	38,43,15,172
Inventories	16	6,28,64,967	7,15,62,142
Trade receivables	17	2,50,06,587	4,41,70,929
Cash and cash equivalents	18	2,74,28,398	4,19,27,415
Short-term loans and advances	19	18,26,241	15,64,915
Other current assets	20	21,68,680	20,91,835
		<b>11,93,09,895</b>	<b>54,56,32,408</b>
		<b>1,56,35,22,439</b>	<b>1,54,08,88,925</b>

Accompanying notes forming part of the financial statements

As per our Report of even date  
for O.P. DADU & CO.

Chartered Accountants

FRN 001201N

O.P.Dadu

Partner

M.No. 010871

Place : New Delhi

Dated : 30.05.2015

D.N.Tulshyan  
Chief Financial Officer

R.K. Sapra  
Company Secretary

For and on behalf of the Board of Directors

Gaurav Gupta  
Director  
DIN : 00047372

S.C.Jain  
Executive Director  
DIN: 00092079



## STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note	For the year ended 31.03.2015 Rs.	For the year ended 31.03.2014 Rs.
<b>INCOME</b>			
Revenue from operations	21	18,39,04,073	21,31,87,019
Other income	22	5,64,36,775	4,39,11,601
<b>Total Revenue</b>		<b>24,03,40,848</b>	<b>25,70,98,620</b>
<b>Expenses</b>			
Cost of materials consumed	23	3,56,57,159	5,06,62,354
Purchases of Stock-in-trade	24	4,343	6,07,702
Change in inventories	25	78,31,196	1,31,34,461
Employees benefit expense	26	7,05,82,732	6,83,37,054
Finance charges	27	2,56,052	2,23,016
Depreciation		2,10,93,807	1,64,01,351
Other expenses	28	7,24,81,359	6,00,06,796
		<b>20,79,06,648</b>	<b>20,93,72,734</b>
Profit before tax		<b>3,24,34,200</b>	<b>4,77,25,886</b>
Tax expenses			
Current tax		78,00,000	61,00,000
Deferred tax		(6,77,000)	15,00,000
Profit after tax		<b>2,53,11,200</b>	<b>4,01,25,886</b>
Prior period adjustment Income tax/ Interest		(46,903)	(2,86,166)
Profit after tax and adjustment		<b>2,52,64,297</b>	<b>3,98,39,720</b>
Earning per share			
Basic & Diluted		<b>4.33</b>	<b>6.83</b>
(Refer note no.35)			

Accompanying notes forming part of the financial statements

As per our Report of even date  
for O.P. DADU & CO.  
Chartered Accountants  
FRN 001201N  
O.P.Dadu  
Partner  
M.No. 010871  
Place : New Delhi  
Dated : 30.05.2015

### Cash Flow Statement

D.N.Tulshyan  
Chief Financial Officer

R.K. Sapra  
Company Secretary

For and on behalf of the Board of Directors

42-43

Gaurav Gupta  
Director  
DIN : 00047372

S.C.Jain  
Executive Director  
DIN: 00092079



# IST LIMITED

## CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2015

(Pursuant to clause 32 of the Listing Agreement)

Amount in Rs.

Particulars	2014-2015	2013-2014
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra ordinary item	3,24,34,200	4,77,25,886
Depreciation	2,10,93,807	1,64,01,351
Interest (Net)	(1,59,86,335)	(2,20,91,144)
Sundry Dr/Cr Balances Adjusted	252,194	—
Discount & L.D	57,96,872	19,20,164
Amount written back (net)	(25,939)	(29,79,885)
<b>(Profit)/ Loss on sale of Fixed Assets</b>	2,37,147	(5,25,189)
<b>(Profit)/ Loss on Investments &amp; Derivatives</b>	(8,85,491)	—
<b>Demunition in value of Investment</b>	(6,288)	(2,00,132)
<b>Dividend</b>	(1,40,62,560)	(1,75,42,502)
<b>Operating Profit before working capital changes</b>	<b>2,88,47,607</b>	<b>2,27,08,549</b>
<b>Change in :</b>		
Trade receivables	1,31,15,276	(1,57,48,953)
Inventories	86,97,175	1,67,43,945
Short term Loan & Advances	(2,61,326)	28,41,573
Other current Assets	(76,845)	1,04,42,833
Other non current Assets	(5,00,000)	(1,20,740)
Longterm Loan & Advances	(28,12,650)	3,25,46,283
Other Long Term Liabilities	—	1,12,00,000
Long term provisions	7,43,597	1,26,574
Short term Provisions	11,59,735	11,55,052
Trade Payables	(3,08,759)	(21,43,467)
Other current liabilities	5,38,622	(10,66,609)
	<b>4,91,42,432</b>	<b>7,86,85,040</b>
Interest paid	(54,530)	(3,035)
Direct Taxes paid	(94,58,630)	(58,20,152)
Net Cash from Operating Activities	<b>3,96,29,272</b>	<b>7,28,61,853</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed assets	(73,57,633)	(1,45,21,255)
Sale of Fixed assets	4,08,000	6,59,805
Interest Received	1,60,40,865	2,20,94,179
<b>Sale of non Current Investment</b>	8,28,073	—
<b>Purchase of Non Current Investment</b>	(46,13,62,112)	—
<b>Purchase of Current Investment</b>	—	(10,75,39,402)
<b>Sale of Current Investment</b>	38,48,91,130	—
Dividend	1,40,62,560	1,75,42,502
Net Cash used in Investing Activities	<b>(5,24,89,117)</b>	<b>(8,17,64,171)</b>

# IST LIMITED



## CASH FLOW FROM FINANCING ACTIVITIES

Borrowings / Repayment of borrowings (Net)	(16,39,172)	16,39,172
Net Cash from Financing Activities	(16,39,172)	16,39,172
Net change in Cash & cash Equivalents (A+B+C)	(1,44,99,017)	(72,63,146)
Cash & Cash Equivalents		
- Opening Balance	4,19,27,415	4,91,90,561
- Closing Balance	2,74,28,398	4,19,27,415
	<u>(1,44,99,017)</u>	<u>(72,63,146)</u>

As per our Report of even date  
for O.P. DADU & CO.

*Chartered Accountants*

FRN 001201N

O.P.Dadu

Partner

M.No. 010871

Place : New Delhi

Dated : 30.05.2015

For and on behalf of the Board of Directors

D.N.Tulshyan  
Chief Financial Officer

R.K. Sapra  
Company Secretary

Gaurav Gupta  
Director  
DIN : 00047372

S.C.Jain  
Executive Director  
DIN: 00092079



## NOTES TO FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2015

### Note 1: SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

The significant accounting policies adopted in the presentation of the Accounts are as under:-

**a) Valuation of Inventories :**

- i) Raw Material, Stores, Spares and purchased components, Finished Goods, and Goods under process are valued at cost on weighted average basis or net realisable value which ever is lower.
- ii) Tools and Instruments are valued at cost less depletion in value.
- iii) Stock of Scrap is valued at estimated realisable value.

**b) Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**c) Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**d) Revenue Recognition:-**

- i) Sales are recognized when goods are supplied
- ii) Processing Income: Processing income is recognized after services are rendered.

**e) Other Income**

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established

**f) Foreign Exchange Transactions:-**

Foreign Exchange transactions are recorded at the exchange rate prevailing on the date of transaction. The difference in realized gains and losses on foreign exchange transactions other than those relating to the fixed assets are recognized in the profit and loss account.

**g) Excise Duty :**

The Excise Duty is accounted for at the time of dispatch of goods from the Factory.

**h) Tangible and Intangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation / amortization and impairment losses, if any. Cost includes expenses incidental to the acquisition/installation of assets. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment. Interest on loans to acquire qualifying assets is added to the cost of fixed assets in accordance with Accounting Standard 16 on "Borrowing Costs"

**i) Depreciation / Amortization**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Depreciation on intangible assets has been provided on the straight-line method on useful life of 6 years.

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.



**j) Employees Retirement Benefits :**

Company's Contribution towards Provident Fund is charged to Profit & Loss Account. The amount of gratuity & leave encashment benefits on the basis of actuarial valuation is charged to Profit & Loss Account.

**k)** In determining earnings per share, the company considers the net profit after tax and includes the post-tax effect of any extraordinary items. The number of shares used in computing basic earnings per share is the number of shares outstanding during the period.

**l) Claims :**

Credits for certain claims such as interest on Telephone Deposits, Insurance, and Customs Duty Drawback etc. are taken as and when determined or received.

**m)** The liability for reimbursement of Medical Expenses and Leave Travel Allowance is provided for at the time when the same is due and the claim is made irrespective of the time of expenditure incurred by the employees.

**n)** Liquidated damages on Defence Sales are accounted for as and when ascertained.

**o) Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

**p) Investments**

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually

**q) Provisions, Contingent Liabilities and Contingent Assets**

i. Provisions are recognized in terms of Accounting Standard 29 – 'Provisions, Contingent Liabilities and Contingent Assets' as mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006, when there is a present obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and a reliable estimate of the amount of the obligation can be made.

ii. Contingent Liabilities are recognized and disclosed only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

iii. Contingent assets are not recognized in the financial statements.

**r) Impairment of Assets**

The Company reviews the carrying value of its fixed assets for any possible impairment at each Balance Sheet date. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value at an appropriate discount rate.



# IST LIMITED

	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
<b>Note 2: SHARE CAPITAL</b>		
<b>Authorised</b>		
1,00,00,000 equity shares of Rs.10/- each	<b>10,00,00,000</b>	10,00,00,000
<b>Issued</b>		
60,27,728 Equity Shares of Rs. 10/- each	<b>6,02,77,280</b>	6,02,77,280
<b>Subscribed and fully paid up</b>		
58,32,056 Equity Shares of Rs. 10/- each fully paid up	<b>5,83,20,560</b>	5,83,20,560
Add : Shares Forfeited	<b>1,46,986</b>	1,46,986
	<b>5,84,67,546</b>	5,84,67,546

**a) Reconciliation of the Outstanding at the beginning and at the end of the reporting period**

	31.03.2015		31.03.2014	
	No. of Shares	Rs.	No. of Shares	Rs.
<b>Ordinary Shares</b>				
At the beginning of the year	<b>58,32,056</b>	<b>5,83,20,560</b>	58,32,056	5,83,20,560
Issued during the year	—	—	—	—
Outstanding at the end of the period	<b>58,32,056</b>	<b>5,83,20,560</b>	58,32,056	5,83,20,560

**b) Shareholder Holding more than 5% shares in the Company**

	%	%
M/s Gupta International Investment Company Ltd		
29,13,221 Shares (Previous year 29,13,221 Shares)	<b>49.95</b>	49.95
M/s Antique Investment Company Ltd		
9,55,700 Shares (Previous year 9,55,700 Shares)	<b>16.39</b>	16.39

**Note 3: RESERVES AND SURPLUS**

**Securities premium account**

Share premium on 12,11,716 shares @ Rs.5/- each as per last year Balance Sheet	<b>60,58,580</b>	60,58,580
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**General reserve**

as per last year Balance Sheet	<b>1,10,80,04,235</b>	1,10,80,04,235
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**Surplus in Statement of Profit & Loss**

Opening Balance	<b>30,93,95,416</b>	26,95,55,696
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Less: Depreciation on transition to Schedule II of the Companies Act 2013 on tangible fixed assets with nil remaining useful life( Net of deferred tax) (Refer note 41)

**(5,47,140)** —

**30,88,48,276** 26,95,55,696

Add:Net Profit for the current year

**2,52,64,297** 3,98,39,720

**33,41,12,573** 30,93,95,416

**1,44,81,75,388** 1,42,34,58,231

**Note 4: DEFERRED TAX LIABILITIES (NET)**

Difference of assets between Books of account and as per income-tax	<b>6,83,06,102</b>	6,92,39,780
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Less:Expenses allowed for tax purpose on payment basis	<b>1,44,91,533</b>	1,25,88,201
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**5,38,14,569** 5,66,51,579

Deferred tax liabilities (Net)

**1,74,60,000** 1,84,00,000





	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
<b>Note 5: OTHER LONG TERM LIABILITIES</b>		
Security Deposit	<u>1,12,00,000</u>	<u>112,00,000</u>
<b>Note 6: LONG-TERM PROVISIONS</b>		
Provisions for employees benefits	<u>84,22,365</u>	<u>76,78,768</u>
	<u>84,22,365</u>	<u>76,78,768</u>
<b>Note 7: SHORT-TERM BORROWINGS</b>		
Cash Credit from Bank (Secured) State Bank of India (Secured by hypothecation of charge on entire current assets, book debts, receivables, documentary bills, domestic export of the company both present and future.)	<u>—</u>	<u>16,39,172</u>
	<u>—</u>	<u>16,39,172</u>
<b>Note 8: TRADE PAYABLES</b>		
For Goods	<u>40,55,203</u>	<u>43,63,962</u>
	<u>40,55,203</u>	<u>43,63,962</u>
<b>Note 9: OTHER CURRENT LIABILITIES</b>		
Statutory Remittances	<u>9,54,448</u>	<u>12,13,650</u>
Expenses Payable		
Director's	<u>1,28,605</u>	<u>1,38,560</u>
Others	<u>85,49,584</u>	<u>77,67,744</u>
	<u>96,32,637</u>	<u>91,19,954</u>
<b>Note 10: SHORT-TERM PROVISIONS</b>		
Provision for employee benefits	<u>60,69,168</u>	<u>49,09,433</u>
Provision for Tax	<u>40,132</u>	<u>16,51,859</u>
[Note : Provision is net of Prepaid Tax Rs.2,91,59,868 (Rs.1,98,70,141)]	<u>61,09,300</u>	<u>65,61,292</u>



**NOTE '11' FIXED ASSETS**

Particulars	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	Cost as at 31.3.2014 Rs.	Additions during the Year Rs.	Deductions during the Year Rs.	As at 31.3.2015 year Rs.	As at 31.3.2014 Rs.	For the Year Rs.	Adjustments during the Rs.	Upto 31.3.2015 Rs.	As at 31.3.2015 Rs.	As at 31.3.2014 Rs.		
Tangible Assets												
Freehold Land	3,61,94,802	—	—	3,61,94,802	—	—	—	—	3,61,94,802	3,61,94,802		
Building	97,861,811	—	—	9,78,61,811	25,25,651	15,48,153	—	40,73,804	9,37,88,007	9,53,36,160		
Plant & Machinery	24,80,34,511	1,06,32,854	7,57,212	25,79,10,153	14,11,51,379	1,42,99,166	(7,04,690)	15,47,45,855	10,31,64,298	10,68,83,132		
Furniture	65,20,990	3,06,811	—	68,27,801	25,60,345	4,89,761	1,95,924	32,46,030	35,81,771	39,60,645		
Office Equipments	82,63,124	21,67,038	—	1,04,30,162	35,75,191	19,14,819	5,50,260	60,40,270	43,89,892	46,87,933		
Vehicles	1,76,85,091	22,23,220	15,68,066	1,83,40,245	65,43,588	25,11,853	(9,11,485)	81,43,956	1,01,96,289	1,11,41,503		
<b>Total</b>	<b>41,45,60,329</b>	<b>1,53,29,923</b>	<b>23,25,278</b>	<b>42,75,64,974</b>	<b>15,63,56,154</b>	<b>2,07,63,752</b>	<b>(8,69,991)</b>	<b>17,62,49,915</b>	<b>25,13,15,059</b>	<b>25,82,04,175</b>		
Intangible Assets												
Computer Software	19,49,835	—	—	19,49,835	7,77,732	3,30,055	—	11,07,787	8,42,048	11,72,103		
<b>Total</b>	<b>41,65,10,164</b>	<b>1,53,29,923</b>	<b>23,25,278</b>	<b>42,95,14,809</b>	<b>15,71,33,886</b>	<b>2,10,93,807</b>	<b>(8,69,991)</b>	<b>17,73,57,702</b>	<b>25,21,57,107</b>	<b>25,93,76,278</b>		
Previous year	41,26,53,523	65,48,965	26,92,324	41,65,10,164	14,32,90,243	1,64,01,351	25,57,708	15,71,33,886	25,93,76,278	79,72,290		
Capital Work in Progress:												



	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
<b>Note 12: NON-CURRENT INVESTMENTS (AT COST)</b>		
<b>Other Investment in Equity Instruments</b>		
<b>(A) Unquoted (Fully paid up)</b>		
<b>Subsidiary Company</b>		
1,00,000 Equity Shares of Gurgaon Infospace Ltd of Rs.100/- each [Refer Note no.33]	1,00,00,000	1,00,00,000
<b>Associate Company</b>		
88,40,000 Equity Shares of IST Steel & Power Ltd of Rs.10/- each	8,84,00,000	8,84,00,000
	<u>9,84,00,000</u>	<u>9,84,00,000</u>
<b>(B) Quoted (Fully paid up)</b>		
<b>Others</b>		
4,800 Equity Shares of J.C.T.Ltd. of Rs.2.50 each	2,93,399	2,93,399
2,000 Equity Shares of C.T.Cotton Yarn Ltd. of Rs.10/- each	50,838	50,838
0 / (3,000) Equity Shares of JMT Auto Ltd Rs. 10/- each	—	4,25,795
0 / (1,000) Equity Shares of DCM Shriram Consolidatated Ltd Rs.2/- each	—	1,07,767
	<u>3,44,237</u>	<u>8,77,799</u>
Less: Demuntion in value of Investment	<u>(3,29,837)</u>	<u>(3,36,125)</u>
	<u>14,400</u>	<u>5,41,674</u>
<b>Investments in Preference Shares</b>		
<b>Associate Company</b>		
15,00,000 9% Non Cumulative, Non Convertable Preference Shares of Rs.100/-each of IST Steel & Power Ltd, Redeemable at par	15,00,00,000	15,00,00,000
<b>Others</b>		
11,50,000 9% Non Cumulative, Non Convertable Preference Shares of Rs.100/-each of Subham Infradevelopment (P) Ltd	11,50,00,000	11,50,00,000
<b>Investments in Bonds</b>		
<b>Quoted</b>		
1,50,000 7.51%, HUDCO 15 Years Tax-free Bonds of Rs.1000/- each	15,00,00,000	15,00,00,000
<b>Investments in Mutual Fund</b>		
<b>Unquoted:</b>		
2,18,132 / (0) SBI Premier Liquid Fund -Direct Plan -Growth National Saving Certificate (Rs.40000/-Pledged with Mining Engineers Nagore.[Refer note 31]	46,13,62,112	—
	<u>60,000</u>	<u>60,000</u>
	<u>97,48,36,512</u>	<u>51,40,01,674</u>
Aggregated value of Quoted Investments		
Cost	15,03,44,237	15,08,77,799
Market value	15,48,14,400	13,95,90,174
Aggregated value of Unquoted Investments cost	<u>82,47,62,112</u>	<u>36,34,00,000</u>
<b>Note 13: LONG-TERM LOANS AND ADVANCES</b>		
<b>(Unsecured Considered good)</b>		
<b>Capital Advances</b>		
Related Party	5,00,00,000	5,00,00,000
Others	12,32,49,906	12,32,49,906
<b>Security Deposits</b>		
Related Party	39,60,000	39,60,000
Others	17,69,479	17,75,629
<b>Loans &amp; Advances</b>		
Related Party	3,76,18,800	3,48,00,000
	<u>21,65,98,185</u>	<u>21,37,85,535</u>



# IST LIMITED

	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
<b>Note 14: OTHER NON-CURRENT ASSETS</b>		
Term Deposits remaining maturity more than 12 months (Pledged with Sales Tax Dept. Rs.120740/- & State Bank of India Rs. 500000/-)	6,20,740	1,20,740
	<u>6,20,740</u>	<u>1,20,740</u>
<b>Note 15: CURRENT INVESTMENTS (AT COST)</b>		
<b>Other Investment in Mutual funds (Unquoted)</b>		
15 / (3,83,070) SBI Premier Liquid Fund Direct Plan Daily Dividend	15,022	38,43,15,172
	<u>15,022</u>	<u>38,43,15,172</u>
<b>Note 16 : Inventories</b>		
(As taken, valued and certified by the management)		
Raw materials	86,25,796	95,09,949
Work in Progress	4,18,33,368	4,82,07,162
Finished Goods	37,76,208	56,48,518
Stores & Spare parts	71,42,972	70,34,284
Scrap	14,86,623	11,62,229
	<u>6,28,64,967</u>	<u>7,15,62,142</u>
Note : Refer Note 1 (a).for mode of valuation		
<b>Note 17: Trade Receivables</b>		
<b>Unsecured considered good</b>		
Outstanding for a period exceeding six months from the due date	36,68,946	47,12,502
Others	2,13,37,641	3,94,58,427
	<u>2,50,06,587</u>	<u>4,41,70,929</u>
<b>Note 18: CASH &amp; CASH EQUIVALENTS</b>		
Cash in hand	5,96,913	3,49,026
Cheques / Drafts in Hand	1,83,228	42,735
With Scheduled Banks		
In Current Accounts	55,35,602	14,19,760
Term Deposit	94,06,485	2,69,39,938
Balance held as Margin Money	1,17,06,170	1,31,75,956
	<u>2,74,28,398</u>	<u>4,19,27,415</u>
<b>Note 19 : SHORT TERM LOANS &amp; ADVANCES</b>		
<b>Unsecured Considered good</b>		
Loans to Empolyees	2,25,000	1,46,000
Advances Raw materials & Stores	3,81,226	4,55,375
Prepaid Expenses	4,14,993	3,97,102
Balance with Govt. Authorities	8,05,022	5,66,438
	<u>18,26,241</u>	<u>15,64,915</u>
<b>Note 20: OTHER CURRENT ASSETS</b>		
<b>Unsecured Considered good</b>		
Interest Accured	21,55,150	20,74,133
Others	13,530	17,702
	<u>21,68,680</u>	<u>20,91,835</u>



	For the year ended 31.03.2015 Rs.	For the year ended 31.03.2014 Rs.
<b>Note 21: REVENUE FROM OPERATION</b>		
<b>Sale of Product</b>		
Export Sales	75,18,752	1,57,51,950
Domestic Sales	19,73,57,415	21,76,79,631
<b>Other Operating Revenue</b>		
Job Charges	1,17,900	29,55,816
Revenue from Operations	20,49,94,067	23,63,87,397
Less: Excise duty	2,10,89,994	2,32,00,378
Revenue from Operations	<u>18,39,04,073</u>	<u>21,31,87,019</u>
<b>Note 22: OTHER INCOME</b>		
Interest		
Related Party	31,32,000	94,38,970
Tax Free Bonds	1,12,65,000	1,12,65,000
Others	16,43,865	13,90,209
Unspent liabilities written back	25,939	89,388
Dividend		
Current Investments	1,40,62,560	1,75,39,402
Others	—	3,100
Profit on sale of Current Investments	5,90,980	—
Profit on sale of Long term Investments	2,94,511	—
Profit on sale of fixed Assets	—	5,25,189
Provision on Investment written back	6,288	2,00,132
Exchange rate difference (Net)	—	4,21,780
Rent	2,43,60,000	—
Sundry Debit / Credit balances adjusted	—	29,79,885
Miscellaneous Receipts	10,55,632	58,546
	<u>5,64,36,775</u>	<u>4,39,11,601</u>
<b>EXPENSES</b>		
<b>Note 23 : COST OF MATERIAL CONSUMED</b>		
Indigenous	3,33,44,709	4,76,90,216
Imported	23,12,450	29,72,138
	<u>3,56,57,159</u>	<u>5,06,62,354</u>
<b>Note 24 : PURCHASES OF STOCK-IN-TRADE</b>		
	4,343	6,07,702
	<u>4,343</u>	<u>6,07,702</u>
<b>Note 25 : CHANGE IN INVENTORIES</b>		
Inventories at the end of the year		
Finished Goods	37,76,208	56,48,518
Goods under process	4,18,33,368	4,82,07,162
Scrap	14,86,623	10,71,715
	<u>4,70,96,199</u>	<u>5,49,27,395</u>
Inventories at the beginning of the year		
Finished Goods	56,48,518	46,40,463
Goods under process	4,82,07,162	6,27,81,559
Scrap	10,71,715	6,39,834
	<u>5,49,27,395</u>	<u>6,80,61,856</u>
	<u>78,31,196</u>	<u>1,31,34,461</u>



# IST LIMITED

	For the year ended 31.03.2015 Rs.	For the year ended 31.03.2014 Rs.
<b>Note 26: EMPLOYEE BENEFITS EXPENSES</b>		
Directors' Remuneration [excluding Rs.2,39,339/- (P.Y. Rs.75,360/-) charged to other head of accounts]	15,05,590	13,50,800
Salaries, Wages, Bonus etc.	5,91,73,930	5,74,25,567
Gratuity	18,16,418	11,84,250
Contribution to P.F and Other Funds	33,01,086	31,24,379
Staff Welfare Expenses	47,85,708	52,52,058
	<u>7,05,82,732</u>	<u>6,83,37,054</u>
<b>Note 27: FINANCE COSTS</b>		
Interest	54,530	3,035
Bank Charges	2,01,522	2,19,981
	<u>2,56,052</u>	<u>2,23,016</u>
<b>Note 28: OTHER EXPENSES</b>		
Stores, Other Materials Consumed	1,33,91,392	1,35,48,564
Power and Fuel	1,38,99,419	1,28,29,932
Testing / Job Charges	2,49,264	2,61,019
Rent	41,40,000	39,50,000
Rates & Taxes	1,57,519	1,17,609
Insurance	5,70,356	6,79,655
Advertisement expenses	36,000	42,926
Repairs and maintenance		
Building	6,29,938	6,67,884
Plant & Machinery	22,36,810	35,12,449
Others	27,57,098	37,90,819
Travelling & Conveyance [including directors' travelling Rs.6,66,797/-(Previous year Rs.3,80,487/-)]	34,06,188	28,09,460
Selling Expenses		
Sales Tax	62,81,305	51,71,582
Export Expenses	3,72,384	9,92,670
Other Selling Expenses	8,99,566	12,47,308
Auditors' Remuneration		
Audit Fee	1,10,000	1,10,000
In Other Capacity		
For Tax Audit	35,000	35,000
For Certificates etc.	38,500	34,500
For Taxation & other matters	60,000	73,000
For Expenses	45,500	44,000
For Service Tax / Education Cess	35,721	36,648
Internal Audit Expenses	1,30,000	1,30,000
Directors' fee	42,500	45,000
Brokerage & Commission	84,00,000	—
Postage, Telegram & Telephone Expenses	9,01,939	7,65,948
Legal, Professional and Service Charges	27,44,716	18,71,431
Exchange Rate Diff	33,189	—
Previous year expenses (Net)	85,705	2,27,994
Discount & Liquidated Damages	57,96,872	19,20,164
Loss on sale of fixed Assets	2,37,147	—
Miscellaneous Expenses	45,05,137	50,91,234
Sundry Debit / Credit balances adjusted	2,52,194	—
	<u>7,24,81,359</u>	<u>6,00,06,796</u>



	As at 31.03.2015 Rs.	As at 31.3.2014 Rs.
<b>29</b> Contingent Liabilities and Commitments ( to the extent not provided for)		
Contingent Liabilities:-		
Gurantees given by the Bank	97,55,140	1,03,85,305
Court case disputed by Company	31,75,000	31,75,000
Other Commitments:-		
Capital Contracts to be executed	6,02,04,800	6,17,68,000
<b>30. a.</b> The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.22,40,746/- (Year ended 31 March, 2014 Rs.21,02,716/-) for Provident Fund contributions and Rs. 10,60,340/- (Year ended 31 March, 2014 Rs.10,21,663/-) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.		
<b>b.</b> The Company offers the following employee benefit schemes to its employees:		
i) Gratuity included in Note no. 26 Employee benefit expenses.		
ii) Earned leave included in Note no. 26 Employee benefit expenses.		

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

Particulars	Year ended 31 March, 2015		Year ended 31 March, 2014	
	Gratuity	Earned Leave	Gratuity	Earned Leave
<b>Components of employer's expense</b>				
Current service cost	6,77,887	9,17,001	5,71,184	7,92,113
Interest cost	7,19,116	3,50,881	6,14,646	2,89,880
Expected return on plan assets				
Curtaiment cost / (credit)				
Settlement cost / (credit)				
Past service cost				
Actuarial losses/(gains)	4,19,415	4,16,673	(1,580)	1,87,084
<b>Total expense recognised in the Statement of Profit and Loss</b>	18,16,418	16,84,555	11,84,250	12,69,077
<b>Actual contribution and benefit payments for the year</b>				
Actual benefit payments	6,09,539	9,88,102	4,07,130	7,64,571
Actual contributions				
<b>Net asset / (liability) recognised in the Balance Sheet</b>				
Present value of defined benefit obligation	96,67,071	48,24,462	84,60,192	41,28,009
Fair value of plan assets				
Funded status [Surplus / (Deficit)]	(96,67,071)	(48,24,462)	(84,60,192)	(41,28,009)
Unrecognised past service costs				
<b>Net asset / (liability) recognised in the Balance Sheet</b>	(96,67,071)	(48,24,462)	(84,60,192)	(41,28,009)
<b>Change in defined benefit obligations (DBO) during the year</b>				
Present value of DBO at beginning of the year	84,60,192	41,28,009	76,83,072	36,23,503
Current service cost	6,77,887	9,17,001	5,71,184	7,92,113
Interest cost	7,19,116	3,50,881	6,14,646	2,89,880
Curtaiment cost / (credit)				
Settlement cost / (credit)				
Plan amendments				
Acquisitions				
Actuarial (gains) / losses	4,19,415	4,16,673	(1,580)	1,87,084
Past service cost				
Benefits paid	(6,09,539)	(9,88,102)	(4,07,130)	(7,64,571)
<b>Present value of DBO at the end of the year</b>	96,67,071	48,24,462	84,60,192	41,28,009
<b>Actuarial assumptions</b>				
Discount rate	7.75	7.75	8.50	8.50
Salary escalation	6.00	6.00	6.00	6.00
Estimate of amount of contribution in the immediate next year	12,78,108	8,93,370	11,97,551	8,00,846



## IST LIMITED

- 31 NSC for Rs.60,000/- (Previous year Rs.60,000/-) shown under Non Current Investments are in the name of Company's executive.
- 32 Previous year expenses/income aggregate Rs. 1,34,703 / Rs. 48,998/- respectively ( Previous year Rs.2,49,939/ Rs. 21,945/-)
- 33 The company's investment in its wholly owned subsidiary namely Gurgaon Infospace Limited are held in its own name except six equity shares which are held in the name of its nominees.
- 34 Based on information available with the company there are no dues to Micro, Small & Medium Enterprises as defined in Micro, SME development Act,2006 as at 31.03.2015

	Year ended 31 March, 2015	Year ended 31 March, 2014
35 Earning per Share	<b>2,52,64,297</b>	3,98,39,720
Profit after tax	<b>58,32,056</b>	58,32,056
Weighted average No of share	<b>10</b>	10
Nominal Value	<b>4.33</b>	6.83
Basic & Diluted		

- 36 Consequent to the adoption of the Accounting Standard 22 on "Accounting For Taxes on Income", the Company has recognized a deferred tax liability of Rs.1,74,60,000/- accumulated till 31st March, 2015 ( Previous year Rs.1,84,00,000/-)

**37 Details of leasing arrangements:-**

**As Lessor**

The Company has entered into operating lease arrangements for building. The lease is non-cancellable for a period of 3 years from 19/02/2014 and may be renewed for a further period of 6 years based on mutual agreement of the parties.

	Year ended 31 March, 2015	Year ended 31 March, 2014
Future minimum lease income	<b>3,36,00,000</b>	—
not later than one year	<b>15,08,27,586</b>	—
later than one year and not later than five years	<b>12,82,82,500</b>	—
later than five years	<b>2,43,60,000</b>	—
Rents recognised as income during the year	<b>15,48,153</b>	—
Depreciation recognised on the leased assets	<b>40,73,804</b>	—
Accumulated depreciation on the leased assets		

**As Lessee**

The Company has entered into various operating lease arrangements for factory building, guest house and office premises. The leases are renewable on a periodic basis cancellable at its option.

Future minimum lease payments		
not later than one year	<b>56,40,000</b>	41,40,000
later than one year and not later than five years	<b>1,03,99,355</b>	99,19,355
Lease payments recognised in the Statement of Profit and Loss	<b>41,40,000</b>	39,00,000

**38 Information on Related Parties transactions as required by Accounting Standard(AS18)**

**a. Details of related parties:**

**Description of relationship**

- (i) Subsidiary
- (ii) Associates Company
- (iii) Key Management Personnel (KMP)
- (iv) Relatives of KMP
- (v) Entities in which KMP / Relatives of KMP can exercise significant influence

**Names of related parties**

M/s Gurgaon Infospace Limited  
M/s IST Steel and Power Limited  
Shri S.C Jain, Lt. Col N.L. Khitha(Retd.),  
Mr. Mayur Gupta, Mr. Gaurav Gupta  
Mr. Prem Chand Gupta, Mrs. Sarala Gupta  
GPC Technology Ltd, Mercantile Realtors(P) Ltd,  
Delux Investments Pvt. Ltd,  
IST Technology Infrastructure Pvt. Ltd,  
IST Softech Pvt. Ltd.





**b. Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015**

Particulars	Subsidiary	Associates	Key KMP	Relatives of KMP	Entities in which KMP can exercise significant influence
	Rs.	Rs.	Rs.	Rs.	Rs.
<b>During the year ending 31st March, 2015</b>					
Remuneration					
Service Charges					7,80,000 (7,80,000)
Rent			17,44,929 (14,26,160)	9,60,000 (9,60,000)	31,80,000 (29,40,000)
Interest Income					31,32,000 (94,38,970)
Director Meeting Fees			15,000 (20,000)		
<b>Outstanding Balance as on 31st March, 2015</b>					
Amount Payable			1,25,000 (1,38,560)		
Deposits					39,00,000 (39,00,000)
Capital Advance					5,00,00,000 (5,00,00,000)
Loan					3,76,18,800 (3,48,00,000)
Equity Contribution	1,00,00,000 (1,00,00,000)	8,84,00,000 (8,84,00,000)			
Redeemable Preference Shares		15,00,00,000 (15,00,00,000)			

**39 Segment Reporting :**

The Company Operates in only one operational segment viz. precision engineering components / assebbalies and one Geographical Segment viz. India.

**40- I. RAW MATERIAL AND COMPONENTS CONSUMED**

	Kgs.	Amount(Rs.)
Steel / Brass / Aluminium etc.	1,95,968 (2,00,933)	2,90,11,481 (4,03,81,179)
Others		66,45,678 (1,02,81,175)

**II DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS ITEMS:-**

Particulars	Total value of Consumption			Percentage of Total Consumption	
	Total	Imported	Indigenous	Imported	Indigenous
Raw Material & Components	3,56,57,159 (50,662,354)	23,12,450 (29,72,138)	3,33,44,709 (4,76,90,216)	6.49 (5.87)	93.51 (94.13)
Stores & Spares	1,33,91,392 (1,35,48,564)	11,71,258 (5,50,346)	1,22,20,134 (1,29,98,218)	8.75 (4.06)	91.25 (95.94)



## IST LIMITED

<b>III C.I.F. VALUE OF IMPORTS</b>	Amount (Rs.)
a) Raw material & Components	597,493
	(33,57,493)
b) Stores & Spare parts including Tools	11,20,205
	(4,22,326)
<b>IV EXPENDITURE IN FOREIGN CURRENCY</b>	
Overseas Travelling	3,91,607
	(1,16,967)
Other Expenses	4,682
	(23,636)
Exchange Rate Difference (Net)	33,189
	—
<b>V INCOME IN FOREIGN CURRENCY</b>	
Export Sales	75,18,752
	(1,57,51,950)
Exchange Rate Difference (Net)	—
	(4,21,780)

41 During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company revised the estimated useful life of its assets to align the useful life with those specified in Schedule II. The details of previously applied depreciation method, rates / useful life are as follows:

Asset	Previous depreciation method	Previous depreciation rate / useful life	Revised useful life based on SLM
Buildings	SLM	1.63%	60 years
General Plant and Machinery	SLM	7.42%	15 years
Computers and Data Processing Equipment	SLM	16.21%	3 years
Office Equipment	SLM	6.33%	5 years
Furniture and Fixtures	SLM	6.33%	10 years
Vehicles	SLM	9.50%	8 years

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of Rs.8,10,140/- against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus.

The depreciation expense in the Statement of Profit and Loss for the year is higher by Rs.36,65,839/- consequent to the change in the useful life of the assets.

Previous year's figures have been regrouped and rearranged wherever necessary to make them comparable with those of the current year.

As per our Report of even date  
for O.P. DADU & CO.  
Chartered Accountants  
FRN 001201N

O.P.Dadu  
Partner

M.No. 010871

Place : New Delhi

Dated : 30.05.2015

D.N.Tulshyan  
Chief Financial Officer

R.K. Sapra  
Company Secretary

Gaurav Gupta  
Director

DIN : 00047372

S.C.Jain  
Executive Director

DIN: 00092079

For and on behalf of the Board of Directors



## CONSOLIDATED ACCOUNTS

### INDEPENDENT AUDITORS' REPORT

To  
The Board of Directors,  
IST Limited

#### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of IST LIMITED (hereinafter referred to as "the Holding Company") its subsidiary (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditor's Responsibility

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

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

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

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



## Opinion

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies and associate companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate Refer Note No.29 to the consolidated financial statements.
    - ii) The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and associate company incorporated in India.

For O.P. DADU & CO.  
*Chartered Accountants*  
FRN. 001201N

Place : New Delhi  
Dated : 30.05.2015

(O.P. DADU)  
*Partner*  
Membership No. 010871



## ANNEXURE TO THE AUDITORS' REPORT

In our opinion, and in so far as we have been able to ascertain from the records produced, information furnished and the explanations given to us by the Company

1. a) The Holding Company, its subsidiary and its associate have maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) All the assets have not been physically verified by the managements during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the holding company, its subsidiary and its associate and the nature of its assets. No material discrepancies were noticed on such verification.
2. a) The inventory has been physically verified during the year by the management of holding company, its subsidiary and its associate company does not hold any inventory. In our opinion, the frequency of verification is reasonable.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the holding company and the nature of its business.
- c) The Holding Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. a) The Holding Company, its subsidiary and its associate have not given any new loan during the year. However, the Holding Company had granted unsecured loan in the past to a party covered in the register maintained under section 189 of the Companies Act, 2013.
- b) The principal amount and interest are repayable as stipulated.
- c) There is no overdue amount of the said loan granted by the Holding Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the holding company, its subsidiary and its associate and the nature of their business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.
5. The holding company, its subsidiary and its associate have not accepted any deposit during the year.
6. According to the information and explanation given to us, the Central Government has not specified the maintenance of cost records by the holding company, its subsidiary and its associate under section 148(1) of the Companies Act, 2013.
7. a) The Holding Company, its subsidiary and its associate is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise duty, Value Added Tax, cess and other statutory dues wherever applicable to it. Except there were delay in depositing Service Tax and Wealth Tax by its associate.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, or Sales Tax, Wealth tax, Service Tax, customs duty, excise duty, value added Tax and cess were in arrears, as at 31.03.2015 for a period of more than six months from the date they became payable. Except Service Tax Rs.37,080/- and Wealth Tax Rs.24,885/- by its associate, further these since have been paid.
- c) According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise duty, Value Added Tax and cess which have not been deposited on account of any dispute. Except excise duty and penalty of Rs . 41,93,734/- of its associate, appeal is pending before CESTAT Bangalore.
- d) According to the information and explanation given to us, there were no amounts which were required to transferred to the investor education and protection fund by the holding company, its subsidiary and its associate in accordance with the relevant provisions of Company Act 1956 and rule made there under.
8. In our opinion there are no accumulated losses of the holding company, its subsidiary, the accumulated losses of associate company is not more the fifty percent of its Net Worth. The Holding Company, its subsidiary and its associate have not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us the associate Company has not defaulted in repayment of dues to bank. The holding and subsidiary company did not have dues to bank during the year. The holding company, its subsidiary company and associate company did not have any outstanding dues to any financial institution or debentures holders during the year.
10. According to the information and explanation given to us, the holding company, and its associate has not given any guarantee for loans taken by others from bank or financial institutions. Further the terms and condition on which subsidiary company has given Guarantee for loan taken by other are not prejudicial to the interest of subsidiary company.
11. The Holding Company, its subsidiary and its associate has not taken any term loan during the year.
12. According to the information and explanations given to us, no fraud on or by the holding company, its subsidiary and its associate has been noticed or reported during the course of our Audit.

For O.P. DADU & CO.  
Chartered Accountants  
FRN. 001201N

(O.P. DADU)  
Partner  
Membership No. 010871

Place : New Delhi  
Dated : 30.05.2015



# IST LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
<b>EQUITY AND LIABILITY</b>			
<b>Shareholder's funds</b>			
(a) Share capital	2	5,84,67,546	584,67,546
(b) Reserves and Surplus	3	3,68,42,35,452	3,10,21,90,946
		<b>3,74,27,02,998</b>	<b>3,16,06,58,492</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities (net)	4	1,74,60,000	1,84,00,000
Other Long Term Liabilities	5	33,28,39,074	32,60,95,733
Long-term provisions	6	91,65,537	81,91,483
		<b>35,94,64,611</b>	<b>35,26,87,216</b>
<b>Current liabilities</b>			
Short-term borrowings	7	—	16,39,172
Trade payables	8	40,55,203	43,63,962
Other current liabilities	9	1,47,78,263	1,29,81,479
Short-term provisions	10	73,75,609	75,61,508
		<b>2,62,09,075</b>	<b>2,65,46,121</b>
		<b>4,12,83,76,684</b>	<b>3,53,98,91,829</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets	11		
Tangible assets		1,43,15,41,102	1,44,36,12,385
Intangible assets		8,42,048	11,72,103
Capital work- in-progress		—	79,72,290
		<b>1,43,23,83,150</b>	<b>1,45,27,56,778</b>
Non-current investments	12	1,54,10,64,537	72,47,59,710
Long-term loans and advances	13	84,64,09,338	73,50,53,806
Other Non-current Assets	14	6,20,740	1,20,740
		<b>3,82,04,77,765</b>	<b>2,91,26,91,034</b>
<b>Current assets</b>			
Current Investments	15	15,022	38,43,15,172
Inventories	16	6,28,64,967	7,15,62,142
Trade receivables	17	4,27,18,064	5,74,60,457
Cash and cash equivalents	18	3,37,24,565	4,38,38,594
Short-term loans and advances	19	15,93,51,404	6,63,61,417
Other current assets	20	92,24,897	36,63,013
		<b>30,78,98,919</b>	<b>62,72,00,795</b>
		<b>4,12,83,76,684</b>	<b>3,53,98,91,829</b>

Accompanying notes forming part of the financial statements

As per our Report of even date  
for O.P. DADU & CO.

Chartered Accountants

FRN 001201N

O.P.Dadu

Partner

M.No. 010871

Place : New Delhi

Dated : 30.05.2015

D.N.Tulshyan  
Chief Financial Officer

R.K. Sapra  
Company Secretary

Gaurav Gupta  
Director  
DIN : 00047372

S.C.Jain  
Executive Director  
DIN: 00092079

For and on behalf of the Board of Directors



## CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note	For the year ended 31.03.2015 Rs.	For the year ended 31.03.2014 Rs.
<b>INCOME</b>			
Revenue from operations	21	76,94,73,481	75,50,74,761
Other income	22	9,47,63,036	6,81,11,617
<b>Total Revenue</b>		<b>86,42,36,517</b>	<b>82,31,86,378</b>
<b>Expenses</b>			
Cost of materials consumed	23	3,56,57,159	5,06,62,354
Purchases of Stock-in-trade	24	4,343	6,07,702
Change in inventories	25	78,31,196	1,31,34,461
Employees benefit expense	26	8,13,77,443	7,97,35,838
Finance charges	27	2,56,052	2,23,016
Depreciation		2,62,75,974	1,98,44,789
Other expenses	28	9,42,37,492	7,13,56,019
		<b>24,56,39,659</b>	<b>23,55,64,179</b>
Profit before tax		61,85,96,858	58,76,22,199
Tax expenses			
Current tax		13,06,00,000	11,91,00,000
Less: Mat Credit		(9,69,00,000)	(9,26,00,000)
Deferred tax		(6,77,000)	15,00,000
Profit after tax		58,55,73,858	55,96,22,199
Prior period adjustment Income tax/ Interest		(46,569)	(5,04,006)
Profit after tax and adjustment but before share of profit from associates		58,55,27,289	55,91,18,193
Share of profit from Associates		(29,35,643)	2,24,20,013
		<b>58,25,91,646</b>	<b>58,15,38,206</b>
Earning per share			
Basic & Diluted		99.89	99.71
(Refer note no.35)			

Accompanying notes forming part of the financial statements

As per our Report of even date  
for O.P. DADU & CO.  
*Chartered Accountants*  
FRN 001201N  
O.P.Dadu  
Partner  
M.No. 010871  
Place : New Delhi  
Dated : 30.05.2015

D.N.Tulshyan  
Chief Financial Officer

R.K. Sapra  
Company Secretary

For and on behalf of the Board of Directors

Gaurav Gupta  
Director  
DIN : 00047372

S.C.Jain  
Executive Director  
DIN: 00092079



# IST LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2015

(Pursuant to clause 32 of the Listing Agreement)

Amount in Rs.

Particulars	2014-2015	2013-2014
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before tax and extra ordinary item</b>	<b>61,85,96,858</b>	58,76,22,199
Depreciation	2,62,75,974	1,98,44,789
Interest (Net)	(3,36,25,178)	(3,13,67,025)
Sundry Dr/Cr Balances Adjusted	2,52,194	—
Discount & L.D	57,96,872	19,20,164
Amount written back (net)	(25,939)	(29,79,885)
<b>(Profit)/ Loss on sale of Fixed Assets</b>	<b>2,37,147</b>	<b>(5,25,189)</b>
<b>(Profit)/ Loss on Investments &amp; Derivatives</b>	<b>(1,29,82,324)</b>	<b>(1,49,24,135)</b>
<b>Demuntion in value of Investment</b>	<b>(6,288)</b>	<b>(2,00,132)</b>
<b>Dividend</b>	<b>(1,40,62,560)</b>	<b>(1,75,42,502)</b>
<b>Operating Profit before working capital changes</b>	<b>59,04,56,756</b>	54,18,48,284
<b>Change in :</b>		
Trade receivables	86,93,327	(1,33,95,479)
Inventories	86,97,175	1,67,43,945
Short term Loan & Advances	(9,29,46,945)	(5,46,19,129)
Other current Assets	(55,61,884)	91,36,217
Other non current Assets	(5,00,000)	(1,20,740)
Longterm Loan & Advances	(1,44,55,532)	(26,23,12,931)
Other Long Term Liabilities	67,43,341	3,83,53,921
Long term provisions	9,74,054	4,85,039
Short term Provisions	12,59,342	14,78,438
Trade Payables	(3,08,759)	(26,93,635)
Other current liabilities	18,22,723	(6,57,099)
	<b>(8,55,83,158)</b>	(26,76,01,453)
	<b>50,48,73,598</b>	27,42,46,831
Interest paid	(54,530)	(3,035)
Direct Taxes paid	(13,21,34,852)	(13,21,34,852)
	(11,82,05,001)	(11,82,05,001)
<b>(B) Net Cash from Operating Activities</b>	<b>37,26,84,216</b>	15,60,38,795
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed assets	(73,57,633)	(1,56,13,821)
Sale of Fixed assets	4,08,000	6,59,805
Interest Received	3,36,79,708	3,13,70,060
<b>Sale of non Current Investment</b>	<b>8,28,073</b>	
<b>Purchase of Non Current Investment</b>	<b>(95,61,70,911)</b>	<b>(10,75,00,000)</b>
<b>Purchase of Current Investment</b>		<b>(10,75,39,402)</b>
<b>Sale of Current Investment</b>	<b>53,33,91,130</b>	
Dividend	1,40,62,560	1,75,42,502
Net Cash used in Investing Activities	(38,11,59,073)	(18,10,80,856)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowings / Repayment of borrowings (Net)	(16,39,172)	16,39,172
<b>(C) Net Cash from Financing Activities</b>	<b>(16,39,172)</b>	16,39,172
Net change in Cash & cash		
Equivalents (A+B+C)	(1,01,14,029)	(2,34,02,889)
Cash & Cash Equivalents		
- Opening Balance	4,38,38,594	6,72,41,483
- Closing Balance	3,37,24,565	4,38,38,594
	<b>(1,01,14,029)</b>	<b>(2,34,02,889)</b>

As per our Report of even date  
for O.P. DADU & CO.

Chartered Accountants

FRN 001201N

O.P.Dadu

Partner

M.No. 010871

Place : New Delhi

Dated : 30.05.2015

D.N.Tulshyan

Chief Financial Officer

R.K. Sapra

Company Secretary

Gaurav Gupta

Director

DIN : 00047372

S.C.Jain

Executive Director

DIN: 00092079

For and on behalf of the Board of Directors





## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2015

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

#### Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of the Company, its subsidiary and associate entity have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

#### a) Principles of consolidation

The consolidated financial statements relate to IST Limited, its subsidiary company, and the share of profit / loss in its associates. The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the subsidiary company and associate used in the consolidation are drawn upto the same reporting date as that of the Company i.e., 31 March, 2015.
- ii) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- iii) The consolidated financial statements include the share of profit / loss of the associate companies which have been accounted for using equity method as per AS 23 *Accounting for Investments in Associates in Consolidated Financial Statements*. Accordingly, the share of profit/ loss of associate company ( the loss being restricted to the cost of investment) has been added to / deducted from the cost of investment.
- iv) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the consolidated financial statements as Goodwill or Capital reserve as the case may be.

#### b) Valuation of Inventories :

- i) Raw Material, Stores, Spares and purchased components, Finished Goods, and Goods under process are valued at cost on weighted average basis or net realisable value which ever is lower.
- ii) Tools and Instruments are valued at cost less depletion in value.
- iii) Stock of Scrap is valued at estimated realisable value.

#### c) Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### d) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### e) Revenue Recognition:-

- i) Sales are recognized when goods are supplied
- ii) Processing Income: Processing income is recognized after services are rendered.

#### f) Other Income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established

#### g) Foreign Exchange Transactions:-

Foreign Exchange transactions are recorded at the exchange rate prevailing on the date of transaction. The difference in realized gains and losses on foreign exchange transactions other than those relating to the fixed assets are recognized in the profit and loss account.

#### h) Excise Duty :

The Excise Duty is accounted for at the time of dispatch of goods from the Factory.

#### i) Tangible and Intangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation / amortization and impairment losses, if any. Cost includes expenses incidental to the acquisition/installation of assets. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment. Interest on loans to acquire qualifying assets is added to the cost of fixed assets in accordance with Accounting Standard 16 on "Borrowing Costs"



**j) Depreciation / Amortization**

'Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Depreciation on intangible assets has been provided on the straight-line method on useful life of 6 years.

'The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

**k) Employees Retirement Benefits :**

Company's Contribution towards Provident Fund is charged to Profit & Loss Account. The amount of gratuity & leave encashment benefits on the basis of actuarial valuation is charged to Profit & Loss Account.

**l) In determining earnings per share, the company considers the net profit after tax and includes the post-tax effect of any extraordinary items. The number of shares used in computing basic earnings per share is the number of shares outstanding during the period.**

**m) Claims :**

Credits for certain claims such as interest on Telephone Deposits, Insurance, and Customs Duty Drawback etc. are taken as and when determined or received.

**n) The liability for reimbursement of Medical Expenses and Leave Travel Allowance is provided for at the time when the same is due and the claim is made irrespective of the time of expenditure incurred by the employees.**

**o) Liquidated damages on Defence Sales are accounted for as and when ascertained.**

**p) Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

**q) Investments**

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually

**r) Provisions, Contingent Liabilities and Contingent Assets**

i. Provisions are recognized in terms of Accounting Standard 29 – 'Provisions, Contingent Liabilities and Contingent Assets' as mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006, when there is a present obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and a reliable estimate of the amount of the obligation can be made.

ii. Contingent Liabilities are recognized and disclosed only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

iii. Contingent assets are not recognized in the financial statements.

**s) Impairment of Assets**

The Company reviews the carrying value of its fixed assets for any possible impairment at each Balance Sheet date. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value at an appropriate discount rate.



	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
<b>Note 2: SHARE CAPITAL</b>		
<b>Authorised</b>		
1,00,00,000 equity shares of Rs.10/- each	<b>10,00,00,000</b>	10,00,00,000
<b>Issued</b>		
60,27,728 Equity Shares of Rs. 10/- each	<b>6,02,77,280</b>	6,02,77,280
<b>Subscribed and fully paid up</b>		
58,32,056 Equity Shares of Rs. 10/- each fully paid up	<b>5,83,20,560</b>	5,83,20,560
Add : Shares Forfeited	<b>1,46,986</b>	1,46,986
	<b>5,84,67,546</b>	5,84,67,546
<b>a) Reconciliation of the Outstanding at the beginning and at the end of the reporting period</b>		
	31.03.2015	31.03.2014
<b>Ordinary Shares</b>	<b>No. of Shares</b>	<b>Rs.</b>
	<b>No. of Shares</b>	<b>Rs.</b>
At the beginning of the year	58,32,056	5,83,20,560
Issued during the year	—	—
Outstanding at the end of the period	58,32,056	5,83,20,560
<b>b) Shareholder Holding more than 5% shares in the Company</b>		
	%	%
M/s Gupta International Investment Company Ltd 29,13,221 Shares (Previous year 29,13,221 Shares)	49.95	49.95
M/s Antique Investment Company Ltd 9,55,700 Shares (Previous year 9,55,700 Shares)	16.39	16.39
<b>Note 3: RESERVES AND SURPLUS</b>		
<b>Securities premium account</b>		
Share premium on 12,11,716 shares @ Rs.5/- each as per last year Balance Sheet	60,58,580	60,58,580
<b>General reserve</b>		
as per last year Balance Sheet	1,10,80,04,235	1,10,80,04,235
<b>Surplus in Statement of Profit &amp; Loss</b>		
Opening Balance	1,98,81,28,131	1,42,56,76,037
Less: Depreciation on transition to Schedule II of the Companies Act 2013 on tangible fixed assets with nil remaining useful life( Net of deferred tax) (Refer note 43)	(5,47,140)	—
	1,98,75,80,991	1,42,56,76,037
Add:Net Profit for the current year	58,25,91,646	58,15,38,206
	2,57,01,72,637	2,00,72,14,243
Amounts transferred from Consolidation adjustment	—	(1,90,86,112)
	3,68,42,35,452	3,10,21,90,946
<b>Note 4: DEFERRED TAX LIABILITIES (NET)</b>		
Difference of assets between Books of account and as per income-tax	6,83,06,102	6,92,39,780
Less:Expenses allowed for tax purpose on payment basis	1,44,91,533	1,25,88,201
	5,38,14,569	5,66,51,579
Deferred tax liabilities (Net)	1,74,60,000	1,84,00,000
<b>Note 5: OTHER LONG TERM LIABILITIES</b>		
Security Deposit	33,28,39,074	32,60,95,733



## IST LIMITED

	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
<b>Note 6: LONG-TERM PROVISIONS</b>		
Provisions for employees benefits	<u>91,65,537</u>	<u>81,91,483</u>
	<u>91,65,537</u>	<u>81,91,483</u>
<b>Note 7: SHORT-TERM BORROWINGS</b>		
Cash Credit from Bank (Secured) State Bank of India (Secured by hypothecation of charge on entire current assets, book debts, receivables, documentary bills, domestic export of the company both present and future.)	<u>—</u>	<u>16,39,172</u>
	<u>—</u>	<u>16,39,172</u>
<b>Note 8: TRADE PAYABLES</b>		
For Goods	<u>40,55,203</u>	<u>43,63,962</u>
	<u>40,55,203</u>	<u>43,63,962</u>
<b>Note 9: OTHER CURRENT LIABILITIES</b>		
Retention Money	11,40,578	11,40,578
Capital Expenses	6,14,670	6,14,670
Statutory Remittances	14,51,397	27,43,789
Book overdraft	18,06,495	—
Expenses Payable	2,76,605	2,17,560
Director's	94,88,518	82,64,882
Others	<u>1,47,78,263</u>	<u>1,29,81,479</u>
<b>Note 10: SHORT-TERM PROVISIONS</b>		
Provision for employee benefits	73,75,609	61,16,267
Provision for Tax	—	14,45,241
Note : Provision is net of Prepaid Tax (Rs.27,95,76,759)	<u>73,75,609</u>	<u>75,61,508</u>



## NOTE '11' FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 31.3.2014	Additions during the Year	Deductions during the Year	As at 31.3.2015	As at 31.3.2014	For the year	Adjustments during the year	Upto 31.3.2015	As at 31.3.2015	As at 31.3.2014
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Tangible Assets</b>										
Freehold Land (refer note 1)	1,14,62,10,352	—	—	1,14,62,10,352	—	—	—	—	1,14,62,10,352	1,14,62,10,352
Building	13,02,94,056	—	—	13,02,94,056	35,62,524	20,61,170	—	56,23,694	12,46,70,362	12,67,31,532
Plant & Machinery	25,60,86,511	1,06,32,854	7,57,212	26,59,62,153	14,16,05,104	1,48,20,592	(7,04,690)	15,57,21,006	11,02,41,147	11,44,81,407
Furniture	4,69,52,700	3,06,811	—	4,72,59,511	68,10,152	45,92,391	1,95,924	1,15,98,467	3,56,61,044	4,01,42,548
Office Equipments	84,84,897	21,67,038	—	1,06,51,935	35,79,854	19,59,913	5,50,260	60,90,027	45,61,908	49,05,043
Vehicles	1,76,85,091	22,23,220	15,68,066	1,83,40,245	65,43,588	25,11,853	(9,11,485)	81,43,956	1,01,96,289	1,11,41,503
<b>Total</b>	<b>1,60,57,13,607</b>	<b>1,53,29,923</b>	<b>23,25,278</b>	<b>1,61,87,18,252</b>	<b>16,21,01,222</b>	<b>2,59,45,919</b>	<b>(8,69,991)</b>	<b>18,71,77,150</b>	<b>1,43,15,41,102</b>	<b>1,44,36,12,385</b>
<b>Intangible Assets</b>										
Computer Software	19,49,835	—	—	19,49,835	7,77,732	3,30,055	—	11,07,787	8,42,048	11,72,103
<b>Total</b>	<b>1,60,76,63,442</b>	<b>1,53,29,923</b>	<b>23,25,278</b>	<b>1,62,06,68,087</b>	<b>16,28,78,954</b>	<b>2,62,75,974</b>	<b>(8,69,991)</b>	<b>18,82,84,937</b>	<b>1,43,23,83,150</b>	<b>1,44,47,84,488</b>
Previous year	1,60,27,14,235	76,41,531	26,92,324	1,60,76,63,442	14,55,91,873	1,98,44,789	25,57,708	16,28,78,954	1,44,47,84,488	79,72,290
Capital Work in Progress:										

Note: 1 The company has created an equitable mortgage to the extent of undivided 72% of land admeasuring 27.6812 acres in favour of India Bulls Financial Services Limited in respect of loan of Rs.660.00 crores taken by Co-developer (Unitech Developers & Projects Ltd) by depositing the Title deed.



# IST LIMITED

	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
<b>Note 12: NON CURRENT INVESTMENTS (AT COST)</b>		
<b>Other Investment in Equity Instruments</b>		
<b>(A) Unquoted (Fully paid up)</b>		
<b>In Associate Company</b>		
88,40,000 Equity Shares of IST Steel & Power Ltd of Rs.10/- each (including goodwill on acquisition of stake of associates of Rs. 54,92,481/-)	<b>8,84,00,000</b>	88,40,000
Add: Share in post acquisition accumulated profit	<b>3,98,258</b>	33,33,901
	<b>8,87,98,258</b>	9,17,33,901
<b>(B) Quoted (Fully paid up)</b>		
<b>Others</b>		
4,800 Equity Shares of J.C.T.Ltd. of Rs.2.50 each	<b>2,93,399</b>	2,93,399
2,000 Equity Shares of C.T.Cotton Yarn Ltd. of Rs.10/- each	<b>50,838</b>	50,838
0 / (3,000) Equity Shares of JMT Auto Ltd Rs.10/- each	—	4,25,795
0 / (1,000) Equity Shares of DCM Shriram Consolidated Ltd Rs.2/- each	—	1,07,767
	<b>3,44,237</b>	8,77,799
Less: Demunition in value of Investment	<b>(3,29,837)</b>	(3,36,125)
	<b>14,400</b>	5,41,674
<b>Investments in Preference Shares</b>		
<b>In Associate Company</b>		
15,00,000 9% Non Cumulative, Non Convertible Preference Shares of Rs.100/-each of IST Steel & Power Ltd, Redeemable at par	<b>15,00,00,000</b>	15,00,00,000
<b>Others</b>		
11,50,000 9% Non Cumulative, Non Convertible Preference Shares of Rs.100/-each of Subham Infradevelopment (P) Ltd	<b>11,50,00,000</b>	11,50,00,000
<b>Investments in Bonds</b>		
<b>Quoted</b>		
1,58,255/(1,50,000) 7.51%, HUDCO 15 Years Tax-free Bonds of Rs.1000/- each	<b>15,83,08,799</b>	15,00,00,000
<b>Investments in Debenture</b>		
<b>Quoted</b>		
1,00,000 9.90%, IFCI Secured, Redeemable, Non convertible Debenture of face value of Rs1000/-each	<b>10,00,00,000</b>	—
<b>Investments in Mutual Fund</b>		
<b>Unquoted:</b>		
4,43,888 / (1,10,734) SBI Premier Liquid Fund -Direct Plan -Growth National Saving Certificate (Rs.40000/-Pledged with Mining Engineers Nagore.[Refer note 31]	<b>92,88,83,080</b>	21,74,24,135
	<b>60,000</b>	60,000
	<b>1,54,10,64,537</b>	72,47,59,710
Aggregated value of Quoted Investments		
Cost	<b>25,86,53,036</b>	15,08,77,799
Market value	<b>26,68,17,050</b>	13,95,90,174
Aggregated value of Unquoted Investments cost	<b>1,28,22,83,080</b>	57,08,24,135



	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
<b>Note 13: LONG-TERM LOANS AND ADVANCES</b>		
<b>(Unsecured Considered good)</b>		
Capital Advances		
Related Party	<b>5,00,00,000</b>	5,00,00,000
Others	<b>42,97,52,002</b>	41,81,09,120
Security Deposits		
Related Party	<b>39,60,000</b>	39,60,000
Others	<b>17,69,479</b>	17,75,629
Loans & Advances		
Related Party	<b>3,76,18,800</b>	3,48,00,000
Mat Credit Receivable	<b>32,33,09,057</b>	22,64,09,057
	<b>84,64,09,338</b>	73,50,53,806
<b>Note 14: OTHER NON-CURRENT ASSETS</b>		
Term Deposits remaining maturity more than 12 months (Pledged with Sales Tax Dept. Rs.120740/- & State Bank of India Rs. 500000/-)	<b>6,20,740</b>	1,20,740
	<b>6,20,740</b>	1,20,740
<b>NOTE 15: CURRENT INVESTMENTS (AT COST)</b>		
<b>Other Investment in Mutual funds (Unquoted)</b>		
15 / (3,83,070) SBI Premier Liquid Fund Direct Plan Daily Dividend	<b>15,022</b>	38,43,15,172
	<b>15,022</b>	38,43,15,172
<b>Note 16 : INVENTORIES</b>		
(As taken, valued and certified by the management)		
Raw materials	<b>86,25,796</b>	95,09,949
Work in Progress	<b>4,18,33,368</b>	4,82,07,162
Finished Goods	<b>37,76,208</b>	56,48,518
Stores & Spare parts	<b>71,42,972</b>	70,34,284
Scrap	<b>14,86,623</b>	11,62,229
	<b>6,28,64,967</b>	7,15,62,142
Note : Refer Note 1 (b).for mode of valuation		
<b>Note 17: TRADE RECEIVABLES</b>		
<b>Unsecured considered good</b>		
Outstanding for a period exceeding six months from the due date	<b>47,92,839</b>	58,81,839
Others	<b>3,79,25,225</b>	5,15,78,618
	<b>4,27,18,064</b>	5,74,60,457



# IST LIMITED

	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
<b>Note 18: CASH &amp; CASH EQUIVALENTS</b>		
Cash in hand	6,29,996	3,50,282
Cheques / Drafts in Hand	63,02,728	8,68,269
Foreign exchange in hand	1,43,584	—
With Scheduled Banks		
In Current Accounts	55,35,602	25,04,149
Term Deposit	94,06,485	2,69,39,938
Balance held as Margin Money	1,17,06,170	1,31,75,956
	<u>3,37,24,565</u>	<u>4,38,38,594</u>

## Note 19 : SHORT TERM LOANS & ADVANCES

### Unsecured Considered good

Loans & Advances	15,74,81,621	6,00,00,000
Loans to Employees	2,25,000	49,39,180
Advances Raw materials & Stores	3,81,226	4,55,375
Prepaid Expenses	4,14,993	3,97,102
Prepaid Taxes (net of provisions)	43,042	—
Balance with Gov.Authorities	8,05,022	5,66,438
Others	500	3,322
	<u>15,93,51,404</u>	<u>6,63,61,417</u>

(Note : Prepaid Tax net of provisions Rs.34,60,00,000/-)

## Note 20: OTHER CURRENT ASSETS

### Unsecured Considered good

Interest Accrued	55,10,104	36,45,311
Others	37,14,793	17,702
	<u>92,24,897</u>	<u>36,63,013</u>

For the year ended 31.03.2015 Rs.	For the year ended 31.03.2014 Rs.
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## Note 21: REVENUE FROM OPERATION

### Sale of Product

Export Sales	75,18,752	1,57,51,950
Domestic Sales	19,73,57,415	21,76,79,631
<b>Other Operating Revenue</b>		
Job Charges	1,17,900	29,55,816
Income from SEZ Operation	58,55,69,408	54,18,87,742
Revenue from Operations	79,05,63,475	77,82,75,139
Less: Excise duty	2,10,89,994	2,32,00,378
Revenue from Operations	<u>76,94,73,481</u>	<u>75,50,74,761</u>





	For the year ended 31.03.2015 Rs.	For the year ended 31.03.2014 Rs.
<b>Note 22: OTHER INCOME</b>		
Interest		
Related Party	31,32,000	94,38,970
Tax Free Bonds	1,12,65,000	1,12,65,000
Others	1,92,82,708	1,06,66,090
Unspent liabilities written back	25,939	89,388
Dividend		
Current Investments	1,40,62,560	1,75,39,402
Others	—	3,100
Profit on sale of Current Investments	5,90,980	—
Profit on sale of Long term Investments	2,94,511	—
Profit on sale of fixed Assets	—	5,25,189
Profit on Sale of Units	1,20,96,833	1,49,24,135
Provision on Investment written back	6,288	2,00,132
Exchange rate difference (Net)	—	4,21,780
Rent	2,43,60,000	—
Sundry Debit / Credit balances adjusted	—	29,79,885
Income from Assured Return	85,90,585	—
Miscellaneous Receipts	10,55,632	58,546
	<u>9,47,63,036</u>	<u>6,81,11,617</u>
<b>EXPENSES</b>		
<b>Note 23 : COST OF MATERIAL CONSUMED</b>		
Indigenous	3,33,44,709	4,76,90,216
Imported	23,12,450	29,72,138
	<u>3,56,57,159</u>	<u>5,06,62,354</u>
<b>Note 24 : Purchases of Stock-in-Trade</b>		
	4,343	6,07,702
	<u>4,343</u>	<u>6,07,702</u>
<b>Note 25 : CHANGE IN INVENTORIES</b>		
Inventories at the end of the year		
Finished Goods	37,76,208	56,48,518
Goods under process	4,18,33,368	4,82,07,162
Scrap	14,86,623	10,71,715
	<u>4,70,96,199</u>	<u>5,49,27,395</u>
Inventories at the beginning of the year		
Finished Goods	56,48,518	46,40,463
Goods under process	4,82,07,162	6,27,81,559
Scrap	10,71,715	6,39,834
	<u>5,49,27,395</u>	<u>6,80,61,856</u>
	<u>78,31,196</u>	<u>1,31,34,461</u>
<b>Note 26: EMPLOYEE BENEFITS EXPENSES</b>		
Directors' Remuneration	45,05,590	43,50,800
[excluding Rs.2,39,339/- (P.Y. Rs.75,360/-) charged to other head of accounts]		
Salaries, Wages, Bonus etc.	6,66,67,243	6,55,34,036
Gratuity	20,19,031	14,02,274
Contribution to P.F and Other Funds	33,01,086	31,24,379
Staff Welfare Expenses	48,84,493	53,24,349
	<u>8,13,77,443</u>	<u>7,97,35,838</u>



# IST LIMITED

	For the year ended 31.03.2015 Rs.	For the year ended 31.03.2014 Rs.
<b>Note 27: FINANCE COSTS</b>		
Interest	54,530	3,035
Bank Charges	2,01,522	2,19,981
	<u>2,56,052</u>	<u>2,23,016</u>
<b>Note 28: OTHER EXPENSES</b>		
Stores, Other Materials Consumed	1,33,91,392	1,35,48,564
Power and Fuel	1,38,99,419	1,28,29,932
Testing / Job Charges	2,49,264	2,61,019
Rent	59,40,000	56,00,000
Rates & Taxes	1,57,519	1,17,609
Insurance	5,70,356	6,79,655
Advertisement expenses	2,36,000	65,426
Repairs and maintenance		
Building	6,29,938	6,67,884
Plant & Machinery	22,36,810	35,12,449
Others	27,57,098	37,90,819
Travelling & Conveyance [including directors' travelling Rs.28,07,967/-(Previous year Rs.21,59,947/-)	59,86,895	52,32,249
Selling Expenses		
Sales Tax	62,81,305	51,71,582
Export Expenses	3,72,384	9,92,670
Other Selling Expenses	8,99,566	12,47,308
Auditors' Remuneration		
Audit Fee	2,40,000	1,90,000
In Other Capacity		
For Tax Audit	85,000	55,000
For Certificates etc.	48,500	48,500
For Taxation & other matters	1,80,000	2,53,000
For Expenses	45,500	44,000
For Service Tax / Education Cess	74,037	72,987
Internal Audit Expenses	1,30,000	1,30,000
Directors' fee	42,500	45,000
Brokerage & Commission	2,07,45,335	45,56,474
Claim Paid	17,06,582	—
Postage, Telegram & Telephone Expenses	9,12,644	7,74,009
Business Promotion Expenses	9,55,382	—
Security Service Charges	66,300	16,050
Legal, Professional and Service Charges	34,25,421	22,92,781
Exchange Rate Diff	33,189	—
Previous year expenses (Net)	1,31,639	13,03,477
Discount & Liquidated Damages	57,96,872	19,20,164
Loss on sale of fixed Assets	2,37,147	—
Miscellaneous Expenses	47,48,361	52,57,040
Sundry Debit / Credit balances adjusted	10,25,137	6,80,371
	<u>9,42,37,492</u>	<u>7,13,56,019</u>



	As at 31.03.2015 Rs.	As at 31.3.2014 Rs.
<b>29</b> Contingent Liabilities and Commitments ( to the extent not provided for)		
Contingent Liabilities:-		
Gurantees given by the Bank	97,55,140	1,03,85,305
Against the Loan taken by Co-Developer (Unitech Developers and Projects Ltd) from NBFC	6,20,48,02,399	6,00,00,00,000
Court case disputed by Company	31,75,000	31,75,000
Share of Group in Contingent Liabilities of Associate	47,49,695	47,17,600
Other Commitments:-		
Capital Contracts to be executed	12,74,25,680	12,76,95,226
<b>30. a.</b> The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.22,40,746/- (Year ended 31 March, 2014 Rs.21,02,716/-) for Provident Fund contributions and Rs. 10,60,340/- (Year ended 31 March, 2014 Rs.10,21,663/-) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.		
<b>b.</b> The Company offers the following employee benefit schemes to its employees:		
i) Gratuity included in Note no. 26 Employee benefit expenses.		
ii) Earned leave included in Note no. 26 Employee benefit expenses.		

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

Particulars	Year ended 31 March, 2015		Year ended 31 March, 2014	
	Gratuity	Earned Leave	Gratuity	Earned Leave
<b>Components of employer's expense</b>				
Current service cost	8,98,177	11,85,031	7,87,594	11,01,782
Interest cost	7,99,067	4,17,092	6,72,452	3,15,090
Expected return on plan assets				
Curtailment cost / (credit)				
Settlement cost / (credit)				
Past service cost				
Actuarial losses/(gains)	3,21,787	5,62,246	(57,772)	3,16,032
<b>Total expense recognised in the Statement of Profit and Loss</b>	<b>20,19,031</b>	<b>21,64,369</b>	<b>14,02,274</b>	<b>17,32,904</b>
<b>Actual contribution and benefit payments for the year</b>				
Actual benefit payments	6,09,539	13,40,465	4,07,130	7,64,571
Actual contributions				
<b>Net asset / (liability) recognised in the Balance Sheet</b>				
Present value of defined benefit obligation	1,08,10,285	57,30,861	94,00,793	49,06,957
Fair value of plan assets				
Funded status [Surplus / (Deficit)]	(1,08,10,285)	(57,30,861)	(94,00,793)	(49,06,957)
Unrecognised past service costs				
<b>Net asset / (liability) recognised in the Balance Sheet</b>	<b>(1,08,10,285)</b>	<b>(57,30,861)</b>	<b>(94,00,793)</b>	<b>(49,06,957)</b>
<b>Change in defined benefit obligations (DBO) during the year</b>				
Present value of DBO at beginning of the year	94,00,793	49,06,957	84,05,649	39,38,624
Current service cost	8,98,177	11,85,031	7,87,594	11,01,782
Interest cost	7,99,067	4,17,092	6,72,452	3,15,090
Curtailment cost / (credit)				
Settlement cost / (credit)				
Plan amendments				
Acquisitions				
Actuarial (gains) / losses	3,21,787	5,62,246	(57,772)	3,16,032
Past service cost				
Benefits paid	(6,09,539)	(13,40,465)	(4,07,130)	(7,64,571)
<b>Present value of DBO at the end of the year</b>	<b>1,08,10,285</b>	<b>57,30,861</b>	<b>94,00,793</b>	<b>49,06,957</b>
<b>Actuarial assumptions</b>				
Discount rate	7.75	7.75	8.50	8.50
Salary escalation	6.00	6.00	6.00	6.00
Estimate of amount of contribution in the immediate next year	14,59,575	10,35,781	13,66,564	9,32,468



## IST LIMITED

- 31 NSC for Rs.60,000/-(Previous year Rs.60,000/-) shown under Non Current Investments are in the name of Company's executive.
- 32 Previous year expenses/income aggregate Rs. 1,80,637/- Rs. 48,998/- respectively( Previous year Rs.15,05,489/- Rs. 2,02,012/-)
- 33 The company's investment in its wholly owned subsidiary namely Gurgaon Infospace Limited are held in its own name except six equity shares which are held in the name of its nominees.
- 34 Based on information available with the company there are no dues to Micro, Small & Medium Enterprises as defined in Micro, SME development Act,2006 as at 31.03.2015

	Year ended 31 March, 2015	Year ended 31 March, 2014
35 Earning per Share		
Profit after tax	58,25,91,646	58,15,38,206
Weighted average No of share	58,32,056	58,32,056
Nominal Value	10	10
Basic & Diluted	99.89	99.71

- 36 Consequent to the adoption of the Accounting Standard 22 on "Accounting For Taxes on Income", the Company has recognized a deferred tax liability of Rs.1,74,60,000/- accumulated till 31st March, 2015 ( Previous year Rs.1,84,00,000/-)
- 37 The Company has received approval dated 19th June, 2007 from Department of Commerce (SEZ Section), Ministry of Commerce and Industry, Government of India for the development, operation and maintenance of the sector specific Special Economic Zone for IT/ITES on its land. The Company is nearing completion of development Special Economic Zone alongwith the Unitech Developers and Projects Limited in terms of Co-Development Agreement dated 17-09-2007 in terms of which receipts shall be shared between the parties in 28(GIL): 72(UDPL) ratio. The SEZ is being developed and operated in terms of the SEZ Act, 2005 and the rules framed thereunder.

### 38 Details of leasing arrangements:-

#### As Lessor

The Company has entered into operating lease arrangements for building. The lease is non-cancellable for a period of 3 years from 19/02/2014 and may be renewed for a further period of 6 years based on mutual agreement of the parties.

	Year ended 31 March, 2015	Year ended 31 March, 2014
Future minimum lease income		
not later than one year	3,36,00,000	—
later than one year and not later than five years	15,08,27,586	—
later than five years	12,82,82,500	—
Rents recognised as income during the year	2,43,60,000	—
Depreciation recognised on the leased assets	15,48,153	—
Accumulated depreciation on the leased assets	40,73,804	—

The Company has entered into various operating lease arrangements for building situated in SEZ area.

Future minimum lease receipts		
not later than one year	56,95,00,000	56,87,00,000
later than one year and not later than five years	2,48,15,00,000	2,40,88,00,000
Rents recognised as income during the year	56,86,81,716	52,44,57,253
Depreciation recognised on the leased assets	51,82,167	34,43,438
Accumulated depreciation on the leased assets	1,09,27,235	57,45,068

#### As Lessee

The Company has entered into various operating lease arrangements for factory building, guest house and office premises. The leases are renewable on a periodic basis cancellable at its option.

Future minimum lease payments		
not later than one year	56,40,000	41,40,000
later than one year and not later than five years	1,03,99,355	99,19,355
Lease payments recognised in the Statement of Profit and Loss	59,40,000	55,50,000

Income received Rs. 58,55,69,408/- ( Rs. 54,18,87,742/-) from SEZ operation during the year on the assets cost Rs.1,19,11,53,278 (Rs.1,19,11,53,278),WDV Rs.1,18,02,26,043 (Rs.1,18,54,08,210) and Depreciation of Rs.51,82,167 (Rs.34,43,438).



**39** Information on Related Parties transactions as required by Accounting Standard(AS18)

**a. Details of related parties:**

Description of relationship	Names of related parties
(i) Associates Company	M/s IST Steel and Power Limited
(ii) Key Management Personnel (KMP)	Shri S.C Jain, Lt. Col N.L. Khitha(Retd.), Mr. Mayur Gupta, Mr. Gaurav Gupta, Mrs. Sarla Gupta
(iii) Relatives of KMP	Mr. Prem Chand Gupta, Mrs. Shweta Gupta and Mrs. Priyanka Gupta
(iv) Entities in which KMP / Relatives of KMP can exercise significant influence	GPC Technology Ltd, Mercantile Realtors(P) Ltd, Delux Investments Pvt. Ltd, IST Technology Infrastructure Pvt. Ltd, IST Softech Pvt. Ltd.

**b. Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015**

Particulars	Associates	Key Management Personnel	Relatives of KMP	Entities in which KMP can exercise significant influence
	Rs.	Rs.	Rs.	Rs.
<b>During the year ending 31st March,2015</b>				
Remuneration		47,44,929 (44,26,160)	48,00,000 (48,00,000)	
Service Charges				7,80,000 (7,80,000)
Rent			9,60,000 (9,60,000)	49,80,000 (45,90,000)
Interest Income				31,32,000 (94,38,970)
Director Meeting Fees		15,000 (20,000)		
<b>Outstanding Balance as on 31st March, 2015</b>				
Amount Payable		2,73,000 (2,17,560)	1,79,720 (1,00,000)	
Amount Receivable			— (47,93,180)	
Deposits				39,00,000 (39,00,000)
Capital Advance				5,00,00,000 (5,00,00,000)
Loan				3,76,18,800 (3,48,00,000)
Equity Contribution	8,84,00,000 (8,84,00,000)			
Redeemable Preference Shares	15,00,00,000 (15,00,00,000)			

**40 Segment Reporting :**

The Company Operates in only one operational segment viz.precision engineering components / assebbalies and the subsidiary company is SEZ Developer and one Geographical Segment viz. India.

**41** The company has exercised its option to claim deduction u/s 80IAB of the Income Tax Act, 1961 w.e.f. Assessment year 2009-10 in respect of the profit derived by the company from the business of developing SEZ Act, 2005.



# IST LIMITED

## 42-I RAW MATERIAL AND COMPONENTS CONSUMED

	Kgs.	Amount(Rs.)
Steel / Brass / Aluminium etc.	1,95,968	2,90,11,481
	(2,00,933)	(4,03,81,179)
Others		66,45,678
		(1,02,81,175)

## II DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS ITEMS:-

Particulars	Total value of Consumption			Percentage of Total Consumption	
	Total	Imported	Indigenous	Imported	Indigenous
Raw Material & Components	3,56,57,159	23,12,450	3,33,44,709	6.49	93.51
	(5,06,62,354)	(29,72,138)	(4,76,90,216)	(5.87)	(94.13)
Stores & Spares	1,33,91,392	11,71,258	1,22,20,134	8.75	91.25
	(1,35,48,564)	(5,50,346)	(1,29,98,218)	(4.06)	(95.94)
<b>III C.I.F. VALUE OF IMPORTS</b>					Amount(Rs.)
a) Raw material & Components					5,97,493
					(33,57,493)
b) Stores & Spare parts including Tools					11,20,205
					(4,22,326)
<b>IV EXPENDITURE IN FOREIGN CURRENCY</b>					
Overseas Travelling					7,47,575
					(1,16,967)
Other Expenses					4,682
					(23,636)
Exchange Rate Difference (Net)					33,189
					(-)
<b>V INCOME IN FOREIGN CURRENCY</b>					
Export Sales					75,18,752
					(1,57,51,950)
Exchange Rate Difference (Net)					-
					(4,21,780)

43 During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company revised the estimated useful life of its assets to align the useful life with those specified in Schedule II. The details of previously applied depreciation method, rates / useful life are as follows:

Asset	Previous depreciation method	Previous depreciation rate / useful life	Revised useful life based on SLM
Buildings	SLM	1.63%	60 years
General Plant and Machinery	SLM	7.42%/4.75%	15 years
Computers and Data Processing Equipment	SLM	16.21%	3 years
Office Equipment	SLM	6.33%/4.75%	5 years
Furniture and Fixtures	SLM	6.33%	10 years
Vehicles	SLM	9.50%	8 years

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of Rs.8,10,140/- against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus.

The depreciation expense in the Statement of Profit and Loss for the year is higher by Rs.53,67,028/- consequent to the change in the useful life of the assets.



- 44 Enterprises consolidated as subsidiary in accordance with Accounting Standard 21- Consolidated Financial Statements and significant enterprises consolidated as associate in accordance with Accounting Standard 23- Accounting for Investments in Associates in Consolidated Financial Statement .

Name of the entity	Relationship	Country of Incorporation	Proportion of ownership interest
Gurgaon Infospace Limited	Subsidiary	India	100%
IST Steel and Power Limited	Associate	India	25.476%

- 45 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Associate.

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of Consolidated Net Assets	Amount (in Rs.)	As % of Consolidated Profit or Loss	Amount (in Rs.)
IST Limited	37.63%	1,40,82,42,934	4.34%	2,52,64,297
Gurgaon Infospace Limited	60.00%	2,24,56,61,806	96.17%	56,02,62,992
IST Steel and Power Limited	2.37%	8,87,98,258	-0.51%	(29,35,643)
<b>Total</b>	<b>100.00%</b>	<b>3,74,27,02,998</b>	<b>100.00%</b>	<b>58,25,91,646</b>

Previous year's figures have been regrouped and rearranged wherever necessary to make them comparable with those of the current year.

As per our Report of even date

for O.P. DADU & CO.

Chartered Accountants

FRN 001201N

O.P.Dadu

Partner

M.No. 010871

Place : New Delhi

Dated : 30.05.2015

For and on behalf of the Board of Directors

D.N.Tulshyan  
Chief Financial Officer

R.K. Sapra  
Company Secretary

Gaurav Gupta  
Director  
DIN : 00047372

S.C.Jain  
Executive Director  
DIN: 00092079



# IST LIMITED

**Regd. Office** : Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari – 123106 (Haryana)  
Tel: (01274) 267346-48; Fax : (01274) 267444; Website: www.istindia.com ; CIN: L33301HR1976PLC008316

## ATTENDANCE SLIP

DP ID*	
Client ID* / Regd. Folio No.	
No. of Shares held	
Name and Address of the registered Shareholder	

I being the registered shareholder / proxy for the registered shareholder of the Company hereby record my presence at the 39<sup>th</sup> Annual General Meeting of the Company held on Wednesday, the 30<sup>th</sup> September, 2015 at 11.30 A.M. at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari – 123106 (Haryana).

.....

Signature of Shareholder / Proxy

\*Applicable for investors holding shares in electronic form.





**Registered Office :**

Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari – 123106 (Haryana)  
 Tel: (01274) 267346-48; Fax : (01274) 267444; Website: www.istindia.com ; CIN: L33301HR1976PLC008316

**PROXY FORM**

(Form MGT-11 pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014)

CIN	L33301HR1976PLC008316
Name of the Company	IST LIMITED
Registered Office	Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari-123106 (Hr.)
Name of the Member (s)	
Registered Address	
Email	
Folio No. /DP No./Client ID	

I / We being the member(s) of IST LIMITED holding \_\_\_\_\_ shares, hereby appoint the following person (s) as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39<sup>th</sup> Annual General Meeting of the Company to be held on Wednesday, the 30<sup>th</sup> September, 2015 at 11.30 P.M. at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari – 123106 (Haryana), and at any adjournment(s) thereof, in respect of such resolutions as are indicated below:

- 1) Name ..... Address ..... Or failing him  
 Email ..... Signature .....
- 2) Name ..... Address ..... Or failing him  
 Email ..... Signature .....
- 3) Name ..... Address ..... Or failing him  
 Email ..... Signature .....

A.ORDINARY BUSINESS	No. of equity shares	I / We assent to the Resolution (For)	I / We dissent to the Resolution (Against)
1. Adoption of Audited Financial Statements (including Consolidated) for the financial year ended March 31, 2015 together with the reports of the Directors' and Auditors' thereon			
2. Re-appointment of Shri Mayur Gupta, who retires by rotation and being eligible offers himself for re-appointment as Director of the Company			
3. Re-appointment of Lt. Col. N.L. Khitha (Retd.) who retires by rotation and being eligible offers himself for re-appointment as Director of the Company			
4. Ratification of appointment of M/s. O.P. Dadu & Co., Chartered Accountant, as Statutory Auditors and fixing their remuneration.			
<b>B. SPECIAL BUSINESS</b>			
5. Re-appointment of Lt. Col. N.L. Khitha (Retd.) as Whole Time Director designated as Director (Technical) of the Company.			
6. Appointment of Mr. Subhash Chander Jain as Independent Director of the Company.			
7. Appointment of Mrs. Sarla Gupta as Woman Director of the Company.			

Affix  
Revenue  
Stamp  
of Rs.1/-

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of the Shareholder \_\_\_\_\_ Signature of proxy holder(s) \_\_\_\_\_

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