

*37th*  

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*Annual Report*  

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*2012-2013*  

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**IST LIMITED**



**37th Annual Report  
2012-2013**

**BOARD OF DIRECTORS**

AIR MARSHAL (RETD.) D. KEELOR, CHAIRMAN  
BRIG. (REGD.) G.S. SAWHNEY  
SHRI R.K. JAIN  
LT. COL. (RETD.) N. L. KHITHA  
SHRI S.C. JAIN  
SHRI MAYUR GUPTA  
SHRI GAURAV GUPTAA

**COMPANY SECRETARY**

MANISH MEHTA

**BANKERS**

STATE BANK OF INDIA

**AUDITORS**

O.P. DADU & CO.

**REGISTERED OFFICE & WORKS**

DHARUHERA INDUSTRIAL COMPLEX  
DELHI JAIPUR HIGHWAY NO. 8, KAPRIWAS,  
DHARUHERA, REWARI-123106 (HARYANA).

**HEAD OFFICE**

A-23, NEW OFFICE COMPLEX  
DEFENCE COLONY, NEW DELHI-110024.

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**Regd. Office :** Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana)

## NOTICE

Notice is hereby given that the 37th Annual General Meeting of the Company will be held on Saturday, the 28th day of September, 2013 at 11:30 A.M. at its Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari – 123106 (Haryana), to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2013 and Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Air Marshal (Retd) D.Keelor, who retires by rotation and being eligible, offers himself for re-appointment as a Director.
3. To appoint a Director in place of Brig. (Retd.) G.S.Sawhney, who retires by rotation and being eligible, offers himself for re-appointment as a Director.
4. To appoint statutory auditors of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be decided by the Board of Directors. M/s. O. P. Dadu & Co., Chartered Accountants, New Delhi who retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

### SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modifications, the following resolution as Special resolution :

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 for the time being in force including any modification(s) and / or any re-enactment thereof, reappointment of Lt. Col. (Retd) N.L.Khitha as Director (Technical) of the Company for a period of two year, commencing from 1st June 2013 and ending on 31st May 2015 on the terms and conditions mentioned below, be and is hereby approved:

Basic Pay	Rs. 18,000/- per month
Dearness Allowance	Rs. 6,000/- per month
House Rent Allowance	Rs. 10,000/- per month
Special allowances	Rs. 11,000/- per month

### PERQUISITES

#### PART-A

##### a) Medical Benefit for Self and Family

Reimbursement of medical expenses actually incurred by the Director (Technical) and his

family subject to the ceiling of 15,000/- per annum.

##### 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 the 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 Telephone Expenses

Free use of telephone for official work.

### PART-B

#### I. Earned Leave

One month's leave as per rules of the Company for every 11 months of service. Leave accumulated and not availed off during his tenure as Director (Technical) will be allowed to be encashed as per rules of the Company.

#### II. 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 Schedule-XIII of the Companies Act, 1956.

- 6) To consider and if thought fit, to pass with or without modifications, the following resolution as Special resolution:

“RESOLVED that pursuant to the provisions of Section 314 and other applicable provisions, if any, of the Companies Act, 1956 the consent of the company be and is hereby accorded to the appointment of Mrs. Shweta Gupta as Manager (Operations) in Gurgaon Infospace Limited w.e.f 01/11/2012 on the remuneration of Rs. 2,00,000/- per month.

- 7) To consider and if thought fit, to pass with or without modifications, the following resolution as Special resolution:

“RESOLVED that pursuant to the provisions of Section 314 and other applicable provisions, if any,



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of the Companies Act, 1956 the consent of the company be and is hereby accorded to the appointment of Mrs. Priyanka Gupta as

Manager (P.R) in Gurgaon Infospace Limited w.e.f 01/11/2012 on the remuneration of Rs. 2,00,000/- per month.

By order of the Board

Place: New Delhi  
Date: 30th May, 2013

Manish Mehta  
Company Secretary

## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. FORM OF PROXY IS SEPARATELY ANNEXED. THE PROXY FORM MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The Register of Members/ and Share Transfer Books of the Company will remain closed from 21st September, 2013 to 28th September, 2013 (both days inclusive).
3. Members/ Proxies should bring the attendance slip duly filled in alongwith copy of Annual Report for attending the meeting.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Members are requested to write their folio number in the attendance slip for attending the meeting.
6. 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.
7. Members are requested to notify immediately any change in their address to the Registrar & Transfer Agent quoting their Folio Number to the following address:  

MAS SERVICES Limited  
T – 34, 2nd Floor, Okhla Industrial Area  
Phase – II, New Delhi – 110020
8. Members who have multiple ledger folios in identical names or joint names in same order are requested to intimate/ send the concerned share certificates quoting their folios of such accounts to enable the Registrar & Transfer Agent to consolidate all such shareholdings into one folio.
9. Members intending to seek any information on the annual accounts at the meeting are requested to inform the company in writing at least one week prior to the date of the meeting.
10. The details of the director seeking reappointment at the forthcoming annual general meeting :  
Name Air Marshal (Retd) D.Keeloor  
D.O.B 07th December 1933  
Qualifications PVSM, KC, AVSM, V.r.c.  
Expertise Held various distinguished positions in Air Force and Civil Aviation and has vast experience in Administration. He is one of the highest decorated Air Force Officers in the Country.  
D.O.A 27th December, 1996
11. The details of the director seeking reappointment at the forthcoming annual general meeting :  
Name Brig (Retd) G.S. Sawhney  
D.O.B 26/02/1927  
Qualification Graduate in Science  
Expertise Ex. Director of Quality Assurance (Armament)  
Fellow Institute of Quality Assurance ( U.K.)  
D.O.A 29/03/1985
12. The details of the director seeking approval of the members at the forthcoming annual general meeting :  
Name Lt. Col. (Retd) N.L.Khitha  
D.O.B 25th September, 1937  
Qualification Held various distinguished positions in Army and has vast experience in Technical and Administration fields  
Expertise Business Development, Corporate Affairs  
D.O.A 1st June, 2011
13. Pursuant to General Circular No. 2/2011 (No. : 51/12/2007 – CL – III) dated 8th February, 2011, the Company has not attached annual accounts of its Subsidiary Company with the Annual Report. Members who desire to obtain the annual accounts of Subsidiary Company, may write to

# IST LIMITED



the Company Secretary at the Registered office of the Company. The annual accounts of the Subsidiary Company shall be kept available at the

Registered office and the Head Office of the company for inspection by any member during Working Hours.

By order of the Board

Place: New Delhi  
Date: 30th May, 2013

Manish Mehta  
Company Secretary

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## Explanatory Statement Pursuant to Section 173 (2) of the Companies Act, 1956

### Item No. 5

The Board of Directors of the Company, subject to approval by members, appointed Lt. Col. (Retd) N.L.Khitha, as Director (Technical) of the Company w.e.f. 1st June, 2013, to hold office for a period of two year i.e. upto 31st May, 2015 now the resolution is being proposed as Special Resolution. Considering the ability, educational background, Knowledge and experience possessed by Lt. Col. (Retd) N.L.Khitha, it would be in the interest of the company to reappoint him as Director (Technical) of the Company.

None of the Directors except Lt. Col. (Retd) N.L.Khitha is concerned or interested in this resolution.

The Board recommends this resolution to the members for their approval.

### Item No. 6 & 7

The Board of Directors of the Company have approved the appointment of Mrs. Shweta Gupta as Manager (Operations) & Mrs. Priyanka Gupta as Manager (P.R) in the Subsidiary of the company i.e. Gurgaon Infospace Limited. Both of them are well-qualified and the Board recommends the resolution(s) set forth at Item No. 6 & 7 of the Notice for the approval of the members as a special resolution.

None of the Directors except Mr. Mayur Gupta and Mr, Gaurav Gupta are concerned or interested in this resolution.

By order of the Board

Place: New Delhi  
Date: 30th May, 2013

Manish Mehta  
Company Secretary



## DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present their 37th Annual Report together with the Audited Statements of Accounts of the Company and the report of the Auditors thereon for the year ended 31st March, 2013.

### FINANCIAL RESULTS

The turnover of the Company during the year was Rs.2078.57 Lacs as against Rs.1950.70 Lacs in the previous year. The profit before tax during the year was Rs.865.51 as against Rs. 776.13 Lacs in the previous year. The profit after tax was Rs.671.59 Lacs as against Rs. 613.37 Lacs in the previous year.

The effort by your management towards cost control and diversifying activities of your company continue unabatedly.

### DIVIDEND

In order to conserve the resources for the modernization and upgradation of Plant of the Company, your Directors expressed their inability to recommend payment of dividend for the year 2012-2013.

### DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company Brig. Air Marshal (Retd) Denzil Keelor and (Retd.) G S Sawhney retires by rotation and is eligible for re-appointment.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act 1956, the Directors confirm that, to the best of their knowledge and belief;

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) appropriate accounting policies have been selected and applied consistently, and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period.
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

- iv) the annual accounts have been prepared on a going concern basis.

### CORPORATE GOVERNANCE

As per requirement of Clause 49 of the Listing Agreement with the Stock Exchanges, a Corporate Governance report as well as Corporate Governance Compliance Certificate received from Statutory Auditors is annexed as part of the Annual Report. The Corporate Governance Report interalia contains details of Audit Committee of Board of Directors of the Company.

### PARTICULARS OF EMPLOYEES

There is no employee in the company who is covered as per Ministry of Corporate affairs General Circular No. 23/2011, who had drawn salary in excess of Rs. 60,00,000/- during the financial year 2012-2013.

Your directors wish to place on record their deep sense of appreciation for the devoted contribution made by the employees & associates at all levels.

### AUDITORS

M/s O. P. Dadu & Co., Chartered Accountants, who are auditors of your company retire at the ensuing Annual General Meeting, and being eligible offer themselves for re-appointment.

### FIXED DEPOSITS

The Company has not accepted any deposit covered by companies (Acceptance of Deposit) Rules 1975.

### SUBSIDIARY COMPANY

The annual accounts of subsidiary of this Company i.e. Gurgaon Infospace Limited are not attached pursuant to General Circular 2/2011 ( No. 51/12/2007-CL-III) dated 8th February, 2011. Members, who desire to obtain the annual accounts of Subsidiary Company, may write to the Company Secretary at the registered office of the Company. The annual accounts of Subsidiary Company shall be kept available at the registered office and the Head Office of the Company for inspection by any member during working hours. A statement pursuant to section 212 of the companies act 1956 is attached

### LISTING OF SECURITIES

The Equity shares of the company continue to be listed on the Stock exchange, Bombay and Delhi Stock Limited and Listing fee for the year 2012-2013 has been paid to each of the above Stock Exchange.



## DEMATERIALISATION OF SHARES

The Details on Dematerialisation of Equity Shares of the Company are given in the annexed Corporate Governance report.

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

A. The information in accordance with the provisions of Section 217(1) (e) of the Companies Act 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto.

### B. FOREIGN EXCHANGE EARNING AND OUTGO

Your Company utilized foreign exchange equivalent to Rs.77.27 lacs for import of raw

material and components, stores and spares, capital goods and expense on overseas traveling. The foreign exchange earned by your company was Rs.41.62 lacs in respect of exports made by it.

## ACKNOWLEDGEMENTS

Your Directors wish to place on record their thanks appreciation for the valuable Cooperation and continued support received from the Government of Haryana and the Company's banker- State Bank of India.

Your Directors wish to place on records their deep sense of appreciation for the devoted contribution made by the Executives, Staff and Workers of the Company at all levels.

For and on behalf of the Board

Air Marshal (Retd.) D. Keelor  
Chairman

Place : New Delhi  
Dated : 30th May, 2013



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## Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies

1	Name of the Subsidiary	Gurgaon Infospace Ltd.
2	Financial year of the Subsidiary ended on	31st March, 2013
3	Shares of the Subsidiary held by the Company on the above date	
	(a) Number of shares	
	Face value	1,00,000
	Equity shares of Rs. 100/- each	
	(b) Extent of holding	100%
4	Net aggregate amount of profits/ (losses) of the Subsidiary for the above financial year so far as they concern members of the company	
	(a) dealt with in the accounts of the Company for the year ended 31st March, 2013	Nil
	(b) not dealt with in the accounts of the company for the year ended 31st March, 2013	Rs.39,71,21,052/-
5	Net aggregate amount of profits/ (losses) for previous years of the Subsidiary, since it became a subsidiary so far as they concern members of the company	
	(a) dealt with in the accounts of the Company for the year ended 31st March, 2012	Nil
	(b) not dealt with in the accounts of the company for the year ended 31st March, 2012	Rs.32,10,28,858/-
6.	Change in the interest of the Company in the subsidiary between the end of the financial year of the subsidiary and that of the company	Nil
7.	Material changes between the end of the financial year of the subsidiary and end of the financial year of the company in respect of the Subsidiary's fixed assets, Investments, lending and borrowing for the purpose other than meeting their current liabilities.	Nil
8.	Remarks	Nil





## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. INDUSTRY STRUCTURE AND DEVELOPMENT

The main Business streams of your Company are –

- Manufacturing of Auto Components and Development of Infrastructure for IT / ITES Sector. As far as auto components industry is concerned; there is significant potential for growth in domestic as well as export markets. Information Technology has emerged as sunshine industry and has been contributing to exports vis-à-vis Indian Economy.

### 2. OPPORTUNITY AND THREATS

Your Company is engaged in High Precision Auto Component manufacturing. Tremendous opportunities for growth in the 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 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.

Your Company's wholly owned Subsidiary, namely, Gurgaon Infospace Limited has set up Sector Specific Special Economic Zone for IT/ ITES at Village Dundaheera, District Gurgaon, Haryana.

Indian IT Industry has been facing threat from the changing US policies which is one of the major markets 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.

### 3. OUTLOOK

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

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

### 4. 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.

### 5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

### 6. 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 suggestion schemes and other means. Industrial relations continue to be harmonious and positive. As a result, employee motivation is high and turnover low.

**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, 2013 was 7 Directors including one Non-Executive Chairman and one Executive 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.

During the year under review 4 Board meetings were held on 29th May, 2012, 14th August, 2012, 9th November, 2012 and 14th February, 2013. The Composition of Board of Directors, their shareholding, attendance during the year and at the last Annual General Meeting, Number of other Directorships, Committee memberships and Chairmanships held by them as at 31st March, 2013, are given below:-

Directors / Category	Shares held	Attendance		No. of other Directorships and Committee Memberships / Chairmanships in public Companies		
		Board Meetings	Last AGM	Directorships	Committee Memberships	Committee Chairmanships
Air Marshal (Retd.) D. Keelor, Chairman, (Non Executive & Independent)	—	4	Yes	1	2	1
Mr. S.C.Jain (Executive Director)	—	3	Yes	5	3	—
Mr. Mayur Gupta, Director (Promoter)	—	4	No	2	—	—
Mr. Gaurav Gupta Director (promoter)	—	3	Yes	4	—	—
Lt. Col. (Retd.) N.L.Khitha Director (Technical)	—	4	Yes	—	—	—
Brig. (Retd.) G. S. Sawhney, (Non Executive & Independent)	—	2	Yes	—	—	—
Mr. R.K.Jain (Non Executive & Independent)	—	3	Yes	2	3	2

\*No. of Directorship / Membership held in other Companies excludes Directorship / Membership in Private Companies.

**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 292A of the Companies Act, 1956.

The broad terms of reference of Audit Committee include inter-alia the following:-

- 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;
- Make recommendation to the Board on any matter relating to the financial management of the Company, including the Audit Report.

## COMPOSITION

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

The minutes of the Audit Committee meetings are noted by the Board of Directors at the subsequent Board meeting.

During the year under review 4 Board meetings were held on 29th May, 2012, 14th August, 2012, 9th November, 2012 and 14th February, 2013. The Composition of Audit Committee and attendance at its meeting is as follows:-

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

## 4. REMUNERATION TO DIRECTORS

The Company does not have a Remuneration Committee. Detailed terms of appointment of the Executive Director & Whole Time Director (Technical) are governed under Board and Members resolutions. None of the Non-Executive Directors draw any remuneration from the Company except sitting fees of Rs. 2,500/- for attending each meeting of the Board of Directors.

The details of remuneration paid to the Directors during the Financial year ended 31st March, 2013 are as under:-

- (a) The details of remuneration paid to Mr. Mayur Gupta, Managing Director till 30/09/2012 are as under The tenure of the appointment of Managing Director was for a period of two years (01/10/2010 to 30/09/2012).

Name	Salary (in Rs.)	Perquisites (Rs.)	Total (Rs.)
Shri Mayur Gupta	4,50,000/-	—	4,50,000/-

- (b) The Details of remuneration paid to Mr. S.C.Jain, Executive Director are as under:-

Name	Salary (in Rs.)	Perquisites (Rs.)	Total (Rs.)
Mr. S.C.Jain	5,18,516/-	—	5,18,516/-

- (c) The details of remuneration paid to Lt. Col. (Retd.) N.L.Khitha, Director ( Technical) are as under:-

Name	Salary (in Rs.)	Perquisites (Rs.)	Total (Rs.)
Lt. Col.(Retd.) N.L.Khitha	4,80,000/-	—	4,80,000/-

The tenure of the appointment of Lt. Col. (Retd.) N.L.Khitha, Director ( Technical) is for a period of two years (01/06/2011 to 31/05/2013).

- a) The non-Executive Directors are paid by way of sitting fees for each meeting of the Board of Directors and details of sitting fee paid to Non-Executive Directors are as under:



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Director	Sitting Fees (Rs.)
Air Marshal (Retd.) D Keelor	10,000/-
Mr. Mayur Gupta	5,000/-
Mr. Gaurav Gupta	7,500/-
Mr. R.K.Jain	7500/-
Brig. (Retd.) G S Sawhney	5000/-

## 5. SHAREHOLDERS GREIVENCE COMMITTEE

The Board has constituted a Committee of three members to deal with shareholders grievence, transfer, transmission etc. The Committee 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.

### COMPOSITION

The constitution of the Committee of Directors is as under:-

Name of the Members	Category
Air Marshal Retd.) D Keelor	Non-executive & Independent Director
Mr. S.C.Jain	Member, Executive Director
Shri Gaurav Gupta	Non- Executive Director

### COMPLIANCE OFFICER

The Board designated Mr. Manish Mehta, Company Secretary as Compliance Officer.

### DETAILS OF SHAREHOLDER'S COMPLAINTS RECEIVED AND REPLIED TO THE SATISFICATION OF SHAREHOLDERS.

Number of shareholders Complaints received during the period 01.04.2012 to 31.03.2013	9
Number of complaints not resolved to the satisfaction of shareholders	NIL
Number of pending complaints as on 31.03.2013,	NIL

## 6. GENERAL BODY MEETINGS

### (I) DETAILS OF THE LOCATION OF THE LAST THREE ANNUAL GENERAL MEETINGS:

Financial year	Date	Location of the Meeting	Time
2009-2010	08.09.2010	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway no. 8, Kapriwas, Dharuhera, Rewari (Haryana)	11.00 A.M.
2010-2011	01.09.2011	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway no. 8, Kapriwas, Dharuhera, Rewari (Haryana)	11.00 A.M.
2011-2012	28.09.2012	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway no. 8, Kapriwas, Dharuhera, Rewari (Haryana)	11.00 A.M.

### (II) Special Resolution passed in the previous three AGMs.

- In the AGM held on 28/09/2012, no special resolution was transacted.
- In the AGM held on 01.09.2011, a special resolution was transacted to appoint Lt. Col.(Retd.) N.L.Khitha as Director( Technical) of the Company for a period of two years commencing from 01.06.2011 and ending on 31.05.2013
- In the AGM held on 08/09/2010, no special resolution was transacted.



## 7. DISCLOSURES

### i) Related Party Transactions

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.

### ii) 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.

### iii) Details on Non Compliance

There are no instances of non-compliance by the Company on any matter relating to the Capital Market during the last 3 years.

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

### v) CEO certificates : Yes

## 8. MEANS OF COMMUNICATION

The Company's financial results are forthwith communicated to all the Stock Exchanges 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 normally published in one National newspaper in English language and one Regional Newspaper in Hindi language.

## 9. GENERAL SHAREHOLDERS INFORMATION

### Annual General Meeting

Day, Date & Time	Saturday, the 28th September, 2013 at 11:30 A.M.
Venue	Registered Office : IST Limited Factory, Dharuhera Industrial Complex, Delhi Jaipur Highway no. 8, Kapriwas, Dharuhera, Rewari (Haryana)
Financial year	1st April to 31st March
Book Closure	21st September, 2013 to 28th September, 2013 (both days inclusive)

### LISTING ON STOCK EXCHANGES:

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

### DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2013

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 500	7002	97.562	6,45,324	11.065
501-1000	105	1.463	75,534	1.295
1001-2000	37	0.516	52,312	0.897
2001-3000	7	0.098	18,323	0.314
3001-4000	2	0.028	6,792	0.116
4001-5000	4	0.056	18,928	0.325
5001-10000	6	0.084	42,571	0.73
10001 and above	14	0.195	49,72,272	85.258
Grand Total	7177	100.00	58,32,056	100.00



# IST LIMITED

## SHAREHOLDING PATTERN AS ON 31ST MARCH, 2013:

CATEGORY	NO. OF SHARES	% OF HOLDING
Promoters	43,73,752	74.996
Financial Institutions, Mutual funds, Banks	300	0.006
Foreign Institutional Investors	0	0.000
Private Body Corporates	5,41,484	9.285
Indian Public	9,08,038	15.57
NRIs/ OCBs	3845	0.066

## STOCK MARKET DATA – BOMBAY STOCK EXCHANGE

The monthly high and low quotations and volume of shares traded on the Bombay Stock Exchange are as under:

Month	High Price (Rs.)	Low Price (Rs.)	No. of Shares
April, 2012	185.00	161.90	1,690
May, 2012	176.00	143.65	2,079
June, 2012	173.55	145.90	1,868
July, 2012	180.00	155.15	6,499
August, 2012	181.20	162.10	4,779
September, 2012	191.40	146.60	4,637
October, 2012	201.00	172.25	5,605
November, 2012	204.00	176.05	2,965
December, 2012	240.00	182.25	6,619
January, 2013	238.00	200.00	22,238
February, 2013	239.00	220.00	12,568
March, 2013	265.00	157.25	8,195

## DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company's shares are compulsorily traded in dematerialized form. As on 31st March, 2013, 23,56,933 (40.41) 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.

## REGISTRAR AND SHARE TRANSFER AGENTS

MAS Services Ltd.

T-34, 2nd Floor, Okhla Industrial Area, Phase - II,  
New Delhi-110020.

Phone: 011-26387281, 26387282, 26387283

Fax: 011-26387384

e-mail: info@masserv.com

## SHARE TRANSFER SYSTEM

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

# IST LIMITED



## PLANT LOCATION

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

## INVESTOR CORRESPONDENCE ADDRESS

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

### **MAS Services Ltd.**

T-34, 2nd Floor,  
Okhla Industrial Area, Phase - II,  
New Delhi-110020.

### **IST Limited**

#### **Registered Office:**

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

#### **Corporate Office:**

A-23, New Office Complex, Defence Colony  
New Delhi-110024.



## AUDITORS' REPORT

We have examined the compliance of conditions of Corporate Governance by IST Limited for the year ended 31st March 2013 as stipulated in clause 49 of the Listing Agreement entered into with Bombay and Delhi Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the 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 as assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : New Delhi  
Dated : 30th May, 2013

For O.P. DADU & CO.  
*Chartered Accountants*  
FRN. 001201N  
(O.P. DADU)  
*Partner*  
Membership No. 010871





## AUDITORS' REPORT

TO THE MEMBERS OF M/S. IST LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of M/S. IST LIMITED which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control 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.

### Auditors' Responsibility

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

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) In our opinion, and based on information and explanations given to us, none of the directors is disqualified as on 31<sup>st</sup> March, 2013 from being appointed as director in terms of clause(g) of sub-section(1) of Section 274 of the Companies Act, 1956;

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

Place : New Delhi  
Dated : 30th May, 2013

(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) The management has certified that the fixed assets of the Company have been physically verified during the year and that no material discrepancy was noticed between the physical verification and the book records. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and the nature of the assets.  
c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year, and the going concern status of the Company is not affected.
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 granted Unsecured Loans to eleven parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.35.04 Crores and the year end balance of Loan granted was Rs.19.08 Crores.  
b) In our opinion, rate of interest and the terms and conditions on which Unsecured Loans have been granted to parties, listed in the register maintained under Section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.  
c) The principal amounts are repayable over a period of one year, while the interest is payable annually at the discretion of the Company.  
d) There is no overdue amount of Loans granted to parties listed in the register maintained under section 301 of the Companies Act, 1956.  
e) The company has taken Unsecured Loan from one Company covered in register maintained under section 301 of the Companies Act, 1956 during the year. The maximum amount involved during the year was Rs.2.50 Crores and the year end balance was NIL.  
f) The rate of interest and term and condition on which Unsecured Loan was taken from the company listed in the register maintained under section 301 of Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.  
g) The amount has been paid during the year.
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. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.
5. a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts and arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.  
b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which appear reasonable as per information available with the Company.

# IST LIMITED



6. The company has not accepted any deposit within the meaning of section 58A and 58AA or any other relevant provision of the Companies Act, 1956.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account relating to materials, Labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9.
  - a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material 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, wealth tax, service tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31<sup>st</sup> March, 2013 for a period of more than six months from the date they became payable.
  - c) According to the information and explanations given to us, there are no dues of Sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
10. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to bank.
11. In our opinion, the terms and conditions on which the company has given guarantees for loans taken by others from banks are not prejudicial to the interest of the company.
12. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
13. 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.
14. Matters specified in items x, xii, xiii, xiv, xvi, xviii, xix, xx of clause to para 4 of Companies (Auditor's Report) Order 2003 do not apply to the Company.

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

Place : New Delhi  
Dated : 30th May, 2013

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



# IST LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2013

	Note	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
<b>EQUITY AND LIABILITY</b>			
<b>SHAREHOLDER FUNDS</b>			
(a) Share capital	2	5,84,67,546	5,84,67,546
(b) Reserves and Surplus	3	1,38,36,18,511	1,31,64,59,177
		<u>1,44,20,86,057</u>	<u>1,37,49,26,723</u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities (net)	4	1,69,00,000	1,31,33,000
Long-term provisions	5	75,52,194	82,93,161
		<u>2,44,52,194</u>	<u>2,14,26,161</u>
<b>CURRENT LIABILITIES</b>			
Short-term borrowings	6	—	14,31,144
Trade payables	7	65,07,429	74,64,911
Other current liabilities	8	1,31,66,448	1,90,95,553
Short-term provisions	9	48,40,226	71,93,731
		<u>2,45,14,103</u>	<u>3,51,85,339</u>
		<u>1,49,10,52,354</u>	<u>1,43,15,38,223</u>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	10		
Tangible assets		26,78,69,637	15,73,71,255
Intangible assets		14,93,643	17,63,268
Capital work- in-progress		—	10,65,79,531
		<u>26,93,63,280</u>	<u>26,57,14,054</u>
<b>NON-CURRENT INVESTMENTS</b>			
Long-term loans and advances	11	51,38,01,542	22,30,06,660
Other non-current assets	12	24,63,31,818	13,83,19,478
	13	—	18,02,00,000
<b>Current assets</b>			
Current Investments	14	27,67,75,770	3,09,26,627
Inventories	15	8,83,06,087	5,86,01,686
Trade receivables	16	3,03,42,140	3,00,08,364
Cash and cash equivalents	17	4,91,90,561	38,32,50,949
Short-term loans and advances	18	44,06,488	11,45,42,927
Other current assets	19	1,25,34,668	69,67,478
		<u>46,15,55,714</u>	<u>62,42,98,031</u>
		<u>1,49,10,52,354</u>	<u>1,43,15,38,223</u>

Note 1 to 37 form integral part of Balance Sheet and Statement of Profit & Loss

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

For and on behalf of the Board

Chartered Accountants  
FRN 001201N

O.P.Dadu

D.N.Tulshyan  
GM(Finance)

Manish Mehta  
Company Secretary

Mayur Gupta  
Director

D.Keelor  
Director

S.C.Jain  
Executive Director

M.No. 010871

Place : New Delhi

Dated : 30th May, 2013



## STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2013

	Note	For the year ended 31.03.2013 Rs.	For the year ended 31.03.2012 Rs.
<b>INCOME</b>			
Revenue from operations	20	20,78,57,047	19,50,70,090
Other income	21	4,71,08,078	5,55,04,822
<b>Total Revenue</b>		<b>25,49,65,125</b>	<b>25,05,74,912</b>
<b>EXPENSES</b>			
Cost of materials consumed	22	5,78,91,318	4,83,57,331
Change in inventories	23	(3,08,24,012)	(87,15,595)
Employees benefit expense	24	7,03,65,833	6,54,12,940
Finance charges	25	4,07,550	7,10,433
Depreciation		1,47,84,788	1,21,69,573
Other expenses	26	5,57,87,988	5,50,26,766
		<b>16,84,13,465</b>	<b>17,29,61,448</b>
Profit before tax		<b>8,65,51,660</b>	<b>7,76,13,464</b>
Tax expenses			
Current tax		1,53,00,000	1,63,10,000
Deferred tax		37,67,000	(3,72,000)
Profit after tax		<b>6,74,84,660</b>	<b>6,16,75,464</b>
Prior period adjustment Income tax		(3,25,326)	(3,38,104)
Profit after tax and adjustment		<b>6,71,59,334</b>	<b>6,13,37,360</b>
<b>Earning per share</b>			
Basic & Diluted (Refer note no.33)		<b>11.52</b>	<b>10.52</b>

Note 1 to 37 form integral part of Balance Sheet and Statement of Profit & Loss

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 : 30th May, 2013

D.N.Tulshyan  
GM(Finance)

Manish Mehta  
Company Secretary

Mayur Gupta  
Director

D.Keelor  
Director

S.C.Jain  
Executive Director

For and on behalf of the Board



## NOTES TO FINANCIAL STATEMENTS AS 31 MARCH, 2013

### NOTES : 1

#### ACCOUNTING POLICIES

The significant Accounting Policies adopted in the preparation of these accounts are as under :

**(i) Basis of Accounting :**

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

**(ii) Fixed Assets :**

- a) Fixed Assets are stated at Cost less Depreciation.
- b) Plant & Machinery manufactured within the plant is stated at Cost (less Depreciation wherever applicable). The over head expenses are, however, allocated on estimates given by Technical Personnel.

**(iii) Depreciation :**

Depreciation is calculated on Straight Line Method at the rates prescribed in schedule XIV of the Companies Act.1956

**(iv) Valuation of Inventories :**

- a) 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.
- b) Tools and Instruments are valued at cost less depletion in value.
- c) Stock of Scrap is valued at estimated realisable value.

**(v) Revenue Recognition**

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

**(vi) 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.

**(vii) Investments:**

Investments are stated at cost and diminution in value is provide for.

**(viii) 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.

**(ix) Excise Duty :**

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

**(x) Claims :**

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

**(xi) 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.**

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

**(xiii) In determinig 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.**

**(xiv) Income Tax**

Provision is made for income tax annually based on the tax liability computed after considering tax allowances and exemptions.

The differences that result between the profit offered for income tax and the profit as per the financial statement are identified and thereafter a deferred tax assets or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate being considered.

**(xv) Impairment of Assets**

The management assesses the performance of its unit to arrive at the value in use to check for impairment, if any, in Fixed Assets, as required under AS 28 of the ICAI and provides for any impairment thereof in Profit & Loss Account.

**(xvi) Provision,Contingent Liabilites and Contingent Assets**

The Company creates a provision when there is a present obligation as a result of a past event where the out flow of economic resources is probable and a reliable estimate of the amount of obligation can be made. The disclosure is made for possible or present obligation that may, but probably will not, require out flow of resources as contingent liabilities in the financial statements. Contingent assets are not recognized in the financial statements.



	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
<b>NOTE 2: SHARE CAPITAL</b>		
<b>Authorised</b>		
1,00,00,000 equity shares of Rs.10/- each	<u>10,00,00,000</u>	10,00,00,000
<b>Issued</b>		
60,27,728 Equity Shares of Rs. 10/- each	<u>6,02,77,280</u>	6,02,77,280
<b>Subscribed and fully paid up</b>		
58,32,056 Equity Shares of Rs. 10/- each fully paid up	<u>5,83,20,560</u>	5,83,20,560
Add : Shares Forfeited	<u>1,46,986</u>	1,46,986
	<u><u>5,84,67,546</u></u>	<u><u>5,84,67,546</u></u>

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

	31.03.2013		31.03.2012	
Ordinary Shares	No. of Shares	Rs.	No. of Shares	Rs.
At the beginning of the year	<u>58,32,056</u>	<u>5,83,20,560</u>	58,32,056	5,83,20,560
Issued during the year	—	—	—	—
Outstanding at the end of the period	<u>58,32,056</u>	<u>5,83,20,560</u>	<u>58,32,056</u>	<u>5,83,20,560</u>

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	<u>60,58,580</u>	60,58,580
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#### General reserve

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

Opening Balance	<u>20,23,96,362</u>	14,10,59,002
Add:Net Profit for the current year	<u>6,71,59,334</u>	6,13,37,360
	<u>26,95,55,696</u>	20,23,96,362
	<u><u>1,38,36,18,511</u></u>	<u><u>1,31,64,59,177</u></u>

### NOTE 4: DEFERRED TAX LIABILITIES (NET)

Difference of assets between book of account and as per income-tax	<u>6,33,18,411</u>	5,19,33,306
Less:Expenses allowed for tax purpose on payment basis	<u>1,13,27,085</u>	1,14,55,426
	<u>5,19,91,326</u>	4,04,77,880
Deferred tax liabilities (Net)	<u><u>1,69,00,000</u></u>	<u><u>1,31,33,000</u></u>



# IST LIMITED

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
<b>NOTE 5: LONG-TERM PROVISIONS</b>		
<b>Provisions for employees benefits</b>	<b>75,52,194</b>	82,93,161
	<b>75,52,194</b>	82,93,161
<b>NOTE 6: SHORT-TERM BORROWINGS</b>		
Cash Credit from Bank (Secured) [State Bank of India (Secured by first charge on current assets consisting raw materials, work in process, finished goods, book-debts & other current assets of the company, first charge on fixed assets consisting movable tangible property both present and future; plant & machinery purchased or to be purchased out of the term loan financed; and equitable mortgage on land of an associate company, GPC Technology Limited admeasuring 10.968 acres (Previous year 11.26696 acres) situated at Vill. Malpura, Tehsil Dharuhera, Dist. Rewari, Haryana.)	—	14,31,144
	—	14,31,144
<b>NOTE 7: TRADE PAYABLES</b>		
For Goods	<b>65,07,429</b>	74,64,911
	<b>65,07,429</b>	74,64,911
<b>NOTE 8: OTHER CURRENT LIABILITIES</b>		
Statutory Remittances	<b>7,54,805</b>	7,44,339
Expenses Payable		
Director's	<b>56,828</b>	1,08,919
Others	<b>1,23,54,815</b>	1,82,42,295
	<b>1,31,66,448</b>	1,90,95,553
<b>NOTE 9: SHORT-TERM PROVISIONS</b>		
Provision for employee benefits	<b>37,54,381</b>	31,62,265
Provision for Tax	<b>10,85,845</b>	40,31,466
[Note : Provision is net of Prepaid Tax Rs. 3,05,86,155 (Rs.2,90,10,534)]	<b>48,40,226</b>	71,93,731





## NOTE '10' FIXED ASSETS

Particulars	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	Cost as at 31.3.2012 Rs.	Additions during the Year Rs.	Deductions during the Year Rs.	As at 31.3.2013 Rs.	As at 31.3.2012 Rs.	For the Year Rs.	Deductions during the year Rs.	Upto 31.3.2013 Rs.	As at 31.3.2013 Rs.	As at 31.3.2012 Rs.		
<b>Tangible Assets</b>												
Freehold Land	3,61,94,802	—	—	3,61,94,802	—	—	—	—	3,61,94,802	3,61,94,802		
Building	22,64,68,363	9,78,61,811	—	9,78,61,811	9,30,503	—	—	9,30,503	9,69,31,308	—		
Plant & Machinery	33,84,490	2,22,33,591	—	24,87,01,954	11,86,94,956	1,16,19,871	—	13,03,14,827	11,83,87,127	10,77,73,407		
Furniture	55,03,095	27,82,095	9,600	61,66,585	20,32,087	2,23,911	—	22,55,998	39,10,587	13,52,403		
Office Equipments	1,41,89,286	20,95,755	—	75,89,250	25,30,107	4,97,996	5,219	30,22,884	45,66,366	29,72,988		
Vehicles	—	—	—	1,41,89,286	51,11,631	11,98,208	—	63,09,839	78,79,447	90,77,655		
<b>Total</b>	<b>28,57,40,036</b>	<b>12,49,73,252</b>	<b>9,600</b>	<b>41,07,03,688</b>	<b>12,83,68,781</b>	<b>1,44,70,489</b>	<b>5,219</b>	<b>14,28,34,051</b>	<b>26,78,69,637</b>	<b>15,73,71,255</b>		
<b>Intangible Assets</b>												
Computer Software	19,05,161	44,674	—	19,49,835	1,41,893	3,14,299	—	4,56,192	14,93,643	17,63,268		
<b>Total</b>	<b>28,76,45,197</b>	<b>12,50,17,926</b>	<b>9,600</b>	<b>41,26,53,523</b>	<b>12,85,10,674</b>	<b>1,47,84,788</b>	<b>5,219</b>	<b>14,32,90,243</b>	<b>26,93,63,280</b>	<b>15,91,34,523</b>		
Previous year	27,52,93,204	1,50,86,483	27,34,490	28,76,45,197	11,82,85,630	1,21,69,573	19,44,529	12,85,10,674	15,91,34,523			
Capital Work in Progress:										10,65,79,531		



# IST LIMITED

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
<b>NOTE 11: 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.31]	<b>1,00,00,000</b>	1,00,00,000
<b>Related Parties</b>		
88,40,000 (62,40,000) Equity Shares of IST Steel & Power Ltd of Rs.10/- each	<b>8,84,00,000</b>	6,24,00,000
	<b>9,84,00,000</b>	<b>7,24,00,000</b>
<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
(10,000) Equity Shares of Ricoh India Ltd Rs.10/- each	<b>—</b>	6,09,706
3,000 Equity Shares of JMT Auto Ltd Rs.10/- each	<b>4,25,795</b>	4,25,795
1,000 Equity Shares of DCM Shriram Consolidated Ltd Rs.2/- each	<b>1,07,767</b>	1,07,767
	<b>8,77,799</b>	14,87,505
Less: Demerit in value of Investment	<b>(5,36,257)</b>	(9,40,845)
	<b>3,41,542</b>	5,46,660
<b>Investments in Preference Shares</b>		
<b>Related Parties</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>	—
<b>Investments in Bonds</b>		
<b>Quoted</b>		
1,50,000 7.51%, HUDCO 15 Years Tax-free Bonds of Rs.1000/- each	<b>15,00,00,000</b>	—
National Saving Certificate (Rs.40000/-Pledged with Mining Engineers Nagore.[Refer note 29]	<b>60,000</b>	60,000
	<b>51,38,01,542</b>	<b>22,30,06,660</b>
Aggregated value of Quoted Investments Cost	<b>15,08,77,799</b>	14,87,505
Market value	<b>15,03,41,542</b>	5,46,660
Aggregated value of Unquoted Investments cost	<b>36,34,00,000</b>	22,24,00,000
<b>NOTE 12: LONG-TERM LOANS AND ADVANCES</b>		
<b>(Unsecured Considered good)</b>		
<b>Capital Advances</b>		
Related Party	<b>5,00,00,000</b>	—
Others	<b>—</b>	43,35,053
<b>Security Deposits</b>		
Related Parties [Refer Note.no 36]	<b>39,60,000</b>	39,60,000
Others	<b>15,65,629</b>	10,73,425
<b>Loans &amp; Advances</b>		
Related Parties [Refer Note.no 36]	<b>19,08,06,189</b>	12,89,51,000
	<b>24,63,31,818</b>	13,83,19,478
<b>NOTE 13: OTHER NON CURRENT ASSETS</b>		
Recoverable from Subsidiary Company	<b>—</b>	18,02,00,000
Gurgaon Infospace Ltd for Sale of Land	<b>—</b>	18,02,00,000



	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
<b>NOTE 14: CURRENT INVESTMENTA (AT COST)</b>		
<b>Other Investment in Mutual funds (Unquoted)</b>		
(30,826.4411) SBI Premier Liquid Fund Institutional	—	3,09,26,627
275879163 SBI Premier Liquid Fund (Super Institutional)	<b>27,67,75,770</b>	—
	<b>27,67,75,770</b>	<b>3,09,26,627</b>
<b>NOTE 15 : INVENTORIES</b>		
(As taken, valued and certified by the management)		
Raw materials	<b>1,19,20,712</b>	1,43,35,654
Work in Progress	<b>6,27,81,559</b>	2,79,94,753
Finished Goods	<b>46,40,463</b>	44,48,146
Stores & Spare parts	<b>83,23,519</b>	70,28,188
Scrap	<b>6,39,834</b>	47,94,945
	<b>8,83,06,087</b>	5,86,01,686
Note : Refer Note 1 (iv). for mode of valuation		
<b>NOTE 16: TRADE RECEIVABLES</b>		
<b>Unsecured considered good</b>		
Outstanding for a period exceeding six months from the due date	<b>15,47,403</b>	48,95,425
Others	<b>2,87,94,737</b>	2,51,12,939
	<b>3,03,42,140</b>	3,00,08,364
<b>NOTE 17: CASH &amp; CASH EQUIVALENTS</b>		
Cash on hand	<b>10,71,618</b>	6,27,685
Cheques / Drafts on Hand	<b>22,25,133</b>	3,41,062
With Scheduled Banks		
In Current Accounts	<b>2,38,29,684</b>	1,65,088
Term Deposits remaining maturity more than 12 months (Pledged with Sales Tax Dept.)	<b>1,20,740</b>	1,20,740
Term Deposit [Rs.Nil (Rs.77,49,124) Pledged with Bank ]	<b>83,95,936</b>	37,29,49,124
Balance held as Margin Money	<b>1,35,47,450</b>	90,47,250
	<b>4,91,90,561</b>	38,32,50,949
<b>NOTE 18 : SHORTTERM LOANS &amp; ADVANCES</b>		
<b>Unsecured Considered good</b>		
Loans & Advances	—	11,10,45,023
Loans to Empolyees	<b>91,726</b>	11,05,468
Advances Raw materials & Stores	<b>20,82,748</b>	13,06,110
Prepaid Expenses	<b>2,90,073</b>	2,73,839
Balance with Gov.Authorities	<b>19,41,941</b>	8,12,487
	<b>44,06,488</b>	11,45,42,927
<b>NOTE 19: OTHER CURRENT ASSETS</b>		
<b>Unsecured Considered good</b>		
Share Application money pending allotment	<b>1,00,00,000</b>	50,00,000
Interest Accured	<b>24,83,777</b>	19,05,870
Others	<b>50,891</b>	61,608
	<b>1,25,34,668</b>	69,67,478



# IST LIMITED

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
<b>Note 20: REVENUE FROM OPERATION</b>		
<b>Sale of Product</b>		
Export Sales	41,62,782	19,44,727
Domestic Sales	21,52,29,557	19,95,40,583
<b>Other Operating Revenue</b>		
Job Charges	1,11,12,352	1,00,27,401
Revenue from Operations	23,05,04,691	21,15,12,711
Less: Excise duty	2,26,47,644	1,64,42,621
Revenue from Operations	<u>20,78,57,047</u>	<u>19,50,70,090</u>
<b>Note 21: OTHER INCOME</b>		
Interest		
Related Parties	94,35,263	2,51,69,472
Tax Free Bonds	13,57,973	—
Others	61,89,961	24,13,188
Unspent liabilities written back	1,00,559	10,803
Dividend		
Current Investments	2,93,53,343	2,76,45,002
Others	—	1,900
Profit on sale of Long term Investments	1,03,899	995
Provision on Investment written back	4,04,588	
Exchange rate difference (Net)	1,57,418	80,554
Sundry Debit / Credit balances adjusted	—	8,140
Miscellaneous Receipts	5,074	1,74,768
	<u>4,71,08,078</u>	<u>5,55,04,822</u>
<b>EXPENSES</b>		
<b>NOTE 22: COST OF MATERIAL CONSUMED</b>		
Indigenous	5,50,70,726	4,64,16,822
Imported	28,20,592	19,40,509
	<u>5,78,91,318</u>	<u>4,83,57,331</u>
<b>NOTE 23: CHANGE IN INVENTORIES</b>		
<b>Inventories at the end of the year</b>		
Finished Goods	46,40,463	44,48,146
Goods under process	6,27,81,559	2,79,94,753
Scrap	6,39,834	47,94,945
	<u>6,80,61,856</u>	<u>3,72,37,844</u>
<b>Inventories at the beginning of the year</b>		
Finished Goods	44,48,146	11,88,409
Goods under process	2,79,94,753	2,56,55,726
Scrap	47,94,945	16,78,114
	<u>3,72,37,844</u>	<u>2,85,22,249</u>
	<u>(3,08,24,012)</u>	<u>(87,15,595)</u>



	For the year ended 31.03.2013 Rs.	For the year ended 31.03.2012 Rs.
<b>NOTE 24: EMPLOYEE BENEFITS EXPENSES</b>		
Directors' Remuneration [excluding Rs.1,14,136/- (previous year Rs.55,000/-) charged to other head of accounts]	15,13,420	13,69,230
Salaries, Wages, Bonus etc.	5,97,95,344	5,42,16,012
Gratuity	5,83,770	17,51,420
Contribution to P.F, E.S.I and Other Funds	29,99,605	31,54,114
Staff Welfare Expenses	54,73,694	49,22,164
	<u>7,03,65,833</u>	<u>6,54,12,940</u>
<b>NOTE 25: FINANCE COSTS</b>		
Interest	1,06,979	72,765
Bank Charges	3,00,571	6,37,668
	<u>4,07,550</u>	<u>7,10,433</u>
<b>NOTE 26: OTHER EXPENSES</b>		
Stores, Other Materials Consumed	1,65,52,690	1,26,28,483
Power and Fuel	1,21,96,570	94,10,173
Testing / Job Charges	2,44,874	1,94,266
Rent	39,00,000	41,83,533
Rates & Taxes	79,558	88,160
Insurance	8,94,225	5,50,321
Advertisement expenses	36,403	2,80,110
Repairs and maintenance		
Building	2,24,264	12,45,939
Plant & Machinery	26,43,528	29,51,131
Others	14,54,508	15,82,463
Travelling & Conveyance [including directors' travelling Rs.2,15,941/- (Previous year Rs.10,61,962/-)]	26,48,459	34,88,935
Selling Expenses		
Sales Tax	47,19,389	41,05,946
Export Expenses	32,345	3,861
Other Selling Expenses	10,16,677	9,14,517
Auditors' Remuneration		
Audit Fee	1,10,000	85,000
In Other Capacity		
For Tax Audit	35,000	35,000
For Certificates etc.	33,500	41,500
For Taxation & other matters	31,000	20,000
For Expenses	38,500	35,400
For Service Tax / Education Cess	30,655	21,683
Internal Audit Expenses	1,30,000	88,652
Directors' fee	35,000	17,500
Postage, Telegram & Telephone Expenses	7,51,992	7,82,626
Legal, Professional and Service Charges	19,02,543	30,74,838
Previous year expenses (Net)	3,62,420	81,100
Discount & Liquidated Damages	3,41,611	43,48,199
Miscellaneous Expenses	42,94,213	47,67,430
Sundry Debit / Credit balances adjusted	10,48,064	—
	<u>5,57,87,988</u>	<u>5,50,26,766</u>



# IST LIMITED

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.		
<b>27</b> Contingent Liabilities and Commitments :				
(i) Bank Gurantees given by the Bank	1,35,05,792	91,64,160		
(ii) Gurantees given by the Company on behalf of other Company	38,98,29,000	41,93,83,000		
(iii) Capital Contracts to be executed	—	1,86,77,233		
iv) Court case disputed by Company	31,75,000	—		
<b>28</b> In view of accounting standard on "Accounting for retirement benefits in the Financial statement of Employer's" issued by ICAI being mandatory, the company has made provision for gratuity & leave encashment on actuarial valuation.				
<b>29</b> NSC for Rs.60,000/-(Previous year Rs.60,000/-) shown under Non Current Investments are in the name of Company's executive.				
<b>30</b> Previous year's expenses / income aggregate Rs. 4,01,010 / Rs. 38,590 respectively (Previous year Rs. 82,206/ Rs.1,106/- )				
<b>31</b> 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.				
<b>32</b> 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 31.03.2013				
<b>33</b> Earning per Share				
Profit after tax	6,71,59,334	6,13,37,360		
Weighted average No of share	58,32,056	58,32,056		
Nominal Value	10	10		
Basic & Diluted	11.52	10.52		
<b>34</b> Consequent to the adoption of the Accounting Standard 22 on "Accountig For Taxes on Income", the Company has recognized a deferred tax liability of Rs.1,69,00,000 accumulated till 31st March, 2013 ( Previous year Rs.1,31,33,000)				
<b>35</b> Information on Leases as per Accounting Standard 19 on "Accounting for Leases"				
Operating Lease Expenses :				
The Company has various operating leases for office facilities,factory and guest house that are renewable on a periodic basis cancellable at its option. Rental expenses for operating lease recognised in the profit and loss account for the year is Rs.39,00,000( Previous year Rs.41,83,533)				
<b>36</b> Information on Related Parties transactions as required by Accounting Standard(AS18)				
	<b>Subsidiary Company Rs.</b>	<b>Associate Companies Rs.</b>	<b>Key Management Personnel Rs.</b>	<b>Others Rs.</b>
<b>For the year ending 31st March,2013</b>				
Paid for Services & other charges		7,80,000 (7,80,000)		
Sale of Investments				— (1,005)
Sale of Fixed Assets		— (—)		
Remuneration			16,27,556 (14,24,230)	
Rent		29,40,000 (32,11,920)		9,60,000 (9,60,000)

# IST LIMITED



	Subsidiary Company Rs.	Associate Companies Rs.	Key Management Personnel Rs.	Others Rs.
<b>Outstanding Balance as on 31st March,2013</b>				
Amount Payable			56,828	
			(1,08,919)	
Amount Receivable	—			
	(18,02,00,000)			
Equity Contribution		9,84,00,000		
		(7,24,00,000)		
Redeemable Preference Shares		15,00,00,000		
		(15,00,00,000)		
Security Deposit		39,60,000		
		(39,60,000)		
Gurantees given by the Company on behalf of other Company		69,50,00,000		
		(69,50,00,000)		
FDR Pledged by the Company on behalf of other Company		—		
		(77,49,124)		
Loans & Advances		19,08,06,189		
		(1,28,951,000)		
Advance for Property & Share Application Money		6,00,00,000		
		(50,00,000)		

## Subsidiary Company

Gurgaon Infospace Ltd

## Associate Companies:

GPC Technology Ltd (Galaxy Power Cables Ltd), Delight Marketing Co. Pvt. Ltd, Delux Investments Pvt. Ltd, Lubetec India Pvt. Ltd, Antique Investment Co. Ltd, Galaxy International Hotels Pvt Ltd, Eastern India Power and Mining Co.Pvt Ltd., Neil Builders (P) Ltd, IST Technology Infrastructure P.Ltd, Gupta International Investment Co. Ltd, IST Steel and Power Ltd., IST Softech Pvt Ltd(AS Plastics Pvt Ltd.) Rex Propbuild Private Ltd, Western Indus Power Pvt Ltd, Delight Softech Private Ltd, Eastern Softech Private Ltd, AVG Realtors Pvt Ltd. Vinayak Infradevelopers Pvt. Ltd, IST Property Management Pvt Ltd(Galaxy Indus Power Private Ltd), IST Green Power Pvt Ltd, Wardha Vaalley Coal Field Pvt Ltd, IST Finvest LLP, IST Conbuild (P) Ltd, IST Projects (P) Ltd, IST Eco Power (P) Ltd, Mercantile Realtors (P) Ltd. Kiki Properties Pvt Ltd

## Key Management Personnel

Shri Mayur Gupta\*, Shri S.C.Jain, Lt. Col N.L.Khitha(Retd.)

\* till 30.09.2012

## 37- I RAW MATERIAL AND COMPONENTS CONSUMED

Steel / Brass / Aluminium Etc.	Kgs.	2,08,194	4,83,49,220
		(1,73,617)	(4,10,99,335)
Others		—	95,42,098
Others		—	(72,57,996)



# IST LIMITED

## II VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL, STORE AND SPARE PARTS CONSUMED AND PERCENTAGE THEREOF

	Total value of Consumption			Percentage of Total Consumption	
	Total	Imported	Indigenous	Imported	Indigenous
Imported					Indigenous
Raw Material & Components	5,78,91,318	28,20,592	5,50,70,726	4.87	95.13
	(4,83,57,331)	(19,40,509)	(4,64,16,822)	(4.01)	(95.99)
Stores & Spares	1,65,52,690	13,55,040	1,51,97,650	8.19	91.81
	(1,26,28,483)	(10,16,913)	(1,16,11,570)	(8.05)	(91.95)

## III C.I.F. VALUE OF IMPORTS

Amount(Rs.)

a) Raw material & Components	31,84,275
b) Stores & Spare parts including Tools	(26,08,510)
	15,09,273
	(22,20,266)
c) Capital Goods	58,36,830
	(28,95,667)

## IV EXPENDITURE IN FOREIGN CURRENCY

Overseas Travelling	60,900
	(5,71,319)
Other Expenses	10,441
	(—)

## V INCOME IN FOREIGN CURRENCY

Export Sales	41,62,782
	(19,44,727)
Exchange Rate Difference (Net)	157,418
	(80,554)

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 : 30th May, 2013

For and on behalf of the Board

D.N.Tulshyan  
GM(Finance)

Manish Mehta  
Company Secretary

Mayur Gupta  
Director

D.Keelor  
Director

S.C.Jain  
Executive Director





## CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2013

(Pursuant to clause 32 of the Listing Agreement)

Amount in Rs.

Particulars	2012-2013	2011-2012
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra ordinary item	86,551,660	7,76,13,464
Depreciation	1,47,84,788	1,21,69,573
Interest (Net)	(1,68,76,218)	(2,75,09,895)
Amount written back (net)	10,48,064	—
(Profit)/ Loss on sale of Fixed Assets	4,381	51,353
(Profit)/ Loss on Investments & Derivatives	(1,03,899)	(995)
Demuniton in value of Investment	(4,04,588)	61,006
Dividend	(2,93,53,343)	(2,76,46,902)
	<u>(3,09,00,815)</u>	<u>(4,28,75,860)</u>
Operating Profit before working capital changes	5,56,50,845	3,47,37,604
<b>Change in :</b>		
Trade receivables	(13,81,840)	2,31,62,180
Inventories	(2,97,04,401)	(1,87,34,616)
Short term Loan & Advances	11,01,36,439	(8,13,53,370)
Other current Assets	(55,67,190)	(63,23,541)
Longterm Loan & Advances	(10,80,12,340)	(6,32,99,780)
Long Term Provision	(7,40,967)	18,22,891
Short term Provisions	5,92,116	(5,72,011)
Trade Payables	(9,57,482)	43,48,139
Other current liabilities	(59,29,105)	96,14,449
	<u>(4,15,64,770)</u>	<u>(13,13,35,659)</u>
	1,40,86,075	(9,65,98,055)
Cash from operations		
Interest paid	(1,06,979)	(72,765)
Direct Taxes paid	(1,85,70,947)	(1,86,26,515)
Net Cash from Operating Activities	(45,91,851)	(11,52,97,335)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed assets	(1,84,38,395)	(8,23,57,441)
Sale of Fixed assets / Written off	—	7,38,608
Amount Recoverable (Fixed Assets)	18,02,00,000	37,35,00,000
Interest Received	1,69,83,197	2,75,82,660
Non Current Investment	(29,03,90,294)	(14,99,98,995)
Current Investment	(24,58,49,143)	28,60,12,562
<b>(B) Profit on Investments</b>	1,03,899	995
Dividend	2,93,53,343	2,76,46,902
Net Cash used in Investing Activities	(32,80,37,393)	48,31,25,291
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowings / Repayment of borrowings (Net)	(14,31,144)	14,26,144
Unsecured Loan	—	—



## IST LIMITED

Net Cash from Financing Activities	(14,31,144)	14,26,144
Net change in Cash & cash Equivalents (A+B+C)	(33,40,60,388)	36,92,54,100
<b>(C) Cash &amp; Cash Equivalents</b>		
- Opening Balance	<b>38,32,50,949</b>	1,39,96,849
- Closing Balance	<b>4,91,90,561</b>	38,32,50,949

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

For and on behalf of the Board

O.P.Dadu  
Partner

D.N.Tulshyan  
GM(Finance)

Manish Mehta  
Company Secretary

Mayur Gupta  
Director

D.Keelor  
Director

S.C.Jain  
Executive Director

M.No. 010871

Place : New Delhi

Dated : 30th May, 2013



## 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 1ST Limited (the Company), and its subsidiary which comprise the Consolidated Balance Sheet as at 31st March, 2013, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Managements Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the 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 control relevant to the Company's preparation and fair presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management as well as evaluating the overall presentation of the consolidated financial statements.

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give 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

- a) In the case of the Consolidated Balance Sheet, of the state of affairs as at 31st March, 2013.
- b) In the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

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

Place : New Delhi  
Dated : 30th May, 2013

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



# IST LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

	Note	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
<b>EQUITY AND LIABILITY</b>			
<b>SHAREHOLDERS' FUNDS</b>			
(a) Share capital	2	5,84,67,546	5,84,67,546
(b) Reserves and Surplus	3	2,53,97,38,852	2,07,54,58,466
		<u>2,59,,82,06,398</u>	<u>2,13,39,26,012</u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred Tax Liabilities (Net)	4	1,69,00,000	1,31,33,000
Other Long-term Liabilities	5	28,77,41,812	24,45,24,962
Long-term provisions	6	77,06,444	82,93,161
		<u>31,23,48,256</u>	<u>26,59,51,123</u>
<b>CURRENT LIABILITIES</b>			
Short-term borrowings	7	—	14,31,144
Trade payables	8	70,57,597	86,95,441
Other current liabilities	9	1,66,18,463	9,87,36,384
Short-term provisions	10	46,84,065	31,62,265
		<u>2,83,60,125</u>	<u>11,20,25,234</u>
		<u>2,93,89,14,779</u>	<u>2,51,19,02,369</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	11	1,45,56,28,719	1,26,88,24,073
Intangible Assets		14,93,643	17,63,268
Capital Works in Progress			17,95,88,865
		<u>1,45,71,22,362</u>	<u>1,45,01,76,206</u>
<b>Non current Investments</b>	12	<u>50,38,01,542</u>	<u>21,30,06,660</u>
<b>Long Term Loans and advances</b>	13	<u>38,01,40,875</u>	<u>19,96,01,804</u>
<b>CURRENT ASSETS</b>			
Current Investment	14	37,17,75,770	3,09,26,627
Inventories	15	8,83,06,087	5,86,01,686
Trade receivables	16	4,59,85,142	3,18,34,450
Cash & Cash Equivalents	17	6,72,41,483	39,00,86,012
Short Term Loans & Advances	18	1,17,42,288	13,07,01,446
Other Current Asset	19	1,27,99,230	69,67,478
		<u>59,78,50,000</u>	<u>64,91,17,699</u>
		<u>2,93,89,14,779</u>	<u>2,51,19,02,369</u>

Note 1 to 38 form integral part of Balance Sheet and Statement of Profit & Loss

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

Chartered Accountants  
FRN 001201N

O.P.Dadu  
Partner

D.N.Tulshyan  
GM(Finance)

Manish Mehta  
Company Secretary

Mayur Gupta  
Director

D.Keelur  
Director

S.C.Jain  
Executive Director

M.No. 010871

Place : New Delhi

Dated : 30th May, 2013



## CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2013

	Note	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
<b>INCOME</b>			
<b>Income</b>			
Revenue from operations	20	63,06,15,697	52,68,64,644
Other income	21	4,89,70,265	5,90,51,210
<b>Total Revenue</b>		<b>67,95,85,962</b>	<b>58,59,15,854</b>
<b>EXPENSES</b>			
Cost of materials consumed	22	5,78,91,318	4,83,57,331
Change in inventories	23	(3,08,24,012)	(87,15,595)
Employees benefit expense	24	7,76,79,476	6,70,25,813
Finance Charges	25	4,07,550	7,10,433
Depreciation		1,70,47,365	1,22,08,626
Other Expenses	26	6,70,47,564	6,15,00,826
		<b>18,92,49,261</b>	<b>18,10,87,434</b>
Profit before Tax		<b>49,03,36,701</b>	<b>40,48,28,420</b>
Tax Expenses			
Current Tax		9,63,00,000	8,18,10,000
MAT Credit		(7,43,36,011)	(5,94,73,046)
Deferred Tax		37,67,000	(3,72,000)
Profit after tax		<b>46,46,05,712</b>	<b>38,28,63,466</b>
Prior period Adjustment Income tax		(3,25,326)	(4,97,248)
Profit after Tax and adjustment		<b>46,42,80,386</b>	<b>38,23,66,218</b>
Earning per Share			
Basic & Diluted		<b>79.61</b>	<b>65.56</b>
(Refer note no.25(9))			

Note 1 to 38 form integral part of Balance Sheet and Statement of Profit & Loss

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 : 30th May, 2013

D.N.Tulshyan  
GM(Finance)

Manish Mehta  
Company Secretary

Mayur Gupta  
Director

D.Keelor  
Director

S.C.Jain  
Executive Director

For and on behalf of the Board



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### NOTES : 1 ACCOUNTING POLICIES

The significant Accounting Policies adopted in the preparation of these accounts are as under :

**(i) Principles of Consolidation**

The Consolidated financial statements relate to IST Limited ('the company') and to its wholly owned Subsidiary Company Gurgaon Infospace Limited. The Consolidated financial statements have been prepared on the following basis.

- a) The financial statements of the Company and its wholly owned Subsidiary Company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and/or transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS)-21 "Consolidated Financial Statements" issued by Institute of Chartered Accountants of India.
- b) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

**(ii) Basis of Accounting :**

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

**(iii) Fixed Assets :**

- a) Fixed Assets are stated at Cost less Depreciation.
- b) Plant & Machinery manufactured within the plant is stated at Cost (less Depreciation wherever applicable). The over head expenses are, however, allocated on estimates given by Technical Personnel.

**(iv) Depreciation :**

Depreciation is calculated on Straight Line Method at the rates prescribed in schedule XIV of the Companies Act, 1956.

**(v) Valuation of Inventories :**

- a) 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 whichever is lower.
- b) Tools and Instruments are valued at cost less depletion in value.
- c) Stock of Scrap is valued at estimated realisable value.

**(vi) Revenue Recognition**

- a) Sales are recognized when goods are supplied .
- b) Processing Income : Processing income is recognized after services are rendered.
- c) Income from SEZ are recognized on accrual basis except otherwise stated.

**(vii) 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.

**(viii) Investments:**

Investments are stated at cost and diminution in value is provided for.

**(ix) 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.

**(x) Excise Duty :**

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

**(xi) Claims :**

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



- (xii) 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.
- (xiii) Liquidated damages on Defence Sales are accounted for as and when ascertained.
- (xiv) 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.
- (xv) **Income Tax**  
Provision is made for income tax annually based on the tax liability computed after considering tax allowances and exemptions. The differences that result between the profit offered for income tax and the profit as per the financial statement are identified and thereafter a deferred tax assets or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate being considered.
- (xvi) **Impairment of Assets**  
The management assesses the performance of its unit to arrive at the value in use to check for impairment, if any, in Fixed Assets, as required under AS 28 of the ICAI and provides for any impairment thereof in Profit & Loss Account.
- (xvii) **Provision,Contingent Liabilites and Contingent Assets**  
Provisions are recognised in term of Accounting Standard 29 - 'Provisions, Contingent Liabilities and Contingent Assets' issued by the ICAI, when there is a present legal or statutory obligation as a result of past event where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Contingent Liabilities are recognized only when there is a possible obligation arising from past event 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 can not be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of sources are provided for. Contingent assets are not recognized in the financial statements.



# IST LIMITED

	As at 31.03.2013 Rs.	As at 31.03.2012 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 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

	31.03.2013		31.03.2012	
Ordinary Shares	No. of Shares	Rs.	No. of Shares	Rs.
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 RESERVE

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 Profit & Loss Account

Opening Balance	<b>96,13,95,651</b>	57,90,29,433
Add:Net Profit for the current year	<b>46,42,80,386</b>	38,23,66,218
	<b>1,42,56,76,037</b>	96,13,95,651
	<b>2,53,97,38,852</b>	2,07,54,58,466

### NOTE 4: DEFERRED TAX LIABILITIES (NET)

Difference of Assets between book of account and as per Income-tax	<b>6,33,18,411</b>	5,19,33,306
Less:Expenses allowed for tax purpose on payment basis	<b>1,13,27,085</b>	1,14,55,426
	<b>5,19,91,326</b>	4,04,77,880
Deferred tax liabilities (Net)	<b>1,69,00,000</b>	1,31,33,000





	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
<b>NOTE 5: OTHER LONG TERM LIABILITIES</b>		
Security Deposits	<u>28,77,41,812</u>	<u>24,45,24,962</u>
<b>NOTE 6: LONG TERM PROVISIONS</b>		
Provisions for employees benefits	<u>77,06,444</u>	<u>82,93,161</u>
	<u>77,06,444</u>	<u>82,93,161</u>
<b>NOTE 7: SHORT-TERM BORROWINGS</b>		
Cash Credit from Bank (Secured) State Bank of India (Secured by first charge on current assets consisting raw materials, work in process, finished goods, book-debts & other current assets of the company, first charge on fixed assets consisting movable tangible property both present and future; plant & machinery purchased or to be purchased out of the term loan financed; and equitable mortgage on land of an associate company, GPC Technology Limited admeasuring 10.968 acres (Previous year 11.26696 acres) situated at Vill. Malpura, Tehsil Dharuhera, Dist. Rewari, Haryana.	<u>—</u>	<u>14,31,144</u>
	<u>—</u>	<u>14,31,144</u>
<b>NOTE 8: TRADE PAYABLES</b>		
For Goods & Services	<u>70,57,597</u>	<u>86,95,441</u>
	<u>70,57,597</u>	<u>86,95,441</u>
<b>NOTE 9: OTHER CURRENT LIABILITIES</b>		
Capital Expenses	6,14,670	65,08,505
Advance Rent Received	3,18,209	7,06,88,733
Taxes & Other Payables	13,35,767	10,51,787
Expenses Payable		
Director's	1,86,828	1,58,919
Others	1,41,62,989	2,03,28,440
	<u>1,66,18,463</u>	<u>9,87,36,384</u>
<b>NOTE 10: SHORT-TERM PROVISIONS</b>		
Provision for employee benefits	46,37,829	31,62,265
Provision for Tax	46,236	—
[Note : Provision is net of Prepaid Tax Rs.17,81,25,764]	<u>46,84,065</u>	<u>31,62,265</u>



**NOTE '11' FIXED ASSETS**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 31.3.2012	Additions during the Year	Deductions during the Year	As at 31.3.2013	As at 31.3.2012	For the year	Deductions during the year	Upto 31.3.2013	As at 31.3.2013	As at 31.3.2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Tangible Assets</b>										
Freehold Land	1,14,62,10,352	—	—	1,14,62,10,352	—	—	—	—	1,14,62,10,352	1,14,62,10,352
Building	22,64,68,363	13,02,94,056	—	13,02,94,056	14,38,730	14,38,730	—	14,38,730	12,88,55,326	—
Plant & Machinery	48,60,811	3,02,85,591	—	25,67,53,954	11,86,94,956	1,16,91,126	—	13,03,86,082	12,63,67,872	10,77,73,407
Furniture	55,03,095	4,08,66,691	9,600	4,57,27,502	20,71,140	19,07,006	5,219	39,78,146	4,17,49,356	27,89,671
Office Equipments	1,41,89,286	20,95,755	—	75,89,250	25,30,107	4,97,996	—	30,22,884	45,66,366	29,72,988
Vehicles	—	—	—	1,41,89,286	51,11,631	11,98,208	—	63,09,839	78,79,447	90,77,655
<b>Total</b>	<b>1,39,72,31,907</b>	<b>20,35,42,093</b>	<b>9,600</b>	<b>1,60,07,64,400</b>	<b>12,84,07,834</b>	<b>1,67,33,066</b>	<b>5,219</b>	<b>14,51,35,681</b>	<b>1,45,56,28,719</b>	<b>1,26,88,24,073</b>
<b>Intangible Assets</b>										
Computer Software	19,05,161	44,674	—	19,49,835	1,41,893	3,14,299	—	4,56,192	14,93,643	17,63,268
<b>Total</b>	<b>1,39,91,37,068</b>	<b>20,35,86,767</b>	<b>9,600</b>	<b>1,60,27,14,235</b>	<b>12,85,49,727</b>	<b>1,70,47,365</b>	<b>5,219</b>	<b>14,55,91,873</b>	<b>1,45,71,22,362</b>	<b>1,27,05,87,341</b>
Previous year	1,38,53,08,754	1,65,62,804	2734,490	1,39,91,37,068	11,82,85,630	1,22,08,626	19,44,529	12,85,49,727	1,27,05,87,341	—
Capital Work in Progress:										17,95,88,865

Note: 1 The Gurgaon Infospace Ltd. has created an equitable mortgage to the extents of undivided 72% of land admeasuring 27.6812 acres in favour of India Bulls Financial services Ltd. In respect of loan of Rs.600.00 crores taken by Co-developer (Unitech Developer & Projects Ltd.) by deposits of Title deed.



	As at 31.03.2013 Rs.	As at 31.03.2012 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>Related Parties</b>		
88,40,000(62,40,000) Equity Shares of IST Steel & Power Ltd of Rs.10/- each	<b>8,84,00,000</b>	6,24,00,000
	<b>8,84,00,000</b>	6,24,00,000
<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/(10,000) Equity Shares of Ricoh India Ltd of Rs.10/ each	<b>—</b>	6,09,706
3,000 Equity Shares of JMT Auto Ltd Rs.10/- each	<b>4,25,795</b>	4,25,795
1,000 Equity Shares of DCM Shriram Consolidatated Ltd Rs.2/- each	<b>1,07,767</b>	1,07,767
	<b>8,77,799</b>	14,87,505
Less: Demunition in value of Investment	<b>(5,36,257)</b>	(9,40,845)
	<b>3,41,542</b>	5,46,660
<b>Investments in Preference Shares</b>		
<b>Related Parties</b>		
15,00,000 9% Non Cumulative, Non Convertable 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 Convertable Preference Shares of Rs.100/-each of Subham Infradevelopment (P) Ltd	<b>11,50,00,000</b>	—
<b>Investment in Bonds</b>		
<b>Quoted</b>		
1,50,000 7.51% , HUDCO 15 Years Tax-free Bonds of Rs.1000/- each National Saving Certificate (Rs.40000/-Pledged with Minning Engineers Nagore.[Refer note 29]	<b>15,00,00,000</b>	—
	<b>60,000</b>	60,000
	<b>50,38,01,542</b>	21,30,06,660
Aggregated value of Quoted Investments Cost	<b>15,08,77,799</b>	14,87,505
Market value	<b>15,03,41,542</b>	5,46,660
Aggregated value of Unquoted Investments Cost	<b>35,34,00,000</b>	21,24,00,000
<b>NOTE 13: LONG-TERM LOANS AND ADVANCES</b>		
<b>Unsecured Considered good</b>		
<b>Capital Advances</b>		
Related Party	<b>5,00,00,000</b>	—
Others	<b>—</b>	61,44,333
<b>Security Deposits</b>		
Related Parties [Refer Note.no 37]	<b>39,60,000</b>	39,60,000
Others	<b>15,65,629</b>	10,73,425
<b>Loans &amp; Advances</b>		
Related Parties [Refer Note.no 37]	<b>19,08,06,189</b>	12,89,51,000
MAT Credit Receivable	<b>13,38,09,057</b>	5,94,73,046
	<b>38,01,40,875</b>	19,96,01,804



# IST LIMITED

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
<b>NOTE 14: CURRENT INVESTMENT (AT COST)</b>		
<b>Other Investment in Mutual funds (Unquoted)</b>		
(30,826,441) SBI Premier Liquid Fund	—	3,09,26,627
27,58,79,163 SBI Premier Liquid Fund (Super Institutional)	<b>27,67,75,770</b>	—
5,16,31,558 SBI PLF-Dir Plan Growth	<b>9,50,00,000</b>	—
	<u><b>37,17,75,770</b></u>	<u><b>3,09,26,627</b></u>
<b>NOTE 15 : INVENTORIES</b>		
(As taken, valued and certified by the management)		
Raw materials	<b>1,19,20,712</b>	1,43,35,654
Work in Progress	<b>6,27,81,559</b>	2,79,94,753
Finished Goods	<b>46,40,463</b>	44,48,146
Stores & Spare parts	<b>83,23,519</b>	70,28,188
Scrap	<b>6,39,834</b>	47,94,945
	<u><b>8,83,06,087</b></u>	<u><b>5,86,01,686</b></u>
Note : Refer note 1(v).for mode of valuation		
<b>NOTE 16: TRADE RECEIVABLES</b>		
<b>Unsecured considered good</b>		
Outstanding for a period exceeding six months from the due date	<b>20,85,993</b>	49,33,480
Others	<b>4,38,99,149</b>	2,69,00,970
	<u><b>4,59,85,142</b></u>	<u><b>3,18,34,450</b></u>
<b>NOTE 17: CASH &amp; CASH EQUIVALENTS</b>		
Cash on hand	<b>10,82,692</b>	6,35,293
Cheques / Drafts on Hand	<b>28,71,478</b>	3,42,649
With Scheduled Banks		
In Current Accounts	<b>2,62,23,187</b>	69,90,956
Term Deposits remaining maturity more than 12 months (Pledged with Sales Tax Dept.)	<b>1,20,740</b>	1,20,740
Term Deposit [Rs.Nil (Rs.77,49,124) Pledged with Bank ]	<b>2,33,95,936</b>	37,29,49,124
Balance held as Margin Money	<b>1,35,47,450</b>	90,47,250
	<u><b>6,72,41,483</b></u>	<u><b>39,00,86,012</b></u>
<b>NOTE 18 : SHORT TERM LOANS &amp; ADVANCES</b>		
<b>Unsecured Considered good</b>		
Prepaid Taxes [Net of Provision Rs.Nil (Rs.9,85,42,000)]	—	1,61,58,519
Loans & Advances	<b>500</b>	11,10,45,023
Loans to Empolyees	<b>74,27,026</b>	11,05,468
Advances Raw materials & Stores	<b>20,82,748</b>	13,06,110
Prepaid Expenses	<b>2,90,073</b>	2,73,839
Balance with Central Excise Deptt.	<b>19,41,941</b>	8,12,487
	<u><b>1,17,42,288</b></u>	<u><b>13,07,01,446</b></u>
<b>NOTE 19: OTHER CURRENT ASSETS</b>		
<b>Unsecured Considered good</b>		
Share Application money pending allotment	<b>1,00,00,000</b>	50,00,000
Interest Accrued	<b>27,48,339</b>	19,05,870
Others	<b>50,891</b>	61,608
	<u><b>1,27,99,230</b></u>	<u><b>69,67,478</b></u>



	For the year ended 31.03.2013 Rs.	For the year ended 31.03.2012 Rs.
<b>NOTE 20: REVENUE FROM OPERATION</b>		
<b>Sale of Product</b>		
Export Sales	41,62,782	19,44,727
Domestic Sales	21,52,29,557	19,95,40,583
<b>Other Operating Revenue</b>		
Job Charges	1,11,12,352	1,00,27,401
<b>Income from SEZ Operations</b>	<b>42,27,58,650</b>	<b>33,17,94,554</b>
Revenue from Operations	65,32,63,341	54,33,07,265
Less: Excise duty	2,26,47,644	1,64,42,621
Revenue from Operations	<u>63,06,15,697</u>	<u>52,68,64,644</u>
<b>NOTE 21: OTHER INCOME</b>		
Interest		
Related Parties	94,35,263	2,51,69,472
Tax Free Bonds	13,57,973	—
Others (refer note 1 below)	80,52,148	59,52,072
Unspent liabilities written back	1,00,559	10,803
Dividend		
Current Investments	2,93,53,343	2,76,45,002
Others	—	1,900
Profit on sale of Long term Investments	1,03,899	995
Profit on Sale of Fixed Assets	—	—
Provisin on Investment written back	4,04,588	—
Exchange rate difference (Net)	1,57,418	80,554
Sundry Debit / Credit balances adjusted	—	8,140
Miscellaneous Receipts	5,074	1,82,272
	<u>4,89,70,265</u>	<u>5,90,51,210</u>
 [Note: Interest includes Rs.11,17,920 (34,66,950) on Income Tax Refund]		
<b>EXPENSES</b>		
<b>NOTE 22: COST OF MATERIAL CONSUMED</b>		
Indigenous	5,50,70,726	4,64,16,822
Imported	28,20,592	19,40,509
	<u>5,78,91,318</u>	<u>4,83,57,331</u>
<b>NOTE 23: CHANGE IN INVENTORIES</b>		
Inventories at the end of the year		
Finished Goods	46,40,463	44,48,146
Goods under process	6,27,81,559	2,79,94,753
Scrap	6,39,834	47,94,945
	<u>6,80,61,856</u>	<u>3,72,37,844</u>
Inventories at the beginning of the year		
Finished Goods	44,48,146	11,88,409
Goods under process	2,79,94,753	2,56,55,726
Scrap	47,94,945	16,78,114
	<u>3,72,37,844</u>	<u>2,85,22,249</u>
	<u>(3,08,24,012)</u>	<u>(87,15,595)</u>



# IST LIMITED

	For the year ended 31.03.2013 Rs.	For the year ended 31.03.2012 Rs.
<b>NOTE 24: EMPLOYEE BENEFITS EXPENSES</b>		
Directors' Remuneration [excluding Rs.1,14,136/- (previous year Rs.55,000/-) charged to other head of accounts]	42,13,420	25,69,230
Salaries, Wages, Bonus etc.	6,36,86,410	5,46,28,885
Gratuity	13,06,347	17,51,420
Contribution to P.F, E.S.I and Other Funds	29,99,605	31,54,114
Staff Welfare Expenses	54,73,694	49,22,164
	<u>7,76,79,476</u>	<u>6,70,25,813</u>
<b>NOTE 25: FINANCE COSTS</b>		
Interest	1,06,979	72,765
Bank Charges	3,00,571	6,37,668
	<u>4,07,550</u>	<u>7,10,433</u>
<b>NOTE 26: OTHER EXPENSES</b>		
Stores, Other Materials Consumed	1,65,52,690	1,26,28,483
Power and Fuel	1,21,96,570	94,10,173
Testing / Job Charges	2,44,874	1,94,266
Rent	39,00,000	41,83,533
Rates & Taxes	79,558	88,160
Insurance	8,94,225	5,50,321
Advertisement expenses	21,38,444	2,80,110
Repairs and maintenance		
Building	2,24,264	12,45,939
Plant & Machinery	26,43,528	29,51,131
Others	14,54,508	15,82,463
Travelling & Conveyance [including directors' travelling Rs.3,44,206/- (Previous year Rs.11,25,402/-)]	28,44,258	35,53,946
Selling Expenses		
Sales Tax	47,19,389	41,05,946
Export Expenses	32,345	3,861
Other Selling Expenses	10,16,677	9,14,517
Brokerage & Commission	60,38,620	48,70,489
Auditors' Remuneration		
Audit Fee	1,90,000	1,35,000
In Other Capacity		
For Tax Audit	55,000	45,000
For Certificates etc.	42,500	41,500
For Taxation & other matters	31,000	20,000
For Expenses	38,500	35,400
For Service Tax / Education Cess	44,128	29,099
Internal Audit Expenses	1,30,000	88,652
Directors' fee	35,000	17,500
Postage, Telegram & Telephone Expenses	7,55,744	7,85,128
Legal, Professional and Service Charges	21,83,103	40,17,177
Previous year expenses (Net)	28,42,405	5,86,421
Discount & Liquidated Damages	3,41,611	43,48,199
Miscellaneous Expenses	43,30,559	47,88,412
Sundry Debit / Credit balances adjusted	10,48,064	—
	<u>6,70,47,564</u>	<u>6,15,00,826</u>



	As at 31.3.2013 Rs.	As at 31.3.2012 Rs.
<b>27</b> Contingent Liabilities and Commitments :		
(i) Bank Gurantees given by the Bank 4406263	<b>1,35,05,792</b>	91,64,160
(ii) Gurantees given by the Company on behalf of other Company	<b>6,38,98,29,000</b>	5,16,93,83,000
(iii) Capital Contracts to be executed	—	2,33,48,011
(iv) Court case disputed by Company	<b>31,75,000</b>	—
<b>28</b> In view of accounting standard on “Accounting for retirement benefits in the Financial statement of Employer’s” issued by ICAI being mandatory, the company has made provision for gratuity & leave encashment on actuarial valuation.		
<b>29</b> NSC for Rs.60,000/- (Previous year Rs.60,000/-) shown under Loans & Advances are in the name of Company’s executive.		
<b>30</b> Previous year’s expenses / income aggregate Rs.28,80,995/ Rs.38,509 respectively (Previous year Rs.5,87,527/ Rs.1,106/)		
<b>31</b> 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.		
<b>32</b> 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 31.03.2013		
<b>33</b> Earning per Share		
Profit after tax	<b>46,42,80,386</b>	38,23,66,218
Weighted average No of share	<b>58,32,056</b>	58,32,056
Nominal Value	<b>10</b>	10
Basic & Diluted	<b>79.61</b>	65.56
<b>34</b> 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.1,69,00,000 accumulated till 31st March, 2013 ( Previous year Rs.1,31,33,000)		
<b>35</b> 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 developing 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 shall be developed and operated in terms of the SEZ Act, 2005 and the rules framed thereunder.		
<b>36</b> Information on Leases as per Accounting Standard 19 on “Accounting for Leases”		
Operating Lease Expenses :		
The Company has various operating leases for office facilities, factory, guest house that are renewable on a periodic basis cancellable at its option. Rental expenses for operating lease recognised in the profit and loss account for the year is Rs.39,00,000 ( Previous year Rs.41,83,533) Income received during the year is Rs.42,27,58,850/- (Rs.33,17,94,554/-) from SEZ operation. SEZ income received during the year on the assets cost Rs.1,19,00,60,712/- (Rs.1,11,14,91,871/-) WDV Rs.1,18,77,59,082/- (Rs.1,11,14,52,818/-) and depreciation Rs.22,62,577/- (Rs.39,053/-).		



# IST LIMITED

## 37 Information on Related Parties transactions as required by Accounting Standard(AS18)

	Associate Companies Rs.	Key Management Personnel Rs.	Others Rs.
<b>For the year ending 31st March,2013</b>			
Paid for Services & other charges	7,80,000 (7,80,000)		
Sale of Investments			— (1,005)
Remuneration		43,27,556 (26,24,230)	20,00,000 (—)
Rent	29,40,000 (32,11,920)		9,60,000 (9,60,000)
<b>Outstanding Balance as on 31st March,2013</b>			
Amount Payable		2,86,828 (1,58,919)	
Equity Contribution	8,84,00,000 (6,24,00,000)		
Redeemable Preference Shares	15,00,00,000 (15,00,00,000)		
Security Deposit	39,60,000 (39,60,000)		
Guarantees given by the Company on behalf of other Company	69,50,00,000 (69,50,00,000)		
FDR Pledged by the Company on behalf of other Company -	(77,49,124)		
Loans & Advances	19,08,06,189 (12,89,51,000)		
Advance for Property & Share Application Money	6,00,00,000 (50,00,000)		
Amount Receivable			73,27,600 (—)

### Associate Companies:

GPC Technology Ltd (Galaxy Power Cables Ltd), Delight Marketing Co. Pvt. Ltd, Delux Investments Pvt. Ltd, Lubetec India Pvt. Ltd, Antique Investment Co. Ltd, Galaxy International Hotels Pvt Ltd, Eastern India Power and Mining Co. Pvt Ltd., Neil Builders (P) Ltd, IST Technology Infrastructure P.Ltd, Gupta International Investment Co. Ltd, IST Steel and Power Ltd., IST Softech Pvt Ltd(AS Plastics Pvt Ltd.), Rex Propbuild Private Ltd, Western Indus Power Pvt Ltd, Delight Softech Private Ltd, Eastern Softech Private Ltd, AVG Realtors Pvt Ltd. Vinayak Infradevelopers Pvt. Ltd, IST Property Management Pvt Ltd(Galaxy Indus Power Private Ltd), IST Green Power Pvt Ltd, Wardha Vaalley Coal Field Pvt Ltd, IST Finvest LLP, IST Conbuild (P) Ltd, IST Projects (P) Ltd, IST Eco Power (P) Ltd, Mercantile Realtors (P) Ltd. Kiki Properties Pvt Ltd

### Key Management Personnel

Shri Mayur Gupta\*, Shri S.C.Jain, Lt. Col N.L.Khitha(Retd.)

\* till 30.09.2012

Mrs.Sarla Gupta

### Others

Mrs Sweta Gupta, Mrs Priyanka Gupta



# IST LIMITED



## 38- I RAW MATERIAL AND COMPONENTS CONSUMED

Steel / Brass / Aluminium etc.	Kgs.	2,08,194	4,83,49,220
		(173,617)	(4,10,99,335)
Others			95,42,098
			(72,57,996)

## II VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL, STORE AND SPARE PARTS CONSUMED AND PERCENTAGE THEREOF

	Total	Total value of Consumption		Percentage of Total Consumption	
		Imported	Indigenous	Imported	Indigenous
Raw Material & Components	5,78,91,318	28,20,592	5,50,70,726	4.87	95.13
	(4,83,57,331)	(19,40,509)	(4,64,16,822)	(4.01)	(95.99)
Stores & Spares	1,65,52,690	13,55,040	1,51,97,650	8.19	91.81
	(1,26,28,483)	(10,16,913)	(1,16,11,570)	(8.05)	(91.95)

## III C.I.F. VALUE OF IMPORTS

	Amount(Rs.)
a) Raw material & Components	31,84,275
	(26,08,510)
b) Stores & Spare parts including Tools	15,09,273
	(22,20,266)
c) Capital Goods	58,36,830
	(28,95,667)

## IV EXPENDITURE IN FOREIGN CURRENCY

Overseas Travelling	60,900
	(5,71,319)
Other Expenses	10,441
	(—)

## V INCOME IN FOREIGN CURRENCY

Export Sales	41,62,782
	(19,44,727)
Exchange Rate Difference (Net)	1,57,418
	(80,554)

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

Signature to Notes 1 to 25

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

For and on behalf of the Board

O.P.Dadu  
Partner

D.N.Tulshyan  
GM(Finance)

Manish Mehta  
Company Secretary

Mayur Gupta  
Director

D.Keelor  
Director

S.C.Jain  
Executive Director

M No. 010871  
Place : New Delhi  
Dated : 30.05.2013



# IST LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2013

(Pursuant to clause 32 of the Listing Agreement)

Amount in Rs.

Particulars	2012-2013	2011-2012
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra ordinary item	49,03,36,701	40,48,28,420
Depreciation	1,70,47,365	1,22,08,626
Interest (Net)	(1,87,38,405)	(3,10,48,779)
Amount written back (net)	10,48,064	—
Loss on sale of Fixed Assets	4,381	51,353
(Profit)/ Loss on Investments & Derivatives	(1,03,899)	(995)
Demunition in value of Investment	(4,04,588)	61,006
Dividend	(2,93,53,343)	(2,76,46,902)
<b>Operating Profit before working capital changes</b>	<b>45,98,36,276</b>	<b>35,84,52,729</b>
<b>Change in :</b>		
Trade receivables	(1,51,98,756)	2,33,73,219
Inventories	(2,97,04,401)	(1,87,34,616)
Short term Loan & Advances	10,28,00,639	(8,09,93,149)
Other current Assets	(58,31,752)	(63,23,541)
Long term Loan & Advances	(10,62,03,060)	(6,51,09,060)
Long Term Provision	(5,86,717)	18,22,891
Short term Provisions	14,75,564	(5,72,011)
Trade Payables	(16,37,844)	55,78,669
Other current liabilities	(26,23,17,921)	(29,24,37,823)
Other long term liabilities	4,32,16,850	3,20,68,298
Cash from operations	18,58,48,878	(4,28,74,394)
Interest paid	(1,06,979)	(72,765)
Direct Taxes paid	(8,04,20,571)	(5,55,73,266)
Net Cash from Operating Activities	(10,53,21,328)	(9,85,20,425)
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed assets	(2,39,97,902)	(10,41,08,395)
Sale of Fixed assets	—	7,38,608
Amount Recoverable (Fixed Assets)	18,02,00,000	37,35,00,000
Interest Received	1,88,45,384	3,11,21,544
Non Current Investment	(29,03,90,294)	(14,99,98,995)
Current Investment	(34,08,49,143)	28,60,12,562
Profit on Investments & Derivatives	1,03,899	995
Dividend	2,93,53,343	2,76,46,902
Net Cash used in Investing Activities	42,67,34,713	(46,49,13,221)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowings / Repayment of borrowings (Net)	(14,31,144)	14,26,144
Net Cash from Financing Activities	(14,31,144)	14,26,144
<b>(C) Net change in Cash &amp; cash</b>		
Equivalents (A+B+C)	(32,28,44,529)	36,78,18,940
Cash & Cash Equivalents		
- Opening Balance	39,00,86,012	2,22,67,072
- Closing Balance	6,72,41,483	39,00,86,012

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

Chartered Accountants  
FRN 001201N

O.P.Dadu  
Partner

D.N.Tulshyan  
GM(Finance)

Manish Mehta  
Company Secretary

Mayur Gupta  
Director

D.Keelor  
Director

S.C.Jain  
Executive Director

M.No. 010871

Place : New Delhi

Dated : 30th May, 2013

For and on behalf of the Board



# IST Limited

Regd. Office : Dharuhera Industrial Complex  
Delhi-Jaipur Highway No. 8, Kapriwas, Dharuhera,  
Rewari-123106 (Haryana)

## ATTENDANCE SLIP

Please Complete Attendance Slip and hand it over at the Entrance of the Meeting Hall

Folio No. \_\_\_\_\_ D.P. ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

Name in Full.....

I Certify that I am a Shareholder of the Company and hold.....shares.

I hereby record my presence at the 37th Annual General Meeting of the Company to be held at the Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas Dharuhera, Rewari-123106 (Haryana), on Saturday, the 28th September, 2013 at 11.30 A.M.

Signature of the Member or Proxy \*

\* Please indicate whether Member or Proxy.



# IST Limited

Regd. Office : Dharuhera Industrial Complex  
Delhi-Jaipur Highway No. 8, Kapriwas, Dharuhera,  
Rewari-123106 (Haryana)

## FORM OF PROXY

Folio No. \_\_\_\_\_ D.P. ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

I/We \_\_\_\_\_

of \_\_\_\_\_ in the district of \_\_\_\_\_

being member(s) of IST Limited, holding \_\_\_\_\_ Shares hereby appoint Mr. / Ms. \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_ or failing him

Mr./Ms. \_\_\_\_\_ of \_\_\_\_\_ in the district

of \_\_\_\_\_ as my/our proxy to attend and vote for me / us on my /

our behalf at the 37th Annual General Meeting of the Company to be held at the Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No.8, Kapriwas, Dharuhera, Rewari-123106 (Haryana), on Saturday, the 28th September, 2013 at 11.30 A.M. and at every adjournment thereof.

Affix  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

**BOOK POST**

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New Delhi-110 024 (INDIA).