

NICHE BUSINESS MARKET LEADER



International Conveyors Limited
Annual Report 2012-2013

FORWARD-LOOKING STATEMENT

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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In these challenging times, businesses are run with the objective of sustainability. In every segment, multiple players have made the environment competitive.

International Conveyors Limited is unique for two simple reasons. One, we are into a business which is niche. Second, we are market leaders in the country for the same.

This exclusive proposition drives us ahead to capitalize more on opportunities and emerge as the most preferred and trusted brand in our segment.

Who we are ?

ICL, a brief insight

Started in early 70s, ICL is headquartered at Kolkata with manufacturing locations in Aurangabad (Maharashtra) and Falta SEZ (West Bengal). Promoted by Shri R.K Dabriwala, ICL today possess a rich industry experience of more than four decades in PVC Conveyor Belting.

The Company is today one of the largest manufacturers of PVC Fire Resistant Antistatic Solid Woven Coal Conveyor Belt with an annual production of 433,869 metres. It is also in wind power generation with a capacity of 4.65 MW, with locations spread across Gujarat, Maharashtra and Karnataka.

The shares of the Company are listed at Bombay Stock Exchange Limited and Calcutta Stock Exchange Limited.



Names that trust us

India

- South Eastern Coalfields Limited
- Western Coalfields Limited
- The Singareni Collieries Company Limited
- Eastern Coalfields Limited
- Monnet Ispat and Energy Limited
- Bharat Coking Coal Limited
- Jayaswal Neco Industries Limited
- Mahanadi Coalfields Limited
- Sunflag Iron and Steel Company Limited
- Central Coalfields Limited

We serve underground potash and coal mines and also various bulk material handling in surface applications, including grain.



Vision

To be a globally respected enterprise that strives to achieve and maintain the highest parameters in quality and customer service.

The mission of International Conveyors Limited (ICL) is to empower the dominance of the Company not only in Indian market but also through a robust expansion of its products in the international market.



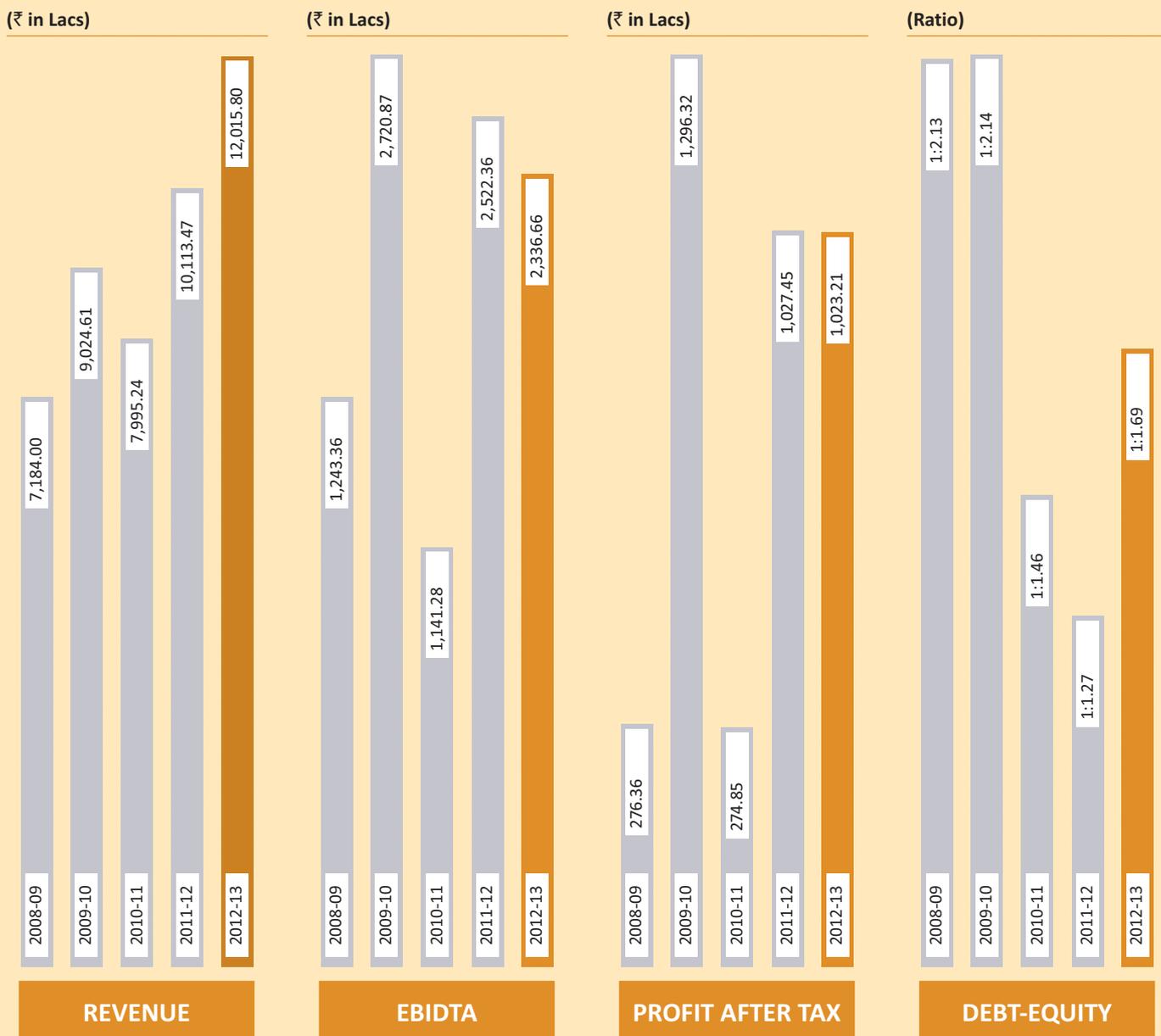
Mission



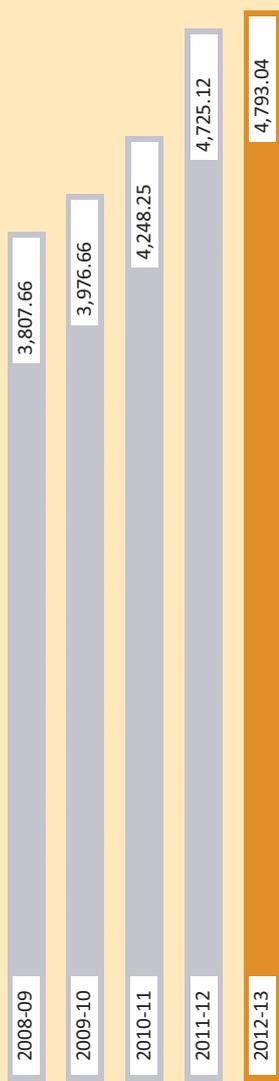
Values

- Excellence:** Strive relentlessly and constantly to improve offering
- Integrity:** Conduct business fairly, with 'total' honesty and transparency
- Governance:** We are committed to best standards of safety and corporate practices
- Learning:** To question, share and improve
- Responsibility:** To serve our stakeholders, environment and community

Numbers that reflect our leadership

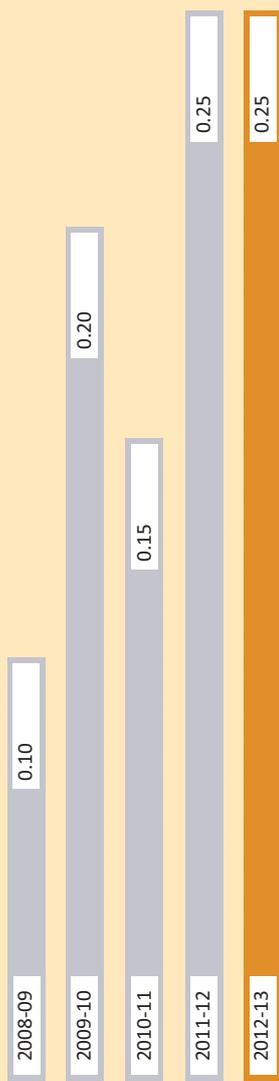


(₹ in Lacs)



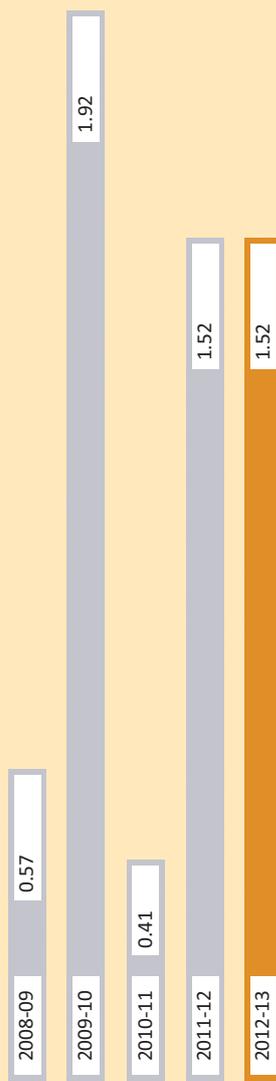
GROSS BLOCK

(₹)



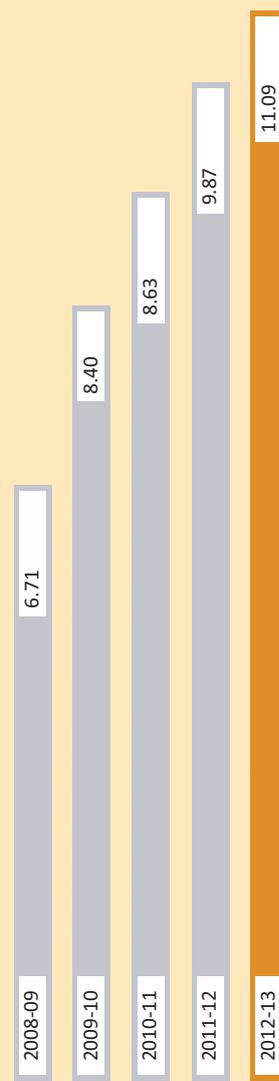
DIVIDEND PER SHARE

(₹)



EARNINGS PER SHARE

(₹)



BOOK VALUE PER SHARE

Management Review



Our quality product makes us the preferred and the trusted supplier in India as well as abroad.

Q: How was the performance of your Company in the year 2012-13?

A: The year was challenging, to say the least. Weakening global economic scenario put pressure on our economy. Add to this, lack of policy reforms, rising inflation, depreciating rupee and weak investments sentiments resulted in the country reporting a decadal low growth of just 5%. In these tough times, ICL's performance is commendable. We reported a growth in revenue by 18.80% from ₹ 10,113.47 Lacs in 2011-12 to ₹ 12,015.80 Lacs in 2012-13. Our profit before tax grew marginally by 0.25% from ₹ 1,444.55 Lacs in 2011-12 to ₹ 1,448.14 Lacs in 2012-13. I feel, this sustainability in revenues and profitability is the key amidst these difficult times.

Q: What makes your business sustainable?

A: A very good question indeed. Today, the need of our country and the world is primarily two things - energy and food. Energy, because that is the key to industrial and social growth. While sustainable food production is essential for the increasing population. At ICL, we are present in both these sectors. Our product is essential to transport the coal from the mines to surface to cater to the demands of the power plants. Also, our product is essential in transportation of potash - a key fertilizer to secure the food demand of ever growing population. So, while both these industries continue to grow, we are confident to partner in the nation's economic growth through our products.

Q: Could you please elaborate on your product portfolio?

A: While many just consider us a manufacturer of PVC Conveyor Belting, we are special in more than one ways. Our uniqueness is we are among the few manufacturers in the world who excel in manufacturing and marketing of solid woven carcass reinforced fire retardant antistatic (FRAS) PVC Conveyor Belting. Now this long name has a lot of

deep meaning. While in generic terms our products are for safe transportation of mineral deposits from respective mines to pitheads, but the process is complicated. It is not just any Conveyor Belt that the products can be transported. The same has to be of excellent quality, good tensile strength and fire-proof. That is where, we come in and excel to emerge as industry leaders.

Q: How do you see the industry movement and your position in the same?

A: The energy and food demand in the country is on the rise. There is shortage in productivity of coal while there is ever increasing demand for food security. We are a proxy, participating in the process to ensure sustainability in production of both the key sectors. Our quality product makes us the preferred and the trusted supplier in India as well as abroad. We expect to leverage this and capitalize on the opportunities that lie ahead of us.

Q: What are your plans in the coming years?

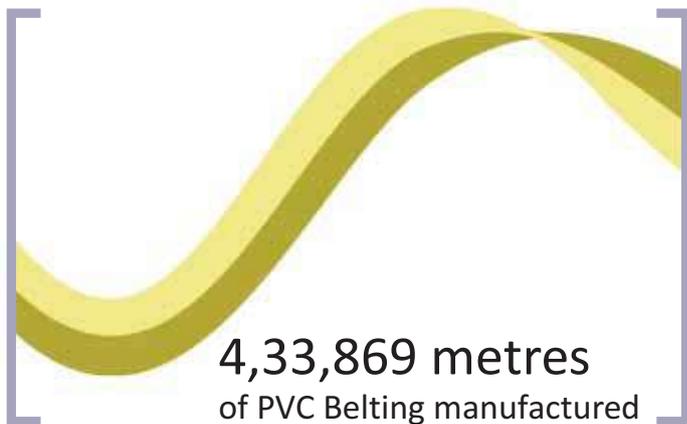
A: We are already sitting pretty on an order book of ₹ 5,665 Lacs. We are committed towards producing more of value-added products and improve our margins. On marketing front, we are already present across 7 states in India and 3 countries in the world. We expect to expand our presence further in both the regions and improve profitability.

Q: Your message to the stakeholders.

A: ICL is focused on expanding its capacities in one hand balance its debt portfolio on the other. We expect to increase our value-added chain of products and strengthen the margins. This in turn would increase the overall stakeholder value. Our presence is a niche business and leadership in the same will drive us to greater scales of success in the coming years.



Niche



business

ICL is into manufacturing of not just any PVC Conveyor Belting, but customised to cater specific industries.

Normal Conveyor Belts are prone to damage due to improper alignment of belt tension, vibration, overloading, friction and catching of fire due to presence of highly inflammable methane and other gases in mines. This presents a very strong case to manufacture product which overarches the above mentioned factors.

At ICL our product made as solid woven fire retardant anti-static. A never ending focus on quality has made us today the most trusted brand in Conveyor Belts segment.

Our products pass through stringent quality checks, namely normal flame resistance, spirit burner test, tensile strength test and fastener holding strength. Add to this, our mini-gallery methane / propane flame test also ensure ease in transportation of goods and high customer satisfaction. Our manufacturing facilities and products are also certified with all major national and international certifications, vindicating our hallmark of quality.

Our strong emphasis on quality today has got us favourable test results and re-approvals from Australia, fresh approvals from China and high tensile belt type approvals from Canada and India.



Market



leader

Being in a niche business, today ICL has reached the summit of leadership.

This has been possible on continuous upgradation of engineering capabilities, increasing capacities and developing new products.

In the past three years, we have launched numerous value-added products. The specialty of our products lies on the fact that it ensures higher tonnage of transportation on larger surface at lower cost.

This continuous innovation in product has derived a leadership for us in the domestic market with a 40% leadership in PVC Conveyor Belting. On international front, we are the country's largest exporter of PVC Conveyor Belts with an export presence in more than 2 countries.

Market leadership through the involvement of human expertise

One of the most important words to enter business dictionaries is "involve". As various other skills are important in a competitive scenario, the art to retain, maintain and harness competencies in any socio-economic scenario that include multiple resources is the art of "involvement".

The best plans are nothing without the right people to implement them. So we maintain a strong focus on people development. We, at ICL, have developed a team of people who are well versed in the industry linguistics. With a proven track record of skills, they are competent in taking up the exciting new challenges. At our organisation, employee participation is encouraged by inviting suggestions and opinions. This is coupled with competitive compensation, rewards and training through various development programmes. We encourage communication and a participative environment and also provide various proactive platforms for brain storming and idea sharing.

We also believe that sustainability is no longer an economic requirement. It should go beyond the business barriers for the creation of a better world. That's the kind of growth in which our Company believes and constantly strives for through following initiatives :

- Proper illumination of the plants premises so as to avert any accident.
- Investment in safety apparatus and periodic inspection of personal protective equipments.
- First-aid facility inside the plants premises.
- Periodic donations to various charitable institutions.
- Insurance coverage for the employees.
- Active celebration of Republic Day, Independence Day & Durga Puja and distribution of sweets amongst the employees.
- Annual employees Picnic.
- Greening activities around the plant.

These team oriented programmes are aimed to facilitate a transformation of the individual mindset - from a follower to a leader, from an implementer to a creator.

Corporate Information

Directors

Shri M. P. Jhunjhunwala
Shri L.K. Tibrawalla
Shri A. Hussain
Shri J. S. Vanzara
Shri K. T. Reddy

Managing Director

Shri R. K. Dabriwala

Company Secretary

Ms. Puja Shukla

Auditors

M/s. Lodha & Co.
Chartered Accountants
14, Government Place East
Kolkata - 700 069

Bankers

State Bank of India

Registered Office

10, Middleton Row,
Kolkata - 700 071
E-Mail : investors@iclbeltng.com

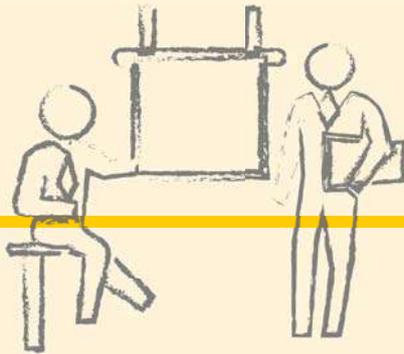
Works

E-39 and H-19, MIDC Industrial Area
Chikalthana
Aurangabad - 431 006
(Maharashtra)

Registrar & Share Transfer Agents

Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor
Kolkata - 700 001

Notice



Notice is hereby given that the 40th Annual General Meeting of **INTERNATIONAL CONVEYORS LIMITED** will be held at 10, Middleton Row, Kolkata – 700 071 on Wednesday the 4th day of September, 2013 at 2:00 P. M. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit & Loss for the year ended 31st March, 2013, the Balance sheet as at that date together with the Reports of the Directors and the Auditors thereon.
2. To declare a dividend for the financial year ended 31st March, 2013.
3. To appoint a Director, in place of Shri M. P. Jhunjhunwala who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director, in place of Shri A. Hussain who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint the Auditors and fix their remuneration. The retiring Auditors M/s. Lodha & Company, Chartered Accountants, are eligible for re-appointment.

SPECIAL BUSINESS

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

“**RESOLVED THAT** pursuant to Sections 198, 269, 309, 310, 311 & Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to all such approvals as may be required, the Company hereby approves the reappointment and payment of remuneration to Shri R. K. Dabriwala as Managing Director of the Company for a further period of one year effective from October 1, 2013 on the terms and conditions as set out in the explanatory statement annexed hereto and also draft agreement submitted to this meeting, with the liberty to the Board of Directors (the “Board”) to revise, amend, alter and vary the terms and conditions of his appointment and remuneration in such manner as may be permitted in accordance with the provisions of the Companies Act, 1956 and Schedule XIII or any modification thereto and as recommended by the Remuneration Committee and as may be agreed to by the Board and Shri R. K. Dabriwala.

RESOLVED FURTHER THAT the Board or any committee thereof be and is hereby authorized to do and perform all such acts, deeds, matter and things as may be considered desirable or expedient to give effect to this resolution.”

By Order of the Board

Registered Office :
10, Middleton Row
Kolkata - 700 071
May 30, 2013

For International Conveyors Ltd.

Puja Shukla
Company Secretary

Notice

NOTES :

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxy forms in order to be effective must be received at the Company's Registered Office not less than 48 hours before the time fixed for the meeting.

The Register of Members and Transfer Books of the Company will be closed from 2nd September, 2013 to 4th September, 2013, both days inclusive.

As per the amendments to the Companies Act, 1956 the dividends for the year 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-2012 which would remain unclaimed for a period of seven years, will be transferred to a specific fund viz. 'Investor Education and Protection Fund' within a specified time period.

Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address immediately to the Company/Registrar and Share Transfer Agent, M/s Maheshwari Datamatics Private Limited.

Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956 are requested to submit to the Company, the prescribed Form 2B.

An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the Meeting is annexed hereto.

At the ensuing Annual General Meeting Shri M. P. Jhunjunwala and Shri A. Hussain, retires by rotation and, being eligible, seek re-appointment. Pursuant to Clause 49 of the Listing Agreement relating to the Code of Corporate Governance, brief particulars of the aforesaid Directors to be appointed / re-appointed are given below:

Profiles of Directors seeking appointment / re-appointment at the ensuing AGM

Shri M. P. Jhunjunwala	
Date of Birth	02.05.1928
Qualifications	B. Com.
Expertise and Experience in specific functional areas	He has 65 years of experience in the field of Finance and Taxation, Corporate Legal Matters, Administrative and Functional areas of Corporate Entity. He is also having thorough knowledge of Direct and Indirect Taxation. Shri M. P. Jhunjunwala has got in-depth knowledge of Capital Market and Stock Market, Finance and Administration.
Directorships/ Partnership held in other companies as on 31.03.2013	Nil.
Membership in other Board Committees as on 31.03.2013	Remuneration Committee, Shareholders Committee and Audit Committee of the Company.
Shareholding in the Company as on 31.03.2013	200 Equity shares

Notice

Shri A. Hussain	
Date of birth	28.12.1941
Qualifications	G. C. E. – University of Cambridge
Expertise and experience in specific functional areas	He has 42 years of experience in the field of PVC Coal Conveyor Belting Industry. He is one of the founders Director of the Company. Shri A. Hussain has got in depth knowledge of PVC belting manufacturing process, raw material sources worldwide and belting end user and their requirements. He is well versed with competitions, Government restrictions and product compliance norms.
Directorship/ Partnership held in other Companies as on 31.03.2013	International Belting Limited
Membership in other Board Committees as on 31.03.2013	Nil
Shareholding in the Company as on 31.03.2013	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 6

The Present term of appointment of Shri Rajendra Kumar Dabriwala as Managing Director of the Company expires on September 30, 2013. His re-appointment as Managing Director, for a further period of one year from October 01, 2013 was recommended by the Remuneration Committee and approved by the Board of Directors in their meeting held on May 30, 2013. The re-appointment and other terms and conditions, need approval of the members. Hence this resolution at point no.6. The proposed agreement shall be available for inspection of any member during 11:00 hours to 12:30 hours on all working days at the registered office. The remuneration proposed does not require approval of Central Government being in terms of Schedule XIII of the Companies Act, 1956. Considering all aspects, the Board has approved and now proposes for your consideration the terms and conditions of his re-appointment.

The material provisions of the draft agreement approved by the Board are as follows:

I. SALARY

₹ 4,00,000/- p.m. (INR Four Lacs Only)

II. PERQUISITES

- A: (1) a) The expenditure incurred by the company in hiring unfurnished accommodation in Kolkata, subject to a ceiling of 50% of salary, over and above 10% of such salary being payable by him.
- b) In case no accommodation is provided by the Company, House Rent Allowance will be paid subject to ceiling laid down in (a) above.
- (2) Medical expenses re-imburement for self and family subject to a ceiling of one month's salary in a year or three months salary over a period of three years.
- (3) Leave Travel concession for self and family once in a year subject to a ceiling of one month's salary.
- (4) Club fee (other than admission fees) subject to a maximum of two clubs.
- (5) Personal accident insurance of which premium shall not exceed ₹ 15,000/- per annum.

Notice

- B. (1) Gratuity of half a month's salary for each completed year of service.
(2) Leave-one month's leave for every eleven months' service with full pay and allowances and also encashment of unutilized leave at the end of tenure.
- C. (1) Car for use of Company's business.
(2) One Telephone at residence for official purposes.

Perquisites referred above under category 'A', 'B', & 'C', except for B(2), C(1) and C(2) shall be restricted per annum to the annual salary earned.

III. COMMISSION

1% of Net Profits of the Company in a particular year subject to overall ceilings laid down in Sections 198 & 309 of the Companies Act, 1956.

- IV. In case of loss or inadequacy of profits in any financial year, only remuneration by way of salary and perquisites as detailed in Part I & II aforesaid shall be paid by way of minimum remuneration.

The remuneration is justified having regard to the responsibilities, which he is called upon to bear as a Managing Director of the Company.

The Managing Director shall have substantial powers of management of entire affairs of the Company subject to overall control of the Board of Directors of the Company.

In compliance with Section 309 of the Companies Act, 1956 and considering the responsibility and functions of the Managing Director and his experience in the business activities of the company, the terms and remuneration specified above are commensurate.

Your Directors recommend the resolution for your approval.

Except Shri R. K. Dabriwala, none of the other Directors of the Company is in any way, concerned or interested in the resolution.

The accompanying Notice together with the Explanatory Statement be treated as an abstract of the terms of re-appointment of Shri R. K. Dabriwala and memorandum of interest under Section 302 of the Companies Act, 1956.

By Order of the Board

For International Conveyors Ltd.

Registered Office :

10, Middleton Row
Kolkata - 700 071
May 30, 2013

Puja Shukla
Company Secretary

Directors' Report



Dear Shareholders,

Your Directors take pleasure in presenting the Audited Accounts of the Company for the year ended 31.03.2013

WORKING RESULTS

(Amount in ₹)

	31.03.2013	31.03.2012
Profit before depreciation and taxation	193,105,017	191,620,823
Less : Depreciation	48,290,580	47,166,217
	144,814,437	144,454,606
Less : Provisions for Taxation	42,493,450	41,710,029
Profit after taxes	102,320,987	102,744,577
Add : Profit brought from last year	55,983,068	22,851,038
Profit available for appropriation	158,304,055	125,595,615
Balance appropriated as under :		
Transfer to General Reserve	100,000,000	50,000,000
Proposed Dividend	16,875,000	16,875,000
Tax on Dividend	2,867,907	2,737,547
Balance Carried to Balance Sheet	38,561,148	55,983,068
	158,304,055	125,595,615

DIVIDEND

Your Directors are pleased to recommend dividend of ₹ 0.25 per share on Equity Share of ₹ 1/- each or 25% on paid up capital (Previous year ₹ 0.25 per share on Equity Share of ₹ 1/- each), the consequent outflow will be ₹ 197.43 lacs including dividend tax (Previous year ₹ 196.13 lacs including dividend tax).

OPERATIONS

Your Company's operation during the year was satisfactory. The turnover of the Company including the excise duty for the year amounted to ₹ 12,015.80 lacs (Previous year ₹ 10,113.47 lacs).

SUBSIDIARY

In view of growing business needs your Company has taken over from M/s International Belting Limited (IBL) its wholly owned subsidiary, all assets and liabilities of its PVC Belting industrial undertaking, situated at Falta SEZ, Sector - II, Near Pump House No. 3, P.O. Bishra, South 24 Parganas, Pin No. 743 504, West Bengal, on a going concern basis by entering into Business Transfer Agreement with International Belting Limited on April 19, 2013.

Directors' Report

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of subsidiaries and joint-ventures have been prepared in accordance with Accounting Standards 21 of The Institute of Chartered Accountants of India which forms part of the Annual Report and are reflected in the Consolidated Accounts of the Company.

The consolidated financial results include the operations of its wholly owned Subsidiary viz. M/s International Belting Limited.

In terms of Section 212 of the Companies Act, 1956, your Company is required to attach the Directors Report, Balance Sheet, Statement of Profit and Loss of its subsidiary companies to its Annual Report. However, the Ministry of Corporate Affairs (MCA), Government of India, New Delhi vide its Circular No.2/2011, dated : 08-02-2011 has granted a general exemption to all the Companies for not attaching the above documents of subsidiaries with the Annual Report of the Holding Company, subject to compliance of the conditions specified therein. As required under the said general circular, the Board of Directors of your Company at its meeting held on May 30, 2013 gave its specific consent for not attaching the balance sheet of its subsidiary, as they would be made available to its members at the company's website.

In terms of the said notification of the MCA, a summary of the financial information of the subsidiary of your Company is provided in the Accounts portion of this Annual Report. Any member intends to have a certified copy of the Balance Sheet and other financial statements of the subsidiary may write to the Company Secretary. Accordingly, this annual report does not contain the reports and other statements of the subsidiary company. These documents will also be available for inspection during the business hours at the registered office of the company and also at the registered office of the subsidiary company.

FUTURE PROSPECTS

Your Directors are of the opinion that there is a strong growth uptrend expected in the global coal mining industry over the next few years and this creates a strong platform for ICL to grow continually over the next decade. Since the Company has taken over the assets and liabilities of M/s International Belting Limited, a wholly owned subsidiary of ICL and the total production capacity of ICL have increased, the Company is aiming expansion in the Australian and Chinese markets.

DIRECTORS

Shri Mahadeo Prasad Jhunjunwala and Shri Anver Hussain, Directors of the Company are liable to retire by rotation and being eligible offer themselves for reappointment.

Consent of members is sought at the ensuing Annual General Meeting for reappointment of Shri Rajendra Kumar Dabriwala as Managing Director of the Company for a period of one year w.e.f. 01.10.2013.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the Provisions of Section 217(2AA) of the Companies Act, 1956, the Directors give hereunder the Directors Responsibility Statement relating to the Accounts of the Company :

- i) all the applicable Accounting Standards have been followed in the preparation of the accompanying Accounts;
- ii) the Directors have selected such Accounting Policies and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on March 31, 2013 and of the Profit of the Company for the said period;
- iii) the Directors have taken proper and sufficient care 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; and
- iv) the Directors have prepared the Annual Accounts on a going concern basis.

Directors' Report

AUDITORS

Messrs. Lodha & Co., Chartered Accountants, Auditors of the Company retire at the conclusion of the Fortieth Annual General Meeting and offer themselves for re-appointment. They have furnished to the Company a Certificate regarding eligibility for their re-appointment.

PARTICULARS OF EMPLOYEES

The Company has not paid aggregate remuneration of ₹ 6,000,000/- or more per annum and has not employed any person for a part of the year with a remuneration of ₹ 500,000/- or more per month as per Section 217(2A) of the Companies Act, 1956.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement executed with the Stock Exchanges, a Management Discussion and Analysis, Corporate Governance Report, Managing Director's and Auditor's Certificate regarding compliance of conditions of Corporate Governance is made a part of the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

Inclusive growth and sustainable development are strong pillars of your Company's responsible corporate citizenship and are a part of the core values and driving force for many of its initiatives. The Company believes that responsible investments in this regard will generate long term value for all the stakeholders. The proposed Companies Bill, 2012 has certain provisions to encourage corporates to undertake CSR activities. Your Company is conscious of its duties towards our community and our planet and the coming years shall witness your Company in several CSR areas.

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

Disclosure of particulars of energy conservation measures, technology, absorption efforts, foreign exchange earnings and outgo under 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 are given in an Annexure, which is attached to and form part of the Directors' Report.

ACKNOWLEDGEMENTS

Your Directors express their deep and sincere appreciation for the continued co-operation and support extended to the Company by the Government authorities, Company's Bankers, Vendors, Customers and Shareholders during the year under review. Your Directors also express and convey their warm appreciation to all employees for the diligence and contribution to the growth of the Company.

For and on behalf of the Board of Directors

Registered Office :

10, Middleton Row,
Kolkata – 700 071
May 30, 2013

R. K. Dabriwala
Managing Director

M. P. Jhunjunwala
Director

Annexure to the Directors' Report

Particulars pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

A. CONSERVATION OF ENERGY

Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques.

The Company has processes to measure, monitor and improve environmental performance through various means and initiatives focusing on energy, water and waste. It is combined with green initiative, operational energy efficiency at the offices.

Continuous efforts are being made to reduce energy consumption in KWH per meter. The following steps were taken towards our objective during the year under review:

- The power factor is being monitored constantly and maintained at less than 1, thereby availing 5% rebate on MSEDCL power tariff every year. GTL Limited has been appointed as franchise of MSEDCL and power distribution and revenue are being managed by this private sector franchise on behalf of MSEDCL.
- Due to price escalation, the cost of diesel consumption for running DG sets has increased from ₹ 2.17 Lacs in 2011-12 to ₹ 2.23 Lacs in 2012-13.
- Consumption per unit of production for the year 2012-13 :

Particulars	(KWH)	(₹)
Purchased Units from MSEDCL / GTL	4,154,709	30,022,160
Units generated (DG)	13,420	2,226,555
Total	4,168,129	30,244,814
Rate per unit	-	7.26
Consumption per meter of manufacture	12.29	-

MSEDCL / GTL had effected increase in HT tariff rates under various heads during the year under review :

- Power Charges Tariff has been raised by GTL in the month of August, 2012 to ₹ 7.01 per unit from ₹ 5.27 per Unit.
- Diesel Rate has been increased to ₹ 52.76 per litre from ₹ 43.82 per litre.
- The net cost impact between April 2012 to March 2013 has been ₹ 0.98 per Unit.

The Company presently has in total five Wind Mills. All these Wind Mills are generating green energy in the states of Karnataka, Maharashtra, Gujarat and in Andhra Pradesh and the same is supplied to respective state consumers through state grids.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company continues to use the latest technologies for improving the productive and quality of its services and products.

Annexure to the Directors' Report

C. FOREIGN EXCHANGE EARNING AND OUTGO

(Amount in ₹)

		2012-13	2011-2012
1.	Foreign Exchange Earned		
a)	Sale of Beltings	829,086,670	773,272,503
2.	Foreign Exchange Outgo		
a)	C.I.F. Value of Imports		
i)	Raw Materials	92,874,299	359,052,048
ii)	Components & Spare Parts	1,673,453	35,502
iii)	Trading Goods	14,105,453	8,612,142
b) i)	Travelling & Hotel Boarding Expenses	2,597,937	3,330,685
ii)	Rent	959,130	1,554,626
iii)	Commission	29,687,750	381,908
iv)	Freight	61,563,910	63,351,651
v)	Interest on PCFC, FCNRB-DL and Buyers Credit	8,669,228	2,082,135
vi)	Other Expenses	11,653,114	3,607,636

For and on behalf of the Board of Directors

Registered Office :

10, Middleton Row,
Kolkata – 700 071
May 30, 2013

R. K. Dabriwala
Managing Director

M. P. Jhunjunwala
Director

Management Discussion and Analysis Report



INDUSTRY STRUCTURE AND DEVELOPMENTS

International Conveyors Limited (ICL) excels in manufacturing and marketing solid woven carcass reinforced fire retardant antistatic (FRAS) PVC Conveyor Belting in a very niche segment - explosive fire hazardous underground mine application.

Due to the uniqueness of the product, only a handful of manufacturers have found success in manufacturing and marketing this product although every major country having underground mines use FRAS PVC Conveyor Belting – USA, Canada, Australia, China, South Africa, India, Russia, Poland, Ukraine, etc.

Coal and Potash are the primary products mined through underground mechanized mining method. Coal is used as fuel for infrastructure industry the world over, be it thermal power generation or steel or cement making. Potash is the largest input for fertilizer industry.

Why is solid woven PVC Conveyor Belting a unique product? In the industry parlance this product is known as “Non-Newtonian”, which means that during the manufacturing process it does not follow any fixed or set rule. The total production process requires very strict quality check at every step. Slight slackness or complacency can lead to disastrous results of the end product. Constant monitoring and preventive action round the clock by experienced personnel can only take out quality product. This is probably the main reason why many potential manufacturers have tried to enter this segment but could not succeed. ICL’s is a success story.

OPPORTUNITIES AND THREATS

The Indian energy market is amongst the largest in the World. Further, the sector is expected to continue to grow at high rates, much above the developed World and global average in the long term. As a key supplier in such a market the Company foresees large growth opportunities for itself.

Ups and downs are a part of any manufacturing industry – PVC Conveyor Belting being no exception. Trend analysis of last one decade would reveal peaks and troughs in annual demand and consumption. However, being a lifeline to infrastructure (coal) and agricultural (potash) industry, there is endless opportunity for growth in demand of the product. With rising cost of petroleum products and disaster in nuclear power plant in Japan, global emphasis has shifted back to coal fed thermal power plants. Fertilizer is the primary nutrient for good agricultural output to feed the ever increasing global population.

Management Discussion and Analysis Report

We at ICL treat threats in demand or competitive pricing as temporary. The macro industry in which we operate has high demand and growth potential. Lower pricing is temporary as no quality manufacturer can sustain at non-remunerative prices for long. We treat every threat as opportunity which helps us to evolve suitably for future.

SEGMENT-WISE AND PRODUCT-WISE PERFORMANCE

The segment-wise and product-wise performances of the Company are given in the notes to accounts for the year ended March 31, 2013.

OUTLOOK

We have ended the financial year with a record turnover and starting the new financial year with largest ever orders in hand. We hope to keep the momentum going by retaining our large number of satisfied customers and by adding new customers and countries with our “niche – business market leader” outlook.

RISKS AND CONCERNS

Risks are evaluated based on the probability and impact of each risk. Risk Owners prepare their risk plans which include responsibilities and timeliness. These are periodically updated for the actions taken. In the normal course of business, the Company is exposed to certain financial risks, principally payment risk, competitor risk, foreign exchange risk, risk associated with compliance, environment risk, industry risk, industrial relation risk, reputation risk etc. These risks are managed through risk management policies that are designed to minimize the potential adverse effects of these risks on financial performance. The policies are reviewed and approved by the Board.

The Risk Management framework of the Company ensures, amongst others, compliance with the requirements of Clause 49 of the Listing Agreement. The framework establishes risk management across all service areas and functions of the Company, and has in place procedures to inform the Board Members about the risk assessment and minimization process. These processes are periodically reviewed to ensure that the management of the Company controls risks through a defined framework.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies.

The Company has a well defined delegation of power with authority limits for approving revenue as well as expenditure. Processes for formulating and reviewing annual and long term business plans have been laid down.

An independent Internal Audit function is an important element of the Company's internal control system. The internal control system is supplemented through an extensive internal audit programme and periodic review by management and audit committee so as to ensure accuracy, reliability and consistency of records, systems and procedures. An Audit Committee comprising of independent Directors and constituted by the Board of Directors reviews the recommendations and observations regularly.

HEALTH, SAFETY, SECURITY AND ENVIRONMENT

Health, safety, security and environment is a key priority for the Company. The Company focuses on achieving excellence in occupational and personal health of employees at all manufacturing sites as well as at its offices. Simply stated, our goals are : no accidents, no harm to people and damage to environment. The Company is committed to provide a safe workplace to its employees and contractors, and safety to the communities where it operates. In pursuit of the same,

Management Discussion and Analysis Report

the Company continues to work towards its aim of zero injuries and zero incidents. ICL believes that continuous learning and upgrading of systems and processes are indispensable as we move ahead with our visions of achieving best-in-industry status with respect to safety system and culture. ICL is committed to ensure environmentally sustainable and responsible operations to achieve highest standards of environmental excellence. The manufacturing divisions have instituted Internationally accepted Environmental Management System based on ISO 9001:2008. All this concerted effort has provided tremendous opportunities to continuously improve for better health, safety, security and environment.

Financial Performance

During the year, the Company recorded net sales of ₹ 11,624.81 lacs in 2012-13 as compared to ₹ 9,934.73 lacs in 2011-12. The Company derived 32.67% of its sales from within India. Exports constituted 67.33%. Profit before Tax was at ₹ 1,448.14 lacs and Profit after Tax was at ₹ 1,023.21 lacs for the year ended March 31, 2013 as compared to ₹ 1,444.55 lacs and ₹ 1,027.45 lacs for the financial year ended March 31, 2012 respectively. The total cost of materials has increased from ₹ 5,902.20 lacs in 2011- 2012 to ₹ 6,918.32 lacs in 2012 -2013. However, the Company has been able to maintain the unit Margin through a combination of unique product and better sales realization.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company recognizes the need to have optimum level of human resource and orientation towards team efforts for sustained growth and performance. Your Company believes that people constitutes the strength of an organization and has established systems that reduces hierarchy and fosters performance, transparency, fairness and empowerment at all levels. The relations with Company's work force continue to be very cordial and their un-stinted co-operation has enabled your Company to achieve continuous growth, both quantitatively and qualitatively. The commitment of the workforce is one of the strong pillars for the sustenance of growth in the years ahead.

STATUTORY COMPLIANCE

The Chairman and Managing Director makes a declaration at each Board Meeting regarding the compliance with the provisions of various statutes after obtaining confirmation from all the units of the Company. The Company Secretary ensures compliance accordance to SEBI regulations and provisions of the Listing Agreement.

CAUTIONARY STATEMENT

Statements in the Management's Discussion & Analysis, describing the Company's focal objectives, expectations or anticipations may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from the expectations. Important factors that could influence the Company's operations, include global and domestic demand and supply conditions affecting selling prices of products, inputs availability and prices, changes in Government regulations/tax laws, economic developments within the country and factors such as litigation and industrial relations.

For and on behalf of the Board of Directors

Registered Office :

10, Middleton Row,
Kolkata – 700 071
May 30, 2013

R. K. Dabriwala
Managing Director

M. P. Jhunjunwala
Director

Corporate Governance Report



“Corporate Governance is the application of best management practices, compliance of law in true letter and spirit and adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for the sustainable development of all stakeholders.” – Definition of Corporate Governance by The Institute of Company Secretaries of India (ICSI).

Good Corporate Governance practices are sine qua non for a sustainable business organization that aims at generating long term value for all its stakeholders, and mainly involves the establishment of structures and processes, with appropriate checks and balances, that enable the Board to discharge its responsibilities accordingly.

Corporate Governance is increasingly being recognized as a key component in the efficient functioning of every business, both globally as well as in India.

COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company firmly believes that good Corporate Governance practices ensure ethical and efficient conduct of the affairs of the Company and also help in maximizing value for all its stakeholders. The Company’s philosophy on corporate governance oversee business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers and society at large.

The Company recognizes that good Corporate Governance is a continuous exercise and reiterates its commitment to pursue the highest standards of Corporate Governance in the overall interest of all its stakeholders. Corporate Governance is a journey for constantly improving sustainable value creation and is and is an upward moving target.

Some aspects of Corporate Governance related to the year 2012-2013 are appended below :

(A) BOARD OF DIRECTORS

(i) Composition

The Board of Directors comprises of 1 (One) Managing Director and 5 (Five) Non-Executive Directors. The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors during the period under review.

The composition of the Board of Directors with their shareholdings as on 31st March, 2013 and their attendance at the Board Meetings held during the year and also at the last Annual General Meeting alongwith the number of other Directorship and Committee Membership, as required under Clause 49 of the Listing Agreement are given below :

Corporate Governance Report

Sl. No.	Name of Directors	Category	No. of Board Meetings attended	Attendance at last AGM	No. of Other Directorship/ Partnership	Membership of other Committees of the Company		Shares held (Nos.)
						Member	Chairman	
1	Shri R. K. Dabriwala	Executive Non-Independent Director	5	Yes	5	1	-	54,12,620
2	Shri M. P. Jhunjunwala	Non-Executive Independent Director	5	Yes	-	3	1 (Remuneration Committee)	200
3	Shri L. K. Tibrawalla	Non-Executive Independent Director	4	Yes	13 (includes partnership in two firms)	3	1 (Shareholders Committee)	36,000
4	Shri A. Hussain	Non-Executive Independent Director	2	Yes	1	-	-	-
5	Shri J. S. Vanzara	Non-Executive Independent Director	5	Yes	12 (includes partnership in one firm)	2	1 (Audit Committee)	-
6	Shri K. T. Reddy	Non-Executive Independent Director	1	No	1	-	-	-

(ii) Meetings of the Board of Directors

The meetings of the Board of Directors are held at the registered office of the Company at 10, Middleton Row, Kolkata - 700 071. During the year under review 5 (Five) Board Meetings were held on 30.05.2012, 10.08.2012, 08.11.2012, 14.02.2013 and 25.03.2013.

The Agenda for every meeting is prepared and the same is circulated in advance to every director. The Board meets at least once in every quarter to review the quarterly results and other items on the Agenda. The details as required under Annexure 1A to Clause 49 of the Listing Agreement are made available periodically to the Board. Details of Directors seeking re-appointment in the 40th Annual General Meeting are being circulated with the Notice convening the Annual General Meeting. The Board periodically reviews the compliance reports of various laws applicable to the Company and takes steps to rectify instances of non-compliance, if any. Copies of Minutes of the Board Meetings are circulated among the members of the Board for their comments, if any.

(B) BOARD COMMITTEES

(i) SHAREHOLDERS COMMITTEE

The Shareholders Committee Meetings have been held as required to oversee and ensure that the shareholders' and the investors' grievances in relation to transfer of shares, non receipt of Annual Report, etc., are attended to promptly and properly.

Composition and Meetings

The Committee comprises of Shri R. K. Dabriwala, Mg. Director and 2 (two) Non-Executive Independent Directors viz. Shri L. K. Tibrawalla and Shri M. P. Jhunjunwala. Shri L. K. Tibrawalla is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Committee. During the year under review the Committee met on 30.05.2012. Each member had attended the committee meeting held on the date mentioned above.

During the year 2012-13, 9 letters received from the share-holders regarding revalidation of Dividend Warrants which were responded to and at the end of the year no investor grievance(s) remained pending.

Corporate Governance Report

(ii) REMUNERATION COMMITTEE

Remuneration of employees largely consists of base remuneration, perquisites, bonus, exgratia, etc. The components of the total remuneration vary for different cadres/grades and are governed by industry pattern, qualification and experience of the employee, responsibilities handled by him/her, individual performance, etc. The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution, retain talent in the organisation, reward merits and protect organizational stability & flexibility.

Composition and Meetings

The Remuneration Committee comprises of 3 (three) Non-Executive Independent Directors viz. Shri M. P. Jhunjhunwala, Shri L. K. Tibrawalla and Shri J. S. Vanzara. Shri M. P. Jhunjhunwala is the chairman of the Committee. The Remuneration Committee Meeting is being held to recommend/determine the remuneration package of the Managing Director based on performance and defined criteria in consonance with the existing industrial practice. During the year under review the Committee met on 30.05.2012. Each member had attended the committee meeting held on the date mentioned above.

(iii) AUDIT COMMITTEE

The broad terms and references of Audit Committee are to oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible and to review the remuneration of Internal Auditors and Statutory Auditors.

Composition and Meetings

The Audit Committee has been constituted following the provisions of Section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreements with the Stock Exchanges. The Audit Committee of the Company consists of 3 (three) Non-Executive Independent Directors viz. Shri M. P. Jhunjhunwala, Shri L. K. Tibrawalla and Shri J. S. Vanzara. Shri J. S. Vanzara is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Committee. The Senior Finance Manager & Asst. Company Secretary, the Statutory Auditor and the Internal Auditor of the Company are permanent invitees at the meetings of the Committee. During the year under review, the Committee met on 30.05.2012, 10.08.2012, 08.11.2012 and 14.02.2013. Each member had attended all committee meetings held at the respective dates mentioned above except Shri L. K. Tibrawalla who was not present in one meeting held on 10.08.2012.

The Audit Committee acts as a link between the management, statutory auditors, internal auditors and the Board of Directors. The terms of reference of the Audit Committee include those specified under Clause 49 of the Listing Agreement as well as under Section 292A of the Companies Act, 1956 such as :

- The adequacies of the Internal Audit function and follow up with the observation of the Internal Auditors.
- Compliance with Accounting Standards.
- Compliance with the Listing Agreement and other legal requirements concerning financial statements and related party transactions.
- The appointment and removal of Internal Auditors, fixation of audit fees and also approval of payment for any other services.
- Quarterly / Half Yearly Results and the Audited Financial Results before they are submitted to the Board.
- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Disclosure of contingent liability, if any.

Corporate Governance Report

(C) DETAILS OF DIRECTORS' REMUNERATION FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in ₹)

Name	Salary	Perquisites	Contribution to Gratuity Fund	Commission	Sitting Fees	Total
i) Executive Director : Shri R. K. Dabriwala Managing Director	2,850,000	1,425,000	173,077	1,495,565	-	6,236,721
ii) Non-Executive Directors :						
Shri M. P. Jhunjhunwala	-	-	-	-	34,000	
Shri L. K. Tibrawalla	-	-	-	-	27,000	
Shri A. Hussain	-	-	-	-	8,000	
Shri J. S. Vanzara	-	-	-	-	33,000	
Shri K. T. Reddy	-	-	-	-	4,000	106,000

(D) GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as under :

Financial year	Date	Time	Location	No. of Special Resolution(s) Passed
2011-12	25.07.2012	3:30 P.M.	10, Middleton Row, Kolkata – 700 071	1
2010-11	28.09.2011	3:30 P.M.	10, Middleton Row, Kolkata – 700 071	2
2009-10	27.09.2010	3:30 P.M.	Calcutta Chamber of Commerce, 18H Park Street, Stephen Court, Kolkata – 700 071	-

(E) POSTAL BALLOT

No Special Resolution was passed during the Financial Year ended 31st March, 2013 through Postal Ballot.

(F) DISCLOSURES

(i) Disclosure by Key Managerial Persons about related party transactions

All related party transactions have been entered into in the ordinary course of business and are placed periodically before the Audit Committee in summary form. There are no significant related party transactions that would have potential conflict with the interests of the Company at large. Details of related party transactions are given in the Notes to Accounts (Note 27) of the Annual Report.

(ii) Disclosure of Accounting Treatment

The applicable accounting standards as specified in the Companies (Accounting Standards) Rules, 2006 have been followed in preparation of the financial statements of the Company.

(iii) Board Disclosures – Risk Management

During the year ended 31st March, 2013, the Company continues to follow the established risk assessment / minimization procedure. The procedures for risk assessment and minimization are being updated/formalized at regular intervals.

Corporate Governance Report

(iv) Matters related to capital market

The Company has complied with all the requirements of the Listing Agreement of the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties / strictures have been imposed on the Company by SEBI, Stock Exchanges or any other Statutory Authority on any matter relating to capital markets during the last three years.

The Company complies with all the requirements of the listing agreement including the mandatory requirements of Clause 49.

(v) Management Discussion & Analysis Report

The Management Discussion & Analysis Report is attached and forms part of the Directors' Report.

(vi) Code of Conduct

The Company's Board has laid down a Code of Conduct for all Board members and Senior Management of the Company. The code of conduct is available on the website of the Company, www.iclbelting.com. All Board Members and Senior Management Personnel have affirmed compliance with the code of conduct during the year 2012-13. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

(vii) Status of Non-Mandatory requirements

The Company continues to follow the following non-mandatory requirements on Corporate Governance recommended under clause 49 of the listing agreement :

- The Company has a Remuneration Committee comprising of three Non-executive Independent Directors.
- The Company is moving towards the regime of unqualified financial statements.

The Company does not have any Whistle Blower Policy. However any employee, if he/she so desires, would have free access to meet Senior Level Management and report any matter of concern.

Other non-mandatory requirements viz. Shareholder Rights, Training of Board Members and Tenure of Independent Directors, Mechanism for performance evaluation of non-executive Board Members will be implemented by the Company when required and/or deemed necessary by the Board.

(viii) CEO & CFO's Certification

The CEO of the Company has given a certificate to the Board of Directors as per Clause 49(V) of the Listing Agreement for the year ended 31st March, 2013.

(ix) Means of Communication

The Company's quarterly/yearly financial results are published in widely circulated national and local dailies like The Financial Express, Business Standard and Kalantar (Regional). The Company's results and official news releases were displayed on the BSE's website.

(x) Disclosure under Clause 53 of the Listing Agreement regarding certain agreements with the media companies

Pursuant to the requirement of Clause 53 of the Listing Agreement, the Company would like to inform that no agreement(s) have been entered with media companies and/or their associates which has resulted / will result in any kind of shareholding in the Company and consequently any other related disclosures viz. details of nominee(s) of the media companies on the Board of the Company, any management control or potential conflict of interest arising out of such agreements, etc. are not applicable. Nor has the Company entered into any other back to back treaties / contracts / agreements / MoUs or similar instruments with media companies and / or their associates.

Corporate Governance Report

(G) GENERAL SHAREHOLDERS' INFORMATION :

(i)	Annual General Meeting	
	40th Annual General Meeting	
	Date	4th September, 2013
	Time	2:00 P.M.
	Venue	10, Middleton Row, Kolkata – 700 071
(ii)	Financial Calendar Year	April 1, 2013 to March 31, 2014
(iii)	For adoption of quarterly results	Expected date
	- Quarter ending 30th June, 2013	2nd Week of August, 2013
	- Quarter ending 30th September, 2013	2nd Week of November, 2013
	- Quarter ending 31st December, 2013	2nd Week of February, 2014
	- Year and quarter ending 31st March, 2014	Last week of May, 2014
(iv)	Book closure	2nd September, 2013 to 4th September, 2013 (both days inclusive)
(v)	Expected Dividend payment date	9th September, 2013
(vi)	Listing on Stock Exchange	The Company's shares are listed at :
		(i) The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata - 700 001
		(ii) Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400023
		Listing Fees for the year 2013-2014 have been paid to all the aforesaid Stock Exchanges.
(vii)	Stock Codes	019039 (CSE) 509709 (BSE)

(viii) Stock Market Price Data for the year 2012-2013

Month	BSE			SENSEX (BSE)	
	High (₹)	Low (₹)	Volume (BSE)	High	Low
April 2012	29.50	18.50	2,20,970	17664.10	17010.16
May 2012	28.55	16.30	47,525	17432.33	15809.71
June 2012	21.90	17.05	14,106	17448.48	15748.98
July 2012	19.40	15.40	55,670	17631.19	16598.48
August 2012	17.95	15.40	17,214	17972.54	17026.97
September 2012	18.25	15.20	16,976	18869.94	17250.80
October 2012	18.00	15.30	17,040	19137.29	18393.42
November 2012	16.90	15.20	10,604	19372.70	18255.69
December 2012	16.50	15.20	91,056	19612.18	19149.03
January 2013	17.75	15.20	1,05,356	20203.66	19508.93
February 2013	16.70	13.15	10,151	19966.69	18793.97
March 2013	15.19	10.76	22,668	19754.66	18568.43

Corporate Governance Report

(ix) Registrar and Share Transfer Agent

The Company has engaged Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, Kolkata - 700001 (MDPL), a SEBI registered Share Transfer Agent for processing transfer, sub-division, consolidation, splitting of securities, etc. Since the trading of Company's shares can now be done in the dematerialized form, requests for dematerialization of shares should be sent directly to MDPL who after processing, give confirmation to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL).

(x) Share Transfer System

Share transfers are registered and the certificates are returned within a period of 20 days from the date of lodgment if the documents are complete in all respects. As per directives issued by the SEBI, it is compulsory to trade in the Company's equity shares in dematerialized form. The Company offers the facility of transfer cum dematerialization to its shareholders.

(xi) Distribution of Share holding as on 31st March, 2013

No. of Shares	No. of Shareholders	No. of Shares held	% of holding to total Shares
1-500	1,160	203991	0.3021
501-1000	213	186834	0.2768
1001-2000	131	215907	0.3199
2001-3000	50	128646	0.1906
3001-4000	30	108595	0.1609
4001-5000	15	70875	0.1050
5001-10000	49	357203	0.5292
10001 and above	99	66227949	98.1155
Total	1,747	67500000	100.0000

(xii) Pattern of Shareholding as on 31st March, 2013

Sl. No.	Category	No. of Shareholders	Total No. of Shares	Percentage of Shareholdings
1	Promoters Group			
	Individuals / HUF (Indian)	8	19350986	28.6681
	Individuals (NRI / Foreign Individuals)	1	7974000	11.8133
	Bodies Corporate (Indian)	4	8571320	12.6983
	Total shareholding of promoter and promoter group	13	35896306	53.1797
2	Non - Promoter Group			
	Indian - Bodies Corporate	75	810196	1.2003
	Indian - Individual holding nominal share capital up to ₹ 1 Lakh	1,626	3169596	4.6957
	Indian - Individual holding nominal share capital in excess of ₹ 1 Lakh	4	1380878	2.0457
	Foreign Institutional Investors	5	26202400	38.8184
	Non-Resident Individuals	22	40615	0.0602
	Clearing Member	02	9	0.0000
	Total Public Shareholding	1,734	31603694	46.8203

Corporate Governance Report

(xiii) Dematerialisation of Shares

99.3266% of the Company's total shares representing 67045460 shares were held in dematerialised form as on 31st March, 2013 and the balance 0.6734% representing 454540 shares were in physical form.

(xiv) Demat ISIN Number in NSDL & CDSL

INE575C01027

(xv) Number of Employees

Location wise break-up of the number of employees of the Company as on 31st March, 2013:

Location	No. of employees
1) H.O.	25
2) Aurangabad Works	87
Total	112

(xvi) Factory Locations

E-39 and H-19, M.I.D.C. Area, Chikalthana, Aurangabad – 431 006, Maharashtra (India)

(xvii) Shareholders' Correspondence

For transfer/dematerialization of shares and any other query relating to the shares of the Company, please contact:

Maheshwari Datamatics Pvt Ltd.

(Registrar & Share Transfer Agent of our company)

6, Mangoe Lane, Kolkata – 700001

Tele Nos. 033 2243 5809 / 5029

(xviii) Reconciliation of Share Capital and Audit Report

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the reconciliation of share capital and prepares his Audit Report to reconcile the total admitted share capital with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and the total issued and listed capital on quarterly basis. The report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with total number of shares in physical forms and total number of dematerialized shares held with NSDL & CDSL.

(xix) Service of documents through electronic mode

As a part of Green Initiative, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agent, M/s Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, Kolkata – 700001.

(xx) Outstanding GDR/ADR Warrants or Convertible Bonds

The Company has not issued any of the securities mentioned above.

For any query on annual report etc. please contact :

International Conveyors Limited

10, Middleton Row, Kolkata – 700 071

For and on behalf of the Board

Registered Office:

10, Middleton Row, Kolkata – 700 071

May 30, 2013

R. K. Dabriwala
Managing Director

M. P. Jhunjunwala
Director

DECLARATION BY THE MANAGING DIRECTOR ON THE CODE OF CONDUCT

A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under the provisions of sub-clause I(D) (ii) of Clause 49 of the Listing Agreement with stock exchanges, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the financial year ended March 31, 2013.

Place : Kolkata
Date : May 30, 2013

R. K. Dabriwala
Managing Director

AUDITORS CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNENCE

**To the Members of
International Conveyors Limited**

We have examined the compliance of conditions of corporate governance by International Conveyors Limited for the year ended March 31, 2013 as stipulated in clause 49 of the Listing Agreement entered into by Company with the stock exchanges.

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, we certify that company has complied in all material respects with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement. The Company has established risk assessment / minimization and internal control procedures which are being updated / formalised.

We state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

For LODHA & CO.
Chartered Accountants
Firm's ICAI registration No. 301051E

Place : Kolkata
Date : May 30, 2013

H. K. Verma
Partner
Membership No. 055104

Independent Auditors' Report

To The Members of International Conveyors Limited

Report on the Financial Statements

We have audited the accompanying financial statements of International Conveyors Limited (“the Company”), 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 (“the Act”). 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of 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 (Auditors' Report) Order, 2003 ('the order') issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956('the act') and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by section 227(3) of the Act, we report that :

Independent Auditors' Report

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable;
- (e) On the basis of written representations received from the Directors as on March 31, 2013, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2013, from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For LODHA & CO.

Chartered Accountants

Firm's ICAI registration No. 301051E

H. K. Verma

Partner

Membership No. 055104

Place : Kolkata

Date : May 30, 2013

Annexure to the Independent Auditors' Report

(Referred to in Paragraph 1 of our Report of even date)

- i. Fixed Assets
 - a. The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets;
 - b. The management during the year has physically verified all fixed assets. According to the information and explanations given to us, there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. As explained, no material discrepancies have been noticed on such verification;
 - c. The Company has not disposed off substantial part of the fixed assets during the year, which could affect the going concern status of the Company.
- ii. Inventory
 - a. As informed, the inventory except stock in transit and stock lying with third parties, have been physically verified during the year by the management at reasonable intervals.
 - b. In our opinion and according to information and explanations given to us, the procedures of physical verification of inventory 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 and according to the information and explanations given to us, the discrepancies noticed on physical verification was not material.
- iii. Loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Act :
 - a. The Company has granted unsecured loans to four companies which are covered in the register maintained under section 301 of the Act. The maximum amount outstanding at any time during the year in respect of such loans granted was ₹ 227,806,424 and the year end balance ₹ 172,986,236 from two Companies.
 - b. In our opinion, the rate of interest and other terms and conditions on which the unsecured loans and mentioned in (a) above are prima facie not prejudicial to the interest of the Company.
 - c. In respect of the loans granted by the Company, there were no stipulations with respect to repayment of principal amounts. As such, we are unable to comment on the regularity or otherwise of repayment of such loans. However, the Company is regular in receiving the interest on such loans.
 - d. As informed to us, having regard to the terms and conditions of the loans as mentioned above, there are no overdue amount outstanding in respect of such loans and interest thereon.
 - e. The Company has taken unsecured loan from one company which are covered in the register maintained under Section 301 of the Act. The maximum amount outstanding at any time during the year in respect of such loan taken was ₹ 1,500,000 and the year-end balance was Nil .
 - f. In our opinion, the rate of interest and other terms and conditions on which loan have been taken from companies, firms or other parties listed in the register maintained under Section 301 of the Act are not, prima facie, prejudicial to the interest of the Company.

Annexure to the Independent Auditors' Report

- g. The Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of the interest. The Company have repaid the principal amounts as stipulated and have been regular in the payment of the interest.
- iv. In our opinion and according to information and having regard to the explanation given to us that certain items of raw materials are of special nature and comparative alternative quotations are not obtained, in our opinion the internal control procedures of the Company relating to purchase of inventory, fixed assets and for the sale of the goods are commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v. Transaction covered under Section 301 of the Act :
- a. According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under the section.
- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. According to the information and explanations given to us, the Company has not accepted any deposits from the public covered under Sections 58A, 58AA or any other relevant provision of the Act and rules framed there under.
- vii. The Company has appointed a firm of Chartered Accountants for carrying out the internal audit periodically and the same is commensurate with the size and nature of its business in respect of the area covered during the year.
- viii. We have broadly reviewed the books of accounts maintained by the Company pursuant to the order made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether these are accurate or complete.
- ix. Statutory Dues
- a. According to the information and explanations given to us, undisputed statutory dues including, Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it have generally been regularly deposited in time during the year with the appropriate authorities and there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March, 2013.
- b. According to the information and explanations given to us, the details of Income Tax, Wealth Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty and Cess, not deposited on account of any dispute are as follows :

Name of the Statute	Nature of the Dues	Relating to the year	Amount (₹)	Forum where dispute is Pending
Income Tax Act, 1961	Income Tax	2003-2004	333,207	Commissioner of Income Tax (Appeals)
Custom Act, 1962	Custom Duty	1996-97	1,735,119	Supreme Court

Annexure to the Independent Auditors' Report

- x) The Company does not have any accumulated losses. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi) In our opinion and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of any dues to financial institutions or banks.
- xii) According to the information and explanations given based on documents and records produced to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The Company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provision of the clause 4(xiii) of the Order are not applicable to the Company.
- xiv) The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4 (xiv) Order are not applicable to the Company.
- xv) In our opinion, and according to the information and explanations given to us, the terms and conditions of the corporate guarantees given to bank by the Company for bodies corporate for ₹ 308,000,000 are, prima facie, not prejudicial to the interest of the Company.
- xvi) According to the information and explanations given to us, the term loans have been applied for the purposes for which the loan were obtained.
- xvii) According to the information and explanations given to us and on overall examination of the balance sheet of the Company, we report that, there are no funds raised on short-term basis which have been used for long-term investments.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- xix) According to information and explanations given to us, the Company has not issued any debentures during the year.
- xx) The Company has not raised monies by public issues during the year.
- xxi) During the course of our examination of books of account carried out in accordance with generally accepted auditing practices in India, we have neither come across any incidence of fraud on or by the Company nor have we been informed of any such case by the management.

For LODHA & CO.

Chartered Accountants

Firm's ICAI registration No. 301051E

H. K. Verma

Partner

Membership No. 055104

Place : Kolkata

Date : May 30, 2013

Balance Sheet as at March 31, 2013

(Amount in ₹)

Particulars	Note No.	As at March 31, 2013	As at March 31, 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' Fund			
(a) Share capital	2	67,500,250	67,500,250
(b) Reserves and surplus	3	681,053,148	598,475,068
(2) Non-current liabilities			
(a) Long-term borrowings	4	22,352,241	38,497,914
(b) Deferred tax liabilities (Net)	5	6,310,183	13,797,652
(3) Current liabilities			
(a) Short-term borrowings	6	405,134,095	468,389,768
(b) Trade payables	7	170,268,746	151,638,933
(c) Other current liabilities	8	24,618,297	33,647,842
(d) Short-term provisions	9	21,712,816	21,161,625
TOTAL		1,398,949,776	1,393,109,052
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	142,073,306	181,160,380
(ii) Intangible assets	10	240,349	164,012
(iii) Capital work-in-progress		2,822,128	6,369,783
(b) Non-current investments	11	391,696,554	91,696,554
(c) Long-term loans and advances	12	24,829,025	315,956,344
(d) Other non-current assets	13	7,335,300	19,747,900
(2) Current assets			
(a) Inventories	14	237,016,939	138,392,702
(b) Trade receivables	15	309,281,099	348,141,442
(c) Cash and Bank balances	16	32,132,696	8,807,053
(d) Short-term loans and advances	17	240,262,402	275,185,339
(e) Other current assets	18	11,259,978	7,487,543
TOTAL		1,398,949,776	1,393,109,052

Summary of significant accounting policies

1

Notes to financial statements

2-27

The notes are an integral part of the Financial Statements

As per our report of even date

For LODHA & CO.

Chartered Accountants

H. K. Verma

Partner

Place : Kolkata

Date : May 30, 2013

For and on behalf of the Board

R. K. Dabriwala
Managing Director

M. P. Jhunjunwala
Director

Puja Shukla
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2013

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2013	For the year ended March 31, 2012
REVENUE			
Revenue from Operations	19	1,162,480,844	993,473,250
Other Income	20	34,388,097	99,222,802
Total Revenue		1,196,868,941	1,092,696,052
EXPENSES			
Cost of Materials consumed	21	691,832,029	590,219,638
Purchase of Stock in Trade	22	19,311,894	23,030,564
Changes in Inventories of Finished Goods, Work in Progress & Stock in Trade	23	(105,069,294)	(40,178,533)
Employee Benefits Expense	24	71,840,017	58,908,728
Finance Costs	25	40,560,907	60,615,258
Depreciation and Amortization Expense	10	48,290,580	47,166,217
Other Expenses	26	285,288,371	208,479,574
Total Expenses		1,052,054,504	948,241,446
Profit before tax		144,814,437	144,454,606
Tax Expenses			
Current		53,000,000	29,000,000
Less : Mat Credit		(3,019,081)	-
Deferred Tax Charge/(Credit)		(7,487,469)	12,710,029
		42,493,450	41,710,029
Profit after tax		102,320,987	102,744,577
Earning per Equity Share			
- Basic		1.52	1.52
- Diluted		1.52	1.52
Summary of significant accounting policies	1		
Notes to financial statements	2-27		
The notes are an integral part of the Financial Statements			

As per our report of even date
For LODHA & CO.
 Chartered Accountants

H. K. Verma
 Partner

Place : Kolkata
 Date : May 30, 2013

For and on behalf of the Board

R. K. Dabriwala
 Managing Director

M. P. Jhunjunwala
 Director

Puja Shukla
 Company Secretary

Cash Flow Statement for the year ended March 31, 2013

(Amount in ₹)

	Year ended March 31, 2013	Year ended March 31, 2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	144,814,437	144,454,606
Adjustment for		
Depreciation	48,290,580	47,166,217
(Profit)/Loss on sale of Fixed Assets (Net)	865	(23,163,462)
Liquidated Damages / Rebate and discount	570,739	145,920
Dividend from Long Term Investment	(92,651)	(53,063)
Finance Costs	40,560,907	60,615,258
Interest Income	(29,426,882)	(64,797,301)
Liability/Provision for doubtful deposit written off/ (back) (Net)	(241,812)	(731,412)
Operating profit before working capital changes	204,476,183	163,636,763
Adjustment for		
Trade and other receivables	16,106,001	(35,184,647)
Inventories	(98,624,237)	(64,270,195)
Trade and other payables	11,502,750	56,390,139
	(71,015,486)	(43,064,703)
Cash generated from Operation	133,460,697	120,572,060
Direct Taxes (Paid)/Refund received	(53,976,394)	(35,265,243)
Net Cash from/(used in) Operating Activities	79,484,303	85,306,817
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(6,228,572)	(94,299,173)
Sale of Fixed Assets	495,519	38,499,650
(Purchase)/Sale of Investments	(300,000,000)	1,715,827
Investments in subsidiary	-	(50,400,000)
Advance against Capital Assets/Investments	296,974,657	(41,923,694)
Received/(Receivables) against Capital Sale from Subsidiary	4,384,543	(4,384,543)
Loans Given	126,157,694	(27,196,987)
Loans Given to Subsidiary	(65,200,000)	(35,040,439)
Dividend received	92,651	53,063
Deposits with bank (original maturity more than 3 months)	(10,066,098)	(4,204,352)
Interest received	15,766,887	73,727,413
Net Cash from/(used in) Investing Activities	62,377,281	(143,453,235)

Cash Flow Statement for the year ended March 31, 2013

(Amount in ₹)

	Year ended March 31, 2013	Year ended March 31, 2012
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayments from Borrowings	(79,818,885)	124,216,408
Dividend Paid (Including Corporate Dividend Tax thereon)	(19,440,264)	(11,828,141)
Interest paid	(41,755,490)	(60,619,796)
Net Cash from/(used in) Financing Activities	(141,014,639)	51,768,471
Net Increase/(Decrease) in Cash and Cash Equivalents	846,945	(6,377,947)
Cash and Cash Equivalents at the beginning of the year	6,080,651	12,458,598
Cash and Cash Equivalents at the end of the year (Refer Note 16)	6,927,596	6,080,651

Note :

Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 : “Cash Flow Statements” as specified in the Companies (Accounting Standards) Rules, 2006.

As per our report of even date

For LODHA & CO.
Chartered Accountants
H. K. Verma
Partner

Place : Kolkata

Date : May 30, 2013

For and on behalf of the Board

R. K. Dabriwala
Managing Director
M. P. Jhunjunwala
Director
Puja Shukla
Company Secretary

Notes Forming Part of the Financial Statements as at March 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1. General

The financial statements have been prepared under the historical cost convention in accordance with the provision of the Companies Act, 1956 and mandatory Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006, prescribed by the Central Government. Accounting policies unless specifically stated to be otherwise, are consistent and are in consonance with generally accepted accounting principle.

1.2. Use of Estimates

The preparation of financial statements require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities and assets as at the Balance Sheet date and the reported amount of revenues and expenses during the year. Difference between the actual results and the estimates are recognized in the year in which the results are known/materialized.

1.3. Fixed Assets, depreciation and amortization

1.3.1 Tangible Assets

a) Gross Block

Tangible Assets are stated at cost of acquisition with subsequent improvements thereto. Cost of acquisition includes taxes, duties, inward freight and installation expenses.

Expenditure incurred on improvements/ modifications of fixed assets that increases the future benefits from the existing asset beyond its previously assessed standard of performance, e.g., increase in capacity / efficiency, are capitalized.

b) Depreciation is provided on written down value method as per Schedule XIV of the Companies Act, 1956. However assets costing ₹ 5,000/- or less are depreciated fully in the year of addition. Leasehold land is amortized over the period of lease.

Additions on account of improvements/ modifications, which becomes an integral part of the existing asset and either do not have separate identity and/or are not capable of being used after the existing asset is disposed off, are depreciated over the remaining useful lives of the assets (improved /modified) they are attached with.

1.3.2 Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortization. Computer Software packages are amortized over a period of five year on straight line basis.

1.4. Investments

Non-Current investments are stated at cost less provision for diminution other than temporary in nature. Current investments are carried at lower of cost and fair value.

1.5. Inventories

a) Inventories are valued at lower of the cost and net realizable value. The cost in respect of raw materials and stores and spares is determined on FIFO basis and in respect of finished goods and stock in process is determined on average basis. Cost of raw materials and stores and spares include the taxes and duties other than those recoverable from taxing authorities and expenses incidental to the procurement of the same. Cost in case of stock-in-process and finished goods represent prime cost and appropriate portion of overheads.

b) Custom duty on bonded materials and excise duty on finished goods at factory are accounted for and included in cost of inventory.

1.6. Impairments

Fixed Assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amounts of fixed assets is determined. An impairment loss is recognized, whenever the carrying amount of assets belonging to the Cash Generating Unit (CGU) exceeds recoverable amount. The recoverable amount is the greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flows from the use of assets are discounted to their present value as appropriate. An

Notes Forming Part of the Financial Statements as at March 31, 2013

impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets, which in case of CGU, are allocated to its assets on a prorata basis.

1.7. Foreign Currency Transaction

Transactions in Foreign Currencies are accounted for at the exchange rate prevailing as on the date of the transaction. Foreign Currency monetary assets and liabilities at the year end are translated using closing rates whereas non monetary assets are translated at the rate on the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transaction during the year are recognized as revenue or expenses in the Statement of Profit and Loss.

1.8. Revenue Recognition

- a) All expenses and revenue to the extent considered payable and receivable respectively, unless specifically stated to be otherwise, are accounted for on mercantile basis.
- b) Insurance and other claims are accounted for as and when admitted or realized.
- c) Dividend is recognized when the right to receive is established.

1.9. Sales

Revenue from sale of goods is recognized at the point of dispatch to the customers. Gross sales include excise duty and rebate, discounts, claims, returns, central sales tax (CST) / value added tax (VAT) etc., are excluded there from.

Sale of Electricity is accounted for on delivery of Electricity to grid in terms of agreement with the Electricity Board.

1.10. Expenses

Expenses under primary heads such as salary, wages, consumption of stores etc., are being shown under respective heads and have not been functionally reclassified.

1.11. Employee Benefits

Short term employee benefits are recognized as an expenses at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

The Company has Defined Contribution Plan for its employees retirement benefits comprising of Provident Fund and Pension Fund. The Company makes regular contribution to Provident Fund, which are fully funded and administered by the Government. Contributions are recognized in Statement of Profit and Loss on accrual basis.

The Company has Defined Benefit Plan comprising of Gratuity and Leave Encashment schemes. The Company contributes to the Gratuity Fund under the Group Gratuity Cash Accumulation Scheme with Life Insurance Corporation (LIC) for future payment of gratuity liability to its employees. Consequent to the adoption of Accounting Standard 15 (AS 15 Revised) on "Employee Benefits", the liability for the Gratuity and Leave Encashment as at the year end has been determined on the basis of an independent actuarial valuation in accordance with the method stated in AS 15 Revised and such liability has been adjusted/provided in these financial statements.

The actuarial gain and losses comprise experience judgment and are recognized in the Statement of Profit and Loss in the year in which they arise.

1.12. Grants

- a) Government Grants including subsidy are accounted for as and when realized.
- b) Grants, other than those related to specific assets which are adjusted there against, are treated either under capital or revenue account depending upon the nature of the same.

1.13. Borrowing Cost

Borrowing Cost incurred in relation to acquisition or construction of fixed assets are allocated to the fixed assets. Other borrowing cost are recognized as finance cost in the year in which they are incurred.

1.14. Income Tax

Provision for Tax is made for current tax and deferred tax. Current tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and/or liabilities arising on account of timing difference,

Notes Forming Part of the Financial Statements as at March 31, 2013

which are capable of reversal in subsequent periods are recognized using tax rates and tax laws, which has been enacted or substantively enacted. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. In case of carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is “virtual certainty” that such deferred tax assets can be realized against future taxable profits.

1.15. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statement. Contingent Liabilities, if material, are disclosed by way of notes.

Particulars	Reference Note No.	(Amount in ₹)	
		As at March 31, 2013	As at March 31, 2012
2 SHARE CAPITAL			
Authorised Shares			
98,000,000 (98,000,000) Equity Shares of ₹ 1/- each		98,000,000	98,000,000
20,000 (20,000) Preference Shares of ₹ 100/- each		2,000,000	2,000,000
		100,000,000	100,000,000
Issued, Subscribed and Fully Paid-up Shares			
67,500,000 (67,500,000) Equity Shares of ₹ 1/- each (Out of the above, 33,750,000 equity shares of ₹ 1/- each were allotted as fully paid-up bonus shares during the financial year ended on 2009-2010.)		67,500,000	67,500,000
Forfeited Shares		250	250
		67,500,250	67,500,250

- 2.1 Out of the above issued shares, the company has only one class of equity shares having a par value of ₹ 1/- each. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing general meeting. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion of their shareholding.
- 2.2 There is no movement in the number of shares outstanding at the beginning and at the end of the reporting period.
- 2.3 Details of the shareholders holding more than 5% shares of the total number of equity shares issued by the Company :

Name of the Shareholder	No. of Shares held as at March 31, 2013	No. of Shares held as at March 31, 2012
Rajendra Kumar Dabriwala	5,412,620	5,412,620
Surbhit Dabriwala	7,974,000	7,974,000
Yamini Dabriwala	6,409,900	6,409,900
Elara India Opportunities Fund Ltd.	6,500,000	6,500,000
Cresta Fund Ltd.	6,500,000	6,500,000
Ipro Funds Ltd.	6,500,000	6,500,000
Lotus Global Investments Ltd.	4,299,400	4,299,400

Notes Forming Part of the Financial Statements as at March 31, 2013

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2013		As at March 31, 2012	
		Non-Current	Current	Non-Current	Current
3 RESERVES AND SURPLUS					
Capital Reserve					
As per last Balance Sheet (Central Subsidy)			3,942,000		3,942,000
			3,942,000		3,942,000
General Reserve					
As per last Balance Sheet			350,000,000		300,000,000
Add : Transferred from Surplus			100,000,000		50,000,000
			450,000,000		350,000,000
Securities Premium Account					
As per last Balance Sheet			188,550,000		188,550,000
			188,550,000		188,550,000
Surplus					
As per last Balance Sheet			55,983,068		22,851,038
Add : Net Profit After Tax transferred from Statement of Profit and Loss			102,320,987		102,744,577
Amount available for appropriation			158,304,055		125,595,615
Less : Appropriations					
- Transferred to General Reserve			100,000,000		50,000,000
- Proposed Equity Dividend			16,875,000		16,875,000
- Tax on Equity Dividend			2,867,907		2,737,547
			119,742,907		69,612,547
Net Surplus			38,561,148		55,983,068
Total Reserves and Surplus			681,053,148		598,475,068

Particulars	Reference Note No.	As at March 31, 2013		As at March 31, 2012	
		Non-Current	Current	Non-Current	Current
4 LONG TERM BORROWINGS					
SECURED LOAN					
Term Loan					
From bank	4.1	17,620,000	14,320,000	31,940,000	14,320,000
Vehicle Finance Loan					
From banks	4.2	883,694	792,467	1,676,161	1,243,753
		18,503,694	15,112,467	33,616,161	15,563,753
UNSECURED LOAN					
Sales Tax Deferment Loan	4.3	3,848,547	1,033,207	4,881,753	999,460
		3,848,547	1,033,207	4,881,753	999,460
		22,352,241	16,145,674	38,497,914	16,563,213

Notes Forming Part of the Financial Statements as at March 31, 2013

- 4.1 Term Loan from State Bank of India has been secured by first charge on Plant and Equipment of the Wind Mill project in Andhra Pradesh, Current Assets of the Company, both present and future and extension of equitable mortgage of the leasehold industrial plot at Maharashtra Industrial Development Corporation, Aurangabad. The loan carries interest at 4.25% above base rate + Term Premium of 0.50% and is repayable as follows :

Year	Amount in ₹
2014-15	14,110,000
2015-16	3,510,000

- 4.2 Vehicle Finance Loan from banks is secured by hypothecation of Vehicles acquired against the said loan and is repayable as follows : (Amount in ₹)

Rate of Interest	2014-15	2015-16	2016-17
11.76%	284,197	-	-
12.26%	122,353	128,228	132,102
12.50%	216,814	-	-

- 4.3 Sales Tax Deferment Loan is interest free and is payable as per the repayment schedule as follows :

Year	Amount in ₹
2014-2015	1,112,379
2015-2016	1,082,759
2016-2017	773,379
2017-2018	533,687
2018-2019	318,097
2019-2020	28,246

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2013	As at March 31, 2012
5 DEFERRED TAX LIABILITIES (NET)			
Deferred Tax Liability :			
On account of depreciation difference as per Income tax and books of account		7,044,976	15,658,223
Gross Deferred Tax Liability		7,044,976	15,658,223
Deferred Tax Assets :			
Employee Benefits		(279,253)	827,728
Provision for doubtful debt and deposit		1,014,046	1,032,843
Gross Deferred Tax Asset		734,793	1,860,571
Net Deferred Tax Liability		6,310,183	13,797,652

Notes Forming Part of the Financial Statements as at March 31, 2013

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2013	As at March 31, 2012
6 SHORT TERM BORROWINGS			
SECURED LOAN			
Working Capital Facility From Bank	6.1		
Repayable on demand		81,173,473	211,292,082
Others		323,960,622	147,097,686
		405,134,095	358,389,768
UNSECURED LOAN			
Inter Corporate Deposits		-	110,000,000
		-	110,000,000
		405,134,095	468,389,768
6.1 Working Capital facility from Bank are secured by hypothecation of Company's entire stock, book debts and other current assets both present and future and also secured by first charge on fixed assets of the company, equitable mortgage of Leasehold industrial plot of Chikalhana Industrial Area (MIDC). This is further secured by personal guarantee by one of the directors of the company.			
7 TRADE PAYABLES			
Payables for Goods and Services	7.1 and 7.2	170,268,746	151,638,933
		170,268,746	151,638,933
7.1 Payables for Goods and Services include			
Acceptances		72,654,873	43,079,253
Creditors for raw materials purchases		33,937,304	35,631,669
7.2 Disclosure of Trade Payables is based on the information available with the company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" (the Act). There are no delays in payment made to such suppliers. There is no overdue amount outstanding as at the Balance Sheet date.			
8 OTHER CURRENT LIABILITIES			
Current Maturities of Long-term borrowings	4	14,320,000	14,320,000
Current Maturities of Vehicle Finance Loan	4	792,467	1,243,753
Current Maturities of Sales Tax Deferment Loan	4	1,033,207	999,460
Interest accrued but not due on borrowings		51,552	803,391
Interest accrued and due on borrowings		391,128	833,872
Other Payables			
Unpaid Dividends	8.1	414,236	241,953
Other Payables		7,615,707	15,205,413
		24,618,297	33,647,842
8.1 This is not due for payment to Investor Education and Protection Fund.			
9 SHORT TERM PROVISIONS			
Provision for employee benefits		1,969,909	1,549,078
Proposed Dividend		16,875,000	16,875,000
Tax on Proposed Dividend		2,867,907	2,737,547
		21,712,816	21,161,625

Notes Forming Part of the Financial Statements as at March 31, 2013

(Amount in ₹)

10 FIXED ASSETS		GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
Particulars	As on 01.04.2012	Additions	Adjustments/ Deduction	As on 31.03.2013	Upto 31.03.2012	For the Year	Adjustments/ Deduction	Upto 31.03.2013	As on 31.03.2013	As on 31.03.2012	
	TANGIBLE ASSETS										
(a) Land (Leasehold)	1,120,489	-	-	1,120,489	152,029	18,285	-	170,314	950,175	968,460	
(b) Buildings	18,900,946	224,805	-	19,125,751	8,972,692	911,056	-	9,883,748	9,242,003	9,928,254	
(c) Plant & Equipment	162,194,319	7,685,865	2,984,079	166,896,105	108,705,279	15,212,263	2,487,695	121,429,847	45,466,258	53,489,040	
(d) Wind Mill	267,143,526	-	-	267,143,526	160,035,559	29,797,436	-	189,832,995	77,310,531	107,107,967	
(e) Electrical Installation	3,477,955	-	-	3,477,955	1,999,071	205,713	-	2,204,784	1,273,171	1,478,884	
(f) Office Equipment	4,983,974	853,607	-	5,837,581	3,559,371	433,622	-	3,992,993	1,844,588	1,424,603	
(g) Furniture & Fixtures	6,581,807	885,115	-	7,466,922	4,359,278	472,867	-	4,832,145	2,634,777	2,222,529	
(h) Vehicles	7,389,386	-	-	7,389,386	2,848,743	1,188,840	-	4,037,583	3,351,803	4,540,643	
TOTAL TANGIBLE ASSETS	471,792,402	9,649,392	2,984,079	478,457,115	290,632,022	48,240,082	2,487,695	336,384,409	142,073,306	181,160,380	
Previous Year Tangible Assets	424,105,537	102,373,305	54,686,440	471,792,402	282,959,413	47,022,861	39,350,252	290,632,022	181,160,380	141,146,124	
INTANGIBLE ASSETS											
Computer Software	719,474	126,835	-	846,309	555,462	50,498	-	605,960	240,349	164,012	
TOTAL INTANGIBLE ASSETS	719,474	126,835	-	846,309	555,462	50,498	-	605,960	240,349	164,012	
Previous Year Intangible Assets	719,474	-	-	719,474	412,106	143,356	-	555,462	164,012	307,368	
TOTAL	472,511,876	9,776,227	2,984,079	479,304,024	291,187,484	48,290,580	2,487,695	336,990,369	142,313,655	181,324,392	
Previous Year	424,825,011	102,373,305	54,686,440	472,511,876	283,371,519	47,166,217	39,350,252	291,187,484	181,324,392	141,453,492	

10.1 Refer Note 4.1 and 4.2

Notes Forming Part of the Financial Statements as at March 31, 2013

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2013		As at March 31, 2012	
		No. of Shares	Value	No. of Shares	Value
11 NON CURRENT INVESTMENTS (Valued at cost unless stated otherwise)					
Investment in Equity Shares (Fully paid-up unless otherwise stated)					
Trade					
In Equity Shares of subsidiary company					
Un-quoted :					
International Belting Limited (Face Value of Share ₹ 10/- each)		750,000	72,900,000	750,000	72,900,000
		750,000	72,900,000	750,000	72,900,000
Others					
In Equity Shares of Other bodies corporate :					
Un-quoted :					
I.G.E. (India) Limited (Face Value of Share ₹ 10/- each)		775	7,543	775	7,543
Pure Coke Ltd (Face Value of Share ₹ 10/- each)		154,560	1,767,989	154,560	1,767,989
Dabri Properties and Trading Company Limited (Face Value of Share ₹ 10/- each)		60	600	60	600
		155,395	1,776,132	155,395	1,776,132
Quoted :					
Uco Bank (Face Value of Share ₹ 10/- each)		200	2,400	200	2,400
Dunlop India Limited (Face Value of Share ₹ 10/- each)		25	631	25	631
Garware-Wall Ropes Limited (Face Value of Share ₹ 10/- each)		350	28,465	350	28,465
Radaan Media Works (I) Limited (Face Value of Share ₹ 2/- each)		73,190	815,753	73,190	815,753
Oil Country Tubular Limited (Face Value of Share ₹ 10/- each)		6,000	782,853	6,000	782,853
Tide Water Oil (India) Limited (Face Value of Share ₹ 10/- each)		434	2,170,391	434	2,170,391
Elpro International Limited (Face Value of Share ₹ 10/- each)		347,058	13,056,947	347,058	13,056,947
R.C.A.Limited (Face Value of Share ₹ 10/- each)		13,548	162,982	13,548	162,982
		440,805	17,020,422	440,805	17,020,422
Others					
In 12% Non-Convertible Preference Shares of Other body corporate :					
Elpro International Limited (Face Value of Share ₹ 10/- each)	11.4	1,500,000	300,000,000	-	-
		1,500,000	300,000,000	-	-
			391,696,554		91,696,554
11.1 Aggregate Market value of Quoted Investments			122,306,350		124,510,074
11.2 Aggregate amount of Quoted Investments			17,020,422		17,020,422
11.3 Aggregate amount of Un-Quoted Investments			374,676,132		74,676,132

11.4 These preference shares will have the maximum term of 15 years from the date of allotment. However, these shares can be redeemed earlier at the option of the Company. The dividend on these preference shares will be cumulative and will be payable at the rate of 12% p.a.

Notes Forming Part of the Financial Statements as at March 31, 2013

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2013	As at March 31, 2012
12 LONG TERM LOANS AND ADVANCES (Unsecured Considered Good)			
Loans and Advances to related parties - Capital Advance	27.7	–	300,000,000
Other Capital Advances		4,961,902	220,732
Security Deposits		3,179,195	3,019,825
Advance Income Tax (net of provision)		13,518,315	12,541,921
Mat Credit Entitlement		3,019,081	–
Advance Fringe Benefit Tax (net of provision)		125,532	125,532
Others		25,000	48,334
		24,829,025	315,956,344
13 OTHER NON CURRENT ASSETS			
Balance With Bank			
In Fixed Deposits (having original maturity more than 12 months)	13.1	7,335,300	19,747,900
		7,335,300	19,747,900
13.1 Kept as lien against Letter of Credit and Bank Guarantee.			
14 INVENTORIES (Valued at lower of cost and net realisable value) (As valued, taken and certified by the management)			
Raw Materials		33,865,724	27,207,838
Raw Materials in Transit		5,194,378	24,973,459
Work-in-Process		71,856,185	49,642,118
Finished Goods		12,642,282	12,763,527
Finished Goods in Transit		99,102,947	15,978,243
Stock in Trade		6,453,562	3,228,964
Stock in Trade in Transit		1,415,775	1,696,927
Stores and Spares		6,382,261	2,893,119
Loose Tools		103,825	8,507
		237,016,939	138,392,702
14.1 Refer Note 6.1			

Notes Forming Part of the Financial Statements as at March 31, 2013

Particulars	Reference Note No.	(Amount in ₹)	
		As at March 31, 2013	As at March 31, 2012
15 TRADE RECEIVABLES			
Unsecured			
Trade receivables outstanding for a period exceeding six months from the date they are due for payment :			
Considered Good		29,294,912	12,419,721
Considered Doubtful		1,213,845	1,213,845
Less : Provision for Doubtful debt		(1,213,845)	(1,213,845)
		29,294,912	12,419,721
Others			
Considered Good		279,986,187	335,721,721
		309,281,099	348,141,442
16 CASH AND BANK BALANCES			
Cash and Cash Equivalents			
(i) Balances With Banks			
In Current Accounts		4,839,919	4,490,705
In Unpaid Dividend Accounts	8.1	431,588	259,472
Fixed Deposit With Bank (With Original Maturity of less than 3 Months)	16.1	1,232,000	1,044,000
(ii) Cash on Hand		424,089	286,474
		6,927,596	6,080,651
Other Bank Balances			
Fixed Deposit With Bank (With Original Maturity of more than 3 Months but less than 12 months)	16.1	25,205,100	2,726,402
		25,205,100	2,726,402
		32,132,696	8,807,053
16.1 Kept as lien against Letter of Credit and Bank Guarantee			
17 SHORT TERM LOANS AND ADVANCES (Unsecured Considered Good)			
Loans and advances to related parties	17.1 & 27.7	172,986,263	229,522,251
Security Deposits		207,333	167,938
Income Tax (Refundable)		214,174	214,174
Balance with Government authorities		36,073,111	11,018,383
Advances for supply of goods and services		18,285,513	29,589,878
Others		12,496,008	4,672,715
		240,262,402	275,185,339
(Unsecured Considered doubtful)			
Deposit to other body corporate		1,769,521	1,969,521
Less: Provision for doubtful deposit		(1,769,521)	(1,969,521)
		-	-
		240,262,402	275,185,339
17.1 Disclosure of Loans and Advances as per the requirement of clause 32 of the Listing agreement with the Stock Exchanges in India.			

Notes Forming Part of the Financial Statements as at March 31, 2013

	(Amount in ₹)			
	Amount Outstanding at the year end 2012-13	Maximum Amount outstanding during the year 2012-13	Amount Outstanding at the year end 2011-12	Maximum Amount outstanding during the year 2011-12
Loans and Advances in the nature of Loans to Subsidiary, Associates etc :				
- International Belting Limited	100,240,439	105,951,023	35,040,439	35,040,439
- Pure Coke Limited (Associate upto 30.03.2012)	-	-	36,088,291	58,500,000

Particulars	Reference Note No.	As at March 31, 2013	As at March 31, 2012
18 OTHER CURRENT ASSETS			
Interest accrued on deposits with Bank and others		8,468,494	746,032
Gratuity Receivable		2,791,484	2,356,968
Receivable from subsidiary			
On Capital Sale	18.1 and 27.7	-	4,384,543
		11,259,978	7,487,543

18.1 Represents amount receivable on sale of certain items of fixed assets.

Notes Forming Part of the Financial Statements for the year ended March 31, 2013

Particulars	Reference Note No.	(Amount in ₹)	
		For the year ended March 31, 2013	For the year ended March 31, 2012
19 REVENUE FROM OPERATIONS			
Sale of Products (Less : Returns, Claims etc)	19.1	1,201,579,848	1,011,346,989
Other operating revenue	19.2	2,091,040	3,413,848
		1,203,670,888	1,014,760,837
Less : Excise Duty		41,190,044	21,287,587
Revenue from operations		1,162,480,844	993,473,250
19.1 Sale of Products			
PVC Fire Resistant Antistatic Solid Woven Coal Conveyor Belting		1,148,461,950	965,606,334
Trading Goods	19.1a	21,762,280	24,998,560
Wind Energy	19.1b	31,355,618	20,742,095
		1,201,579,848	1,011,346,989

Notes Forming Part of the Financial Statements for the year ended March 31, 2013

Particulars	Reference Note No.	(Amount in ₹)	
		For the year ended March 31, 2013	For the year ended March 31, 2012
19.1a Details of sale of Trading Goods			
Fittings and Accessories		20,308,092	15,719,736
Equipments		1,454,188	590,431
Yarn and Chemicals		–	8,688,393
		21,762,280	24,998,560
19.1b Details of sales of Wind Energy			
Total Numbers of units generated and sold.* (In Kwh units)		8,892,759	5,884,516
Sales (in ₹)		31,355,618	20,742,095
*Net of 22,632 Units (Previous Year 24,708 Units) being transmission loss			
19.2 Other Operating Revenue			
Misc. Sales		1,789,999	1,583,327
Misc. Receipt		59,229	1,099,109
Sundry Balance written back		41,812	331,412
Provision for doubtful deposit written back		200,000	400,000
		2,091,040	3,413,848
20 OTHER INCOME			
Rent		29,760	–
Interest on loans, deposits with bank, etc		29,426,882	64,797,301
Dividend on long-term Investments		92,651	53,063
Profit on Sale of Fixed Assets (Net)		–	23,163,462
Foreign Exchange Gain (Net)		4,838,804	11,208,976
		34,388,097	99,222,802
21 COST OF MATERIALS CONSUMED			
Cost of Materials Consumed	21.1	691,832,029	590,219,638
		691,832,029	590,219,638
21.1 Details of Materials Consumed			
(a) Polyester Yarn		225,059,536	178,742,179
(b) Spun Yarn		37,964,434	30,628,680
(c) Cotton Yarn		46,106,720	40,239,183
(d) Chemicals			
(i) PVC Resin		123,158,349	112,584,992
(ii) Phosphate Plasticizer		161,737,908	123,825,426
(iii) Others		97,805,082	82,652,387
(e) Fabrics		–	21,546,791
		691,832,029	590,219,638

Notes Forming Part of the Financial Statements for the year ended March 31, 2013

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2013	For the year ended March 31, 2012
22 PURCHASE OF STOCK IN TRADE			
Purchase of Stock in Trade	22.1	19,311,894	23,030,564
		19,311,894	23,030,564
22.1 Details of Purchase of Stock in Trade			
(a) Fittings and Accessories		18,186,926	12,640,038
(b) Equipments		1,124,968	415,452
(c) Yarn and Chemicals		-	9,975,074
		19,311,894	23,030,564
23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE			
Opening Stock			
Finished Goods (including in transit ₹ 15,978,243/-)		28,741,770	8,596,784
Less : Excise Duty		1,393,950	371,703
		27,347,820	8,225,081
Work-in-process		49,642,118	29,982,646
Stock in Trade (including in transit ₹ 1,696,927/-)		4,925,891	3,529,569
		81,915,829	41,737,296
Less : Closing Stock			
Finished Goods (including in transit ₹ 99,102,947/-)		111,745,229	28,741,770
Less : Excise Duty		4,485,628	1,393,950
		107,259,601	27,347,820
Work-in-process		71,856,185	49,642,118
Stock in Trade (including in transit ₹ 1,415,775/-)		7,869,337	4,925,891
		186,985,123	81,915,829
		(105,069,294)	(40,178,533)
24 EMPLOYEE BENEFITS EXPENSE			
Salaries and Wages		65,765,299	55,422,117
Contribution to Provident, Gratuity and other Funds		2,464,265	664,396
Staff Welfare Expenses		3,610,453	2,822,215
		71,840,017	58,908,728
25 FINANCE COSTS			
Interest Expenses		37,592,216	59,628,271
Other Borrowing costs		356,796	986,987
Applicable loss on foreign currency transaction and translation		2,611,895	-
		40,560,907	60,615,258

Notes Forming Part of the Financial Statements for the year ended March 31, 2013

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2013	For the year ended March 31, 2012
26 OTHER EXPENSES			
Consumption of Stores and Spare Parts		2,321,300	4,078,881
Power and Fuel		33,637,369	26,709,171
Job Charges		60,000,000	19,481,820
Rent	26.1	3,035,557	3,299,261
Repairs			
Buildings		2,851,507	248,398
Machinery		10,824,044	7,566,345
Others		4,819,250	2,855,721
Insurance Charges		1,872,576	1,345,905
Rates and Taxes		222,532	355,081
Travelling and Conveyance		11,651,861	11,220,270
Directors Fees		113,911	120,000
Auditors Remuneration			
Audit Fees		170,000	120,000
Tax Audit Fees		40,000	30,000
Other Services		105,000	140,000
Transport, Packing and Forwarding		80,606,121	72,231,163
Commission on Sales		22,772,948	14,122,066
Legal and Professional Fees		23,933,417	12,437,035
Subscription and Donation		3,250,152	8,124,403
Loss on Sale of Fixed Assets (Net)		865	-
Miscellaneous Expenses		23,059,961	23,994,054
		285,288,371	208,479,574

26.1 The company has certain cancellable operating lease arrangements for office/residential accommodation and for use of machineries with a lease period of one to five years which can be further extended after mutual consent and agreement. The lease agreement can be terminated after giving a notice as per the terms of the lease by either of the party. Expenditure incurred on account of operating lease rentals during the year and recognised in the Statement of Profit and Loss amounts to ₹ 1,026,758/- (Previous Year ₹ 993,061/-).

Notes Forming Part of the Financial Statements as at March 31, 2013

(Amount in ₹)

	2012-13	2011-12
NOTE : 27		
27.1 Contingent liabilities not provided for in respect of :		
a) Guarantees given by bank on behalf of the Company	72,660,612	39,291,648
b) Corporate Guarantees given by the Company	308,000,000	197,000,000
c) Excise duty demand under appeal before the Hon'ble Supreme Court of India	1,735,119	1,735,119
d) Income Tax matter under Appeal	1,519,592	1,519,592
Note: Future cash outflows in respect of (c & d) above are dependent upon the outcome of judgments/decisions.		
27.2 Estimated amount of contracts remaining to be executed on account and not provided for :		
a) On capital account	21,990,262	1,581,884
b) Others	-	-
27.3 Employee Benefits :		
a) Contributions to Defined Contribution Plan recognized as expenses for the year are as under :		
Employer's Contribution to Provident Fund	904,967	779,582
Employer's Contribution to Pension Fund	544,537	579,172
Employer's Contribution to Employees State Insurance Scheme	279,511	270,302
b) The disclosure as per the Accounting Standard 15 (AS-15) "Employee Benefits" are given below : The Company operates post retirement benefit plans as following : Funded : Gratuity. Non Funded : Leave Encashment		

Disclosures for defined benefit plans based on actuarial reports as on March 31, 2013

	Gratuity (Funded)	
	2012-13	2011-12
A. Change in Defined Benefit Obligations :		
Present Value of Defined Benefit Obligations as at the beginning of the year	11,644,938	13,531,481
Current Service Cost	720,361	579,456
Interest Cost	936,448	992,848
Benefits Paid	(1,255,799)	(2,241,770)
Actuarial (Gains)/ Losses	600,431	(1,217,077)
Present Value of Defined Benefit Obligations as at the end of the year	12,646,379	11,644,938

Notes Forming Part of the Financial Statements as at March 31, 2013

(Amount in ₹)

	Gratuity (Funded)				
	2012-13	2011-12			
B. Change in the Fair Value of Assets :					
Fair Value of Plan Assets at the beginning of the year	14,001,906	13,694,091			
Expected Return on Plan Assets	1,127,892	1,064,013			
Contributions by the Employer	1,449,277	1,453,910			
Benefits paid	(1,255,799)	(2,241,770)			
Actuarial Gains/(Losses)	114,587	31,662			
Fair value of Plan Assets at the end of the year	15,437,863	14,001,906			
C. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets :					
Present Value of Defined Benefit Obligations as at the end of the year	12,646,379	11,644,938			
Fair Value of Plan Assets at the end of the year	15,437,863	14,001,906			
Liability/(Assets) recognized in the Balance Sheet	(2,791,484)	(2,356,968)			
D. Expenses recognized in the Statement of Profit and Loss :					
Current Service Cost	720,361	579,456			
Interest Cost	936,448	992,848			
Expected Return on Plan Assets	(1,127,892)	(1,064,013)			
Net Actuarial (Gain)/Loss	485,844	(1,248,739)			
Total Expenses recognized in the Statement of Profit and Loss*	1,014,761	(740,448)			
E. Principal Actuarial Assumptions used :					
Discounted Rate (per annum) Compound	8.10%	8.50%			
Expected Rate of return on Plan Assets	8.00%	8.00%			
Rate of Salary increase (per annum)	5.00%	5.00%			
	2012-13	2011-12	2010-11	2009-10	2008-09
F. Experience History :					
Net Assets/(Liability) recognized in Balance Sheet (including experience adjustment impact)					
Present Value of Defined Benefit Obligations	12,646,379	11,644,938	13,531,000	10,709,000	9,999,000
Fair Value of Plan Assets	15,437,863	14,001,906	13,694,000	12,165,000	10,744,000
Status [Surplus/(Deficit)]	2,791,484	2,356,968	163,000	1,456,000	745,000
Experience Adjustment of Plan Assets	114,587	31,662	70,000	59,000	18,000
Experience Adjustment of obligation	(355,596)	325,752	1,968,000	98,000	131,000

Notes Forming Part of the Financial Statements as at March 31, 2013

Disclosures for defined benefit plans based on actuarial reports as on March 31, 2013

(Amount in ₹)

	Leave Encashment (Non Funded)	
	2012-13	2011-12
A. Change in Defined Benefit Obligations :		
Present Value of Defined Benefit Obligations as at the beginning of the year	1,515,529	1,644,433
Current Service Cost	136,054	99,285
Interest Cost	126,332	125,247
Benefits Paid	(58,538)	(157,688)
Actuarial (Gains)/ Losses	250,532	(195,748)
Present Value of Defined Benefit Obligations as at the end of the year	1,969,909	1,515,529
B. Change in the Fair Value of Assets :		
Fair Value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Contributions by the Employer	-	-
Benefits Paid	-	-
Actuarial Gains/(Losses)	-	-
Fair Value of Plan Assets at the end of the year	-	-
C. Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets :		
Present Value of Defined Benefit Obligations as at the end of the year	1,969,909	1,515,529
Fair Value of Plan Assets at the end of the year	-	-
Liability /(Assets) recognized in the Balance Sheet	1,969,909	1,515,529
D. Expenses recognized in the Statement of Profit and Loss :		
Current Service Cost	136,054	99,285
Interest Cost	126,332	125,247
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/ Loss	250,532	(195,748)
Total Expenses recognized in the Statement of Profit and Loss*	512,918	28,784
E. Principal Actuarial Assumptions used :		
Discounted Rate (per annum) Compound	8.10%	8.50%
Expected Rate of return on Plan Assets	-	-
Rate of Salary increase (per annum)	5.00%	5.00%

Notes Forming Part of the Financial Statements as at March 31, 2013

(Amount in ₹)

	2012-13	2011-12	2010-11	2009-10	2008-09
F. Experience History :					
Net Assets/(Liability) recognized in Balance Sheet (including experience adjustment impact)					
Present Value of Defined Benefit Obligations	1,969,909	1,515,529	1,644,433	1,573,886	1,339,000
Fair Value of Plan Assets	-	-	-	-	-
Status [Surplus/(Deficit)]	(1,969,909)	(1,515,529)	(1,644,433)	(1,573,886)	(1,339,000)
Experience Adjustment of Plan Assets [Gain/(Loss)]	-	-	-	-	-
Experience Adjustment of obligation [(Gain)/Loss]	250,532	(195,748)	(114,000)	65,000	289,000

*Included in “Salaries, Wages and Bonus” and “Contribution to Provident Fund, Gratuity and Other Funds” under “EMPLOYEE BENEFITS EXPENSE” on Note 24.

The expected return on Plan Assets is based on the actuarial expectation of the average long-term rate of return expected. The discount rate is based on the prevailing market yields on Government bonds as at the balance sheet date.

The contributions expected to be made by the Company for the year 2013-14 is not ascertained.

27.4 Unhedged Foreign Currency exposures as on March 31, 2013 are as follows :

Nature	Currency	Current year amount in Foreign Currency	Previous year amount in Foreign Currency
Import	USD	171,120.00	533,377.81
Import	GBP	29,032.56	-
Advance to creditors	USD	325,927.04	498,565.92
Advance to creditors	GBP	-	20,333.93
Advance to creditors	AUD	12,500.00	-
PCFC Loan and Interest there on	USD	3,816,551.20	874,000.00
Buyers Credit and Interest there on	USD	2,095,769.39	950,607.49
Others	USD	356,131.35	850,774.38
Others	CDN	421,365.26	314,680.44
Export	USD	3,428,523.79	2,185,508.64
Export	CDN	1,704,106.18	3,322,039.26

	Year ended 31.03.2013	Year ended 31.03.2012
27.5 Earning Per Share (EPS) :		
(a) Profit / (Loss) attributable to Shareholders (₹)	102,320,987	102,744,577
(b) Weighted average number of Equity Shares	67,500,000	67,500,000
(c) Nominal Value of Equity Share (₹)	1	1
(d) Basic and Diluted EPS (₹)	1.52	1.52

Notes Forming Part of the Financial Statements as at March 31, 2013

(Amount in ₹)

27.6 Segment information for the year ended March 31, 2013

(i) Information about primary business segments

	Conveyor Belting		Wind Energy		Trading Goods		Unallocated Corporate		Total Amount		
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	
a	Segment Revenue										
	Sale and Services to External customers	1,148,461,950	965,606,334	31,355,618	20,742,095	21,762,280	24,998,560	-	-	1,201,579,848	1,011,346,989
	Other operating revenue	-	-	-	-	-	-	2,091,040	3,413,848	2,091,040	3,413,848
	Gross Turnover	1,148,461,950	965,606,334	31,355,618	20,742,095	21,762,280	24,998,560	2,091,040	3,413,848	1,203,670,888	1,014,760,837
	Less : Excise Duty / Service tax recovered	41,190,044	21,287,587	-	-	-	-	-	-	41,190,044	21,287,587
	Net Turnover	1,107,271,906	944,318,747	31,355,618	20,742,095	21,762,280	24,998,560	2,091,040	3,413,848	1,162,480,844	993,473,250
b	Segment Results										
	Unallocated Corporate Expenses	-	-	-	-	-	-	(60,554,741)	(33,639,374)	(60,554,741)	(33,639,374)
		213,379,183	155,938,406	(1,819,840)	15,106,000	4,943,860	2,867,531	(60,554,741)	(33,639,374)	155,948,462	140,272,563
	Interest Expenses	-	-	(5,510,106)	(3,401,378)	-	-	(35,050,801)	(57,213,880)	(40,560,907)	(60,615,258)
	Interest Income	-	-	-	-	-	-	29,426,882	64,797,301	29,426,882	64,797,301
	Profit/(Loss) before Tax and Exceptional Items	213,379,183	155,938,406	(7,329,946)	11,704,622	4,943,860	2,867,531	(66,178,660)	(26,055,953)	144,814,437	144,454,606
	Exceptional Items	-	-	-	-	-	-	-	-	-	-
	Profit / (Loss) Before Tax	213,379,183	155,938,406	(7,329,946)	11,704,622	4,943,860	2,867,531	(66,178,660)	(26,055,953)	144,814,437	144,454,606
	Income Taxes	-	-	-	-	-	-	(42,493,450)	(41,710,029)	(42,493,450)	(41,710,029)
	Profit After Tax	213,379,183	155,938,406	(7,329,946)	11,704,622	4,943,860	2,867,531	(108,672,110)	(67,765,982)	102,320,987	102,744,577
c	Segment Assets										
	Unallocated Corporate Assets	-	-	-	-	-	-	646,770,476	668,978,262	646,770,476	668,978,262
	Total Assets	657,734,999	602,198,038	81,864,606	109,973,071	12,579,695	11,959,681	646,770,476	668,978,262	1,398,949,776	1,393,109,052
d	Segment Liabilities										
	Unallocated Corporate Liabilities	-	-	-	-	-	-	(428,986,070)	(508,431,482)	(428,986,070)	(508,431,482)
	Total Liabilities	(189,012,640)	(171,825,845)	(32,397,668)	(46,876,407)	-	-	(428,986,070)	(508,431,482)	(650,396,378)	(727,133,734)
e	Cost incurred during the period to acquire segment fixed assets										
		9,435,272	12,354,240	-	87,410,426	-	-	340,955	2,608,639	9,776,227	102,373,305
f	Depreciation / Amortisation										
		17,074,951	19,945,227	29,797,436	25,755,190	-	-	1,418,193	1,464,800	48,290,580	47,165,217
g	Non cash expenses other than Amortisation										
		-	-	-	-	-	-	-	-	-	-

Note : (a) Conveyor Belting segment includes manufacturing and sale of PVC Conveyor Belting.

(b) Wind Energy Segment includes generation, supply and sale of Wind Power (Electricity).

(c) Unallocated / Corporate Segment includes Corporate, Administrative and Financing activity.

Notes Forming Part of the Financial Statements as at March 31, 2013

(Amount in ₹)

(ii) Information about secondary Business Segments

Particulars	2012-13	2011-12
Revenue by geographical market		
Sale of products		
Domestic	418,912,486	262,193,719
Export	782,667,362	749,153,270
Total	1,201,579,848	1,011,346,989
Assets		
Trade Receivables		
Within India	33,617,476	39,298,099
Outside India	275,663,623	308,843,343
Total	309,281,099	348,141,442

27.7 Related Party Disclosure as required by Accounting Standard 18 “Related Party Disclosure” as specified in the Companies (Accounting Standards) Rules, 2006 prescribed by the Central Government are as follows :

- (a) Associates :
 - 1) None
- (b) Subsidiary (w.e.f. 22.03.2012) :
 - 1) International Belting Limited
- (c) Key Management Personnel :

Shri R. K. Dabriwala – Managing Director
- (d) Enterprises where key management personnel and their relatives have substantial interest and/or significant influence :
 - 1) R.C.A. Limited
 - 2) Faridabad Investment Co. Limited
 - 3) I.G.E.(India) Private Limited
 - 4) Pure Coke Limited
 - 5) Elpro International Limited
 - 6) Dabri Properties and Trading Co. Limited

Notes Forming Part of the Financial Statements as at March 31, 2013

Details of transaction made with Related Parties during the year :

Nature of transaction	International Belling Limited		R. C. A. Limited		Pure Coke Limited		I.G.E. (India) Limited		Elpro International Ltd		Faridabad Investment Co. Ltd		Dabri Properties & Trading Co. Ltd		Key Management	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Director Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Received	6,345,084	1,285,021	-	-	6,597,259	6,221,605	9,238	-	12,383,590	47,966,576	-	-	-	-	-	-
Paid	-	-	-	-	-	-	-	81,147	-	-	-	-	-	-	-	-
Rent Received	-	-	29,760	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Received on LC Funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inter Corporate Deposit :	-	-	-	-	-	3,849,043	-	-	-	-	-	-	-	-	-	-
Loan Given	92,000,000	42,383,921	-	-	83,920,000	27,400,000	800,000	27,315,502	64,500,000	503,000,000	-	-	-	-	-	-
Repayment of Loan	26,800,000	8,500,000	-	-	53,200,000	49,411,153	800,000	28,554,123	221,177,694	460,300,000	-	-	-	-	-	-
Loan Taken	-	-	-	-	-	-	1,500,000	31,684,498	-	-	-	-	-	300,000	-	-
Loan Repaid	-	11,916,079	-	-	-	-	1,500,000	31,684,498	-	-	-	9,580,870	-	1,738,663	-	-
LC Funded	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LC Funded	-	-	-	-	52,924,708	-	-	-	-	-	-	-	-	-	-	-
Repayment of LC Funded	-	-	-	-	58,708,386	-	-	-	-	-	-	-	-	-	-	-
Advance for Capital Assets	-	-	-	-	-	-	-	-	-	300,000,000	-	-	-	-	-	-
Refund of Advance for Capital Assets	-	-	-	-	-	-	-	-	300,000,000	-	-	-	-	-	-	-
Refund of Subscription of Right Issue	-	-	-	-	-	-	-	-	-	260,000,000	-	-	-	-	-	-
Purchase of Shares	-	-	-	15,750,000	-	-	-	-	-	-	-	-	-	-	-	-
Sale of shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of Materials/Services	60,000,000	19,481,820	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Materials/Services	554,188	14,252,326	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Given	100,240,439	35,040,439	-	-	72,745,824	36,088,291	-	-	37,561,284	156,677,694	-	-	-	-	-	-
Interest Receivable	5,710,584	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of Materials/Services	262,073	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Materials/Services	-	162,427	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Capital Goods /Investment	-	4,384,543	-	-	-	-	-	-	-	-	-	-	-	1,715,827	-	-
Advance for Capital Assets	-	-	-	-	-	-	-	-	-	300,000,000	-	-	-	-	-	-
Corporate Guarantee given and outstanding	163,000,000	163,000,000	-	-	-	-	-	34,000,000	145,000,000	-	-	-	-	-	-	-

Notes Forming Part of the Financial Statements as at March 31, 2013

(Amount in ₹)

27.8 Value and percentage of Imported and Indigenous Raw Materials, Stores and Loose Tools consumed

Particulars	2012-13		2011-12	
	₹	%	₹	%
(a) Raw Materials :				
Imported	317,457,760	46	332,687,373	56
Indigenous	374,374,269	54	257,532,265	44
Total	691,832,029	100	590,219,638	100
(b) Stores, Spares & Components :				
Imported	476,802	21	45,188	1
Indigenous	1,844,498	79	4,033,693	99
Total	2,321,300	100	4,078,881	100

27.9 C.I.F Value of Imports :

Particulars	2012-13	2011-12
(a) Raw Materials	295,467,208	386,639,050
(b) Capital Goods	966,114	45,704
(c) Trading Goods	15,656,295	13,067,863
Total	312,089,617	399,752,617

27.10 Expenditure in Foreign Currency :

Particulars	2012-13	2011-12
Travelling Expenses	2,597,937	3,330,684
Printing and Stationery	6,811	-
Postage and Telegram	54,343	46,538
Rent	966,308	899,561
Commission	21,728,932	13,943,276
Freight Expenses	53,771,663	57,417,981
Interest on PCFC and FCNRB DL Loan	5,590,367	65,085
Interest on LC- Buyers Credit	2,802,412	2,687,413
Testing Expenses	37,190	24,630
Other Expenses	5,215,514	5,901,840
Total	92,771,477	84,317,008

27.11 Earning in Foreign Currency :

Particulars	2012-13	2011-12
Export of Beltings at F.O.B. Value	749,549,245	713,298,788
Total	749,549,245	713,298,788

Notes Forming Part of the Financial Statements as at March 31, 2013

- 27.12 Subsequent to the Balance Sheet date the Company has entered into a agreement to acquire all assets and liabilities of PVC Belting industrial undertaking of its wholly owned subsidiary, International Belting Limited situated at Falta SEZ South 24 Parganas, West Bengal on a going concern basis with effect from April 19, 2013.
- 27.13 Subsequent to the Balance Sheet date, the Company has formed a wholly owned subsidiary i.e., “ Conveyor Holdings Pte Limited” in Singapore.
- 27.14 Previous year’s figures have been re-arranged/re-grouped wherever necessary.

Note 1 to 27.14 forms an integral part of the Financial Statements.

As per our report of even date

For LODHA & CO.

Chartered Accountants

H. K. Verma

Partner

Place : Kolkata

Date : May 30, 2013

For and on behalf of the Board

R. K. Dabriwala

Managing Director

M. P. Jhunjunwala

Director

Puja Shukla

Company Secretary

Independent Auditors' Report

To the Board of Directors of International Conveyors Limited on the Consolidated Financial Statements of International Conveyors Limited, and Its Subsidiaries

We have audited the accompanying consolidated financial statements of International Conveyors Limited ("the Company") and its subsidiaries which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's 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 accounting principles generally accepted in India. 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 misstatement, 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 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 disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, 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 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 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 and on consideration of the separate audit reports on the individual financial statements of the Company and the Subsidiary, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 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 LODHA & CO.

Chartered Accountants

Firm's ICAI registration No. 301051E

H. K. Verma

Partner

Membership No. 055104

Place : Kolkata

Date : May 30, 2013

Consolidated Balance Sheet as at March 31, 2013

(Amount in ₹)

Particulars	Note No.	As at March 31, 2013	As at March 31, 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' Fund			
(a) Share capital	2	67,500,250	67,500,250
(b) Reserves and surplus	3	682,417,074	597,495,304
(2) Non-current liabilities			
(a) Long-term borrowings	4	78,843,930	121,925,656
(b) Deferred tax liabilities (Net)	5	6,310,183	13,797,652
(3) Current liabilities			
(a) Short-term borrowings	6	405,134,095	468,389,768
(b) Trade payables	7	172,000,026	151,788,723
(c) Other current liabilities	8	53,516,448	63,165,262
(d) Short-term provisions	9	21,712,816	21,161,625
TOTAL		1,487,434,822	1,505,224,240
II. ASSETS			
(1) Non-current Assets			
(a) Goodwill on consolidation		10,113,526	10,113,526
(b) Fixed assets			
(i) Tangible assets	10	322,750,892	371,492,045
(ii) Intangible assets	10	240,349	164,012
(iii) Capital work-in-progress		13,597,072	19,324,246
(c) Non-current investments	11	318,820,554	18,820,554
(d) Long-term loans and advances	12	34,769,467	316,131,025
(e) Other non-current assets	13	7,335,300	19,747,900
(2) Current assets			
(a) Inventories	14	240,677,141	142,384,588
(b) Trade receivables	15	309,281,099	347,979,015
(c) Cash and Bank balances	16	37,283,465	15,010,099
(d) Short-term loans and advances	17	186,980,247	240,022,187
(e) Other current assets	18	5,585,710	4,035,043
TOTAL		1,487,434,822	1,505,224,240

Summary of significant accounting policies

1

Notes to financial statements

2-27

The notes are an integral part of the Financial Statements

As per our report of even date

For LODHA & CO.

Chartered Accountants

H. K. Verma

Partner

Place : Kolkata

Date : May 30, 2013

For and on behalf of the Board

R. K. Dabriwala
Managing Director

M. P. Jhunjunwala
Director

Puja Shukla
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2013

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2013	For the year ended March 31, 2012
REVENUE			
Revenue from Operations	19	1,162,480,844	970,569,076
Other Income	20	35,422,476	97,766,623
Total Revenue		1,197,903,320	1,068,335,699
EXPENSES			
Cost of Materials consumed	21	691,832,029	588,689,788
Purchase of Stock in Trade	22	19,311,894	20,768,499
Changes in Inventories of Finished Goods, Work in Progress & Stock in Trade	23	(105,069,294)	(40,178,533)
Employee Benefits Expense	24	74,280,727	58,946,819
Finance Costs	25	60,897,764	59,641,689
Depreciation and Amortization Expenses	10	74,397,260	47,839,012
Other Expenses	26	235,094,813	189,153,583
Total Expenses		1,050,745,193	924,860,857
Profit before tax		147,158,127	143,474,842
Tax Expenses			
Current		53,000,000	29,000,000
Less : Mat Credit		(3,019,081)	-
Deferred Tax Charge/(Credit)		(7,487,469)	12,710,029
		42,493,450	41,710,029
Profit after tax		104,664,677	101,764,813
Earning per Equity Share			
- Basic		1.55	1.51
- Diluted		1.55	1.51
Summary of significant accounting policies	1		
Notes to financial statements	2-27		
The notes are an integral part of the Financial Statements			

As per our report of even date
For LODHA & CO.
 Chartered Accountants

H. K. Verma
 Partner

Place : Kolkata
 Date : May 30, 2013

For and on behalf of the Board

R. K. Dabriwala
 Managing Director

M. P. Jhunjunwala
 Director

Puja Shukla
 Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2013

(Amount in ₹)

	Year ended March 31, 2013	Year ended March 31, 2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	147,158,127	143,474,842
Adjustment for		
Depreciation	74,397,260	47,839,012
(Profit)/Loss on sale of Fixed Assets (Net)	865	(22,965,358)
Liquidated Damages / Rebate and discount	570,739	145,920
Dividend from Long Term Investment	(92,651)	(53,063)
Finance Costs	60,897,764	59,641,689
Interest Income	(30,258,233)	(63,539,150)
Foreign Exchange (Gain) / Loss on capital assets	(43,748)	-
Liability/Provision for doubtful deposit written off/(back) (Net)	(244,612)	(731,412)
Operating profit before working capital changes	252,385,511	163,812,480
Adjustment for		
Trade and other receivables	20,126,473	(31,676,897)
Inventories	(98,292,552)	(67,288,710)
Trade and other payables	7,271,963	53,690,852
	(70,894,116)	(45,274,755)
Cash generated from Operation	181,491,395	118,537,725
Direct Taxes (Paid)/Refund received	(55,487,124)	(35,124,570)
Net Cash from/(used in) Operating Activities	126,004,271	83,413,155
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(28,696,825)	(131,080,426)
Sale of Fixed Assets	495,519	38,301,546
(Purchase)/Sale of Investments	(300,000,000)	1,715,827
Investments in subsidiary	-	(38,351,292)
Advance against Capital Assets/Investments	296,974,657	(43,432,105)
Loans Given	81,060,683	(7,273,088)
Dividend received	92,651	53,063
Deposits with bank (original maturity more than 3 months)	(9,716,098)	(4,204,352)
Interest received	16,920,479	74,814,166
Net Cash from/(used in) Investing Activities	57,131,066	(109,456,661)

Consolidated Cash Flow Statement for the year ended March 31, 2013

(Amount in ₹)

	Year ended March 31, 2013	Year ended March 31, 2012
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayments from Borrowings	(106,739,675)	102,294,830
Dividend Paid (Including Corporate Dividend Tax thereon)	(19,440,264)	(11,828,141)
Interest paid	(56,810,730)	(69,292,102)
Net Cash from/(used in) Financing Activities	(182,990,669)	21,174,587
Net Increase/(Decrease) in Cash and Cash Equivalents	144,668	(4,868,919)
Cash and Cash Equivalents at the beginning of the year	9,903,697	14,772,616

Note :

Consolidated Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 : "Cash Flow Statements" as specified in the Companies (Accounting Standards) Rules, 2006.

As per our report of even date

For LODHA & CO.
Chartered Accountants
H. K. Verma
Partner

Place : Kolkata

Date : May 30, 2013

For and on behalf of the Board

R. K. Dabriwala
Managing Director
M. P. Jhunjunwala
Director
Puja Shukla
Company Secretary

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES OF CONSOLIDATED ACCOUNTS

- 1.1** The Consolidated Financial Statements have been prepared in accordance with the Accounting Standard (AS) – 21 on “Consolidated Financial Statements”, notified vide Companies (Accounting Standards) Rules, 2006
- 1.2** The Consolidated Financial Statements relate to International Conveyors Limited (the Company), and its subsidiary. The details are as given below:

Name of the subsidiary	Country of Incorporation	Proportion of ownership interest
International Belting Limited	India	100%

1.3 CONSOLIDATION PROCEDURE:

- i. The financial statements of the parent company and its subsidiary have been prepared based on a line-by-line consolidation by adding together the book value of like items of assets and liabilities, revenue and expenses as per the respective financial statements. Intra group balances, intra group transactions and the unrealised profits on stocks arising out of intra group transaction have been eliminated.
- ii. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for similar material transactions and other events in similar circumstances otherwise as stated elsewhere.
- iii. The difference between the cost of investments in the subsidiary, over the net assets at the time of acquisition of shares in the subsidiary is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.

1.4 Investments other than in subsidiary have been accounted as per AS-13 on “Accounting for Investments.”

1.5 Other significant accounting policies :

1.5.1 General

The financial statements have been prepared under the historical cost convention in accordance with the provision of the Companies Act, 1956 and mandatory Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006, prescribed by the Central Government. Accounting policies unless specifically stated to be otherwise, are consistent and are in consonance with Generally Accepted Accounting Principle.

1.5.2 Use of Estimates

The preparation of financial statements require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities and assets as at the Balance Sheets date and the reported amounts of revenues and expenses during the year. Difference between the actual results and the estimates are recognized in the year in which the results are known/ materialized.

1.5.3 Fixed Assets, Depreciation and Amortization

1.5.3. (i) Tangible Assets

a) Gross Block

Tangible Assets are stated at cost of acquisition with subsequent improvements thereto. Cost of acquisition includes taxes, duties, inward freight and installation expenses.

Expenditure incurred on improvements/ modifications of fixed assets that increases the future benefits from the existing asset beyond its previously assessed standard of performance, e.g., increase in capacity/ efficiency, are capitalized.

b) Depreciation is provided on written down value method as per Schedule XIV of the Companies Act, 1956.

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

However assets costing ₹ 5,000/- or less are depreciated fully in the year of addition. Leasehold land is amortized over the period of lease.

Additions on account of improvements/ modifications, which becomes an integral part of the existing asset and either do not have separate identity and/or are not capable of being used after the existing asset is disposed off, are depreciated over the remaining useful lives of the assets (improved /modified) they are attached with.

1.5.3. (ii) Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortization. Computer software packages are amortized over a period of five year on straight line basis.

1.5.4 Investments

Non-Current investments are stated at cost less provision for diminution other than temporary in nature. Current investments are carried at lower of cost and fair value.

1.5.5 Inventories

- a) Inventories are valued at lower of the cost and net realizable value. The cost in respect of raw materials and stores and spares is determined on FIFO basis and in respect of finished goods and stock in process is determined on average basis. Cost of raw materials and stores and spares include the taxes and duties other than those recoverable from taxing authorities and expenses incidental to the procurement of the same. Cost in case of stock-in-process and finished goods represent prime cost and appropriate portion of overheads.
- b) Custom duty on bonded materials and excise duty on finished goods at factory are accounted for and included in cost of inventory.

1.5.6 Impairments

Fixed Assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amounts of fixed assets is determined. An impairment loss is recognized, whenever the carrying amount of assets belonging to the Cash Generating Unit (CGU) exceeds recoverable amount. The recoverable amount is the greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flows from the use of assets are discounted to their present value as appropriate. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets, which in case of CGU, are allocated to its assets on a prorata basis.

1.5.7 Foreign Currency Transaction

Transactions in Foreign Currencies are accounted for at the exchange rate prevailing as on the date of the transaction. Foreign Currency monetary assets and liabilities at the year end are translated using closing rates whereas non monetary assets are translated at the rate on the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transaction during the year are recognized as revenues or expenses in the Statement of Profit and Loss.

1.5.8 Revenue Recognition

- a) All expenses and revenue to the extent considered payable and receivable respectively, unless specifically stated to be otherwise, are accounted for on mercantile basis.
- b) Insurance and other claims are accounted for as and when admitted or realized.
- c) Dividend is recognized when the right to receive is established.

1.5.9 Sales

Revenue from sale of goods is recognized at the point of dispatch to the customers. Gross sales include excise duty and rebate, discounts, claims, returns, central sales tax (CST) / value added tax (VAT) etc., are excluded there from.

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

Sale of Electricity is accounted for on delivery of Electricity to grid in terms of agreement with the Electricity Board.

1.5.10 Expenses

Expenses under primary heads such as salary, wages, consumption of stores etc., are being shown under respective heads and have not been functionally reclassified.

1.5.11 Employee Benefits

Short term employee benefit are recognized as expenses at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

The Company has Defined Contribution Plan for its employees retirement benefits comprising of Provident Fund and Pension Fund. The Company makes regular contribution to Provident Fund, which are fully funded and administered by the Government. Contributions are recognized in Statement of Profit and Loss on accrual basis.

The Company has Defined Benefit Plan comprising of Gratuity and Leave Encashment schemes. The Company contributes to the Gratuity Fund under the Group Gratuity Cash Accumulation Scheme with Life Insurance Corporation (LIC) for future payment of gratuity liability to its employees. Consequent to the adoption of Accounting Standard 15 (AS 15 Revised) on "Employee Benefits", the liability for the Gratuity and Leave Encashment as at the year end has been determined on the basis of an independent actuarial valuation in accordance with the method stated in AS 15 Revised and such liability has been adjusted/ provided in these financial statements.

The actuarial gain and losses comprise experience judgment and are recognized in the Statement of Profit and Loss in the year in which they arise.

1.5.12 Grants

- a) Government Grants including subsidy are accounted for as and when realized.
- b) Grants, other than those related to specific assets which are adjusted there against, are treated either under capital or revenue account depending upon the nature of the same.

1.5.13 Borrowing Cost

Borrowing Cost incurred in relation to acquisition or construction of fixed assets are allocated to the fixed assets. Other borrowing cost are recognized as finance cost in the year in which they are incurred.

1.5.14 Income Tax

Provision for Tax is made for current tax and deferred tax. Current tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and/or liabilities arising on account of timing difference, which are capable of reversal in subsequent periods are recognized using tax rates and tax laws, which has been enacted or substantively enacted. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. In case of carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is "virtual certainty" that such deferred tax assets can be realized against future taxable profits.

1.5.15 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statement. Contingent Liabilities, if material, are disclosed by way of notes.

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

Particulars	Reference Note No.	(Amount in ₹)	
		As at March 31, 2013	As at March 31, 2012
2 SHARE CAPITAL			
Authorised Shares			
98,000,000 (98,000,000) Equity Shares of ₹ 1/- each		98,000,000	98,000,000
20,000 (20,000) Preference Shares of ₹ 100/- each		2,000,000	2,000,000
		100,000,000	100,000,000
Issued, Subscribed and Fully Paid-up Shares:			
67,500,000 (67,500,000) Equity Shares of ₹ 1/- each (Out of the above, 33,750,000 equity shares of ₹ 1/- each were allotted as fully paid-up bonus shares during the financial year ended on 2009-2010.)		67,500,000	67,500,000
Forfeited Shares		250	250
		67,500,250	67,500,250

- 2.1 Out of the above issued shares, the company has only one class of equity shares having a par value of ₹ 1/- each. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing general meeting. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion of their shareholding.
- 2.2 There is no movement in the number of shares outstanding at the beginning and at the end of the reporting period.
- 2.3 Details of the shareholders holding more than 5% shares of the total number of equity shares issued by the Company :

Name of the Shareholder	No. of Shares held as at March 31, 2013	No. of Shares held as at March 31, 2012
Rajendra Kumar Dabriwala	5,412,620	5,412,620
Surbhit Dabriwala	7,974,000	7,974,000
Yamini Dabriwala	6,409,900	6,409,900
Elara India Opportunities Fund Ltd.	6,500,000	6,500,000
Cresta Fund Ltd.	6,500,000	6,500,000
Ipro Funds Ltd.	6,500,000	6,500,000
Lotus Global Investments Ltd.	4,299,400	4,299,400

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2013	As at March 31, 2012
3 RESERVES AND SURPLUS			
Capital Reserve			
As per last Balance Sheet (Central Subsidy)		3,942,000	3,942,000
		3,942,000	3,942,000
General Reserve			
As per last Balance Sheet		350,000,000	300,000,000
Add : Transferred from Surplus		100,000,000	50,000,000
		450,000,000	350,000,000
Securities Premium Account			
As per last Balance Sheet		188,550,000	188,550,000
		188,550,000	188,550,000
Surplus			
As per last Balance Sheet		55,003,304	22,851,038
Add : Net Profit After Tax transferred from Statement of Profit and Loss		104,664,677	101,764,813
Amount available for appropriation		159,667,981	124,615,851
Less : Appropriations			
- Transferred to General Reserve		100,000,000	50,000,000
- Proposed Equity Dividend		16,875,000	16,875,000
- Tax on Equity Dividend		2,867,907	2,737,547
		119,742,907	69,612,547
Net Surplus		39,925,074	55,003,304
Total Reserves and Surplus		682,417,074	597,495,304

Particulars	Reference Note No.	As at March 31, 2013		As at March 31, 2012	
		Non-Current	Current	Non-Current	Current
4 LONG TERM BORROWINGS					
SECURED LOAN					
Term Loan					
From bank	4.1	74,024,522	41,120,000	115,144,522	41,120,000
		74,024,522	41,120,000	115,144,522	41,120,000
Vehicle Finance Loan					
From banks	4.2	883,694	792,467	1,676,161	1,243,753
From other	4.3	87,167	136,053	223,220	120,790
		970,861	928,520	1,899,381	1,364,543
		74,995,383	42,048,520	117,043,903	42,484,543
UNSECURED LOAN					
Sales Tax Deferment Loan	4.4	3,848,547	1,033,207	4,881,753	999,460
		3,848,547	1,033,207	4,881,753	999,460
		78,843,930	43,081,727	121,925,656	43,484,003

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

4.1 Term loan referred above to the extent of :

- a) ₹ 17,620,000 has been secured by first charge on Plant & Equipment of the Wind Mill project in Andhra Pradesh, Current Assets of the Company, both present and future and extension of equitable mortgage of the leasehold industrial plot at Maharashtra Industrial Development Corporation, Aurangabad. The loan carries interest at 4.25% above base rate + Term Premium of 0.50% and is repayable as follows :

Year	Amount in ₹
2014-15	14,110,000
2015-16	3,510,000

- b) ₹ 56,404,522 has been secured by first charge on all fixed assets of the Company both present & future, second charge on entire current assets of the Company both present & future, and is also secured by personal and corporate guarantee and is repayable in 21 quarterly installment commencing from June 2011. Last installment due in June 2016, rate of interest as per State Bank Advance Rate (SBAR).

Year	Amount in ₹
2014-15	26,800,000
2015-16	26,800,000
2016-17	2,804,522

4.2 Vehicle Finance Loan from banks is secured by hypothecation of Vehicles acquired against the said loan and is repayable as follows :

Rate of Interest	2014-15	2015-16	2016-17
11.76%	284,197	-	-
12.26%	122,353	128,228	132,102
12.50%	216,814	-	-

4.3 Vehicle Loan from other is secured by hypothecation of Vehicles acquired against the said loan and is repayable as follows :

Rate of Interest	2014-15
11.96%	87,167

4.4 Sales Tax Deferment Loan is interest free and is payable as per the repayment schedule as follows :

Year	Amount in ₹
2014-2015	1,112,379
2015-2016	1,082,759
2016-2017	773,379
2017-2018	533,687
2018-2019	318,097
2019-2020	28,246

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2013	As at March 31, 2012
5 DEFERRED TAX LIABILITIES (NET)			
Deferred Tax Liability :			
On account of depreciation difference as per Income tax and books of account.		7,044,976	15,658,223
Gross Deferred Tax Liability		7,044,976	15,658,223
Deferred Tax Assets :			
Employee Benefits		(279,253)	827,728
Provision for doubtful debt and deposit		1,014,046	1,032,843
Gross Deferred Tax Asset		734,793	1,860,571
Net Deferred Tax Liability		6,310,183	13,797,652
6 SHORT TERM BORROWINGS			
SECURED LOAN			
Working Capital Facility From Bank	6.1		
Repayable on demand		81,173,473	211,292,082
Others		323,960,622	147,097,686
		405,134,095	358,389,768
UNSECURED LOAN			
Inter Corporate Deposits		-	110,000,000
		-	110,000,000
		405,134,095	468,389,768

6.1 Working Capital facility from Bank are secured by hypothecation of Company's entire stock, book debts and other current assets both present and future and also secured by first charge on fixed assets of the company, equitable mortgage of Leasehold industrial plot of Chikalthana Industrial Area (MIDC). This is further secured by personal guarantee by one of the directors of the company.

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2013	As at March 31, 2012
7 TRADE PAYABLES			
Payables for Goods and Services	7.1	172,000,026	151,788,723
		172,000,026	151,788,723
7.1 Payables for Goods and Services include			
Acceptances		72,654,873	43,079,253
Creditors for raw materials purchases		33,937,304	35,631,669
7.2 Disclosure of Trade Payables is based on the information available with the company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" (the Act). There are no delay in payment made to such suppliers. There is no overdue amount outstanding as at the Balance Sheet date.			
8 OTHER CURRENT LIABILITIES			
Current Maturities of Long-term borrowings	4	41,120,000	41,120,000
Current Maturities of Vehicle Finance Loan	4	928,520	1,364,543
Current Maturities of Sales Tax Deferment Loan	4	1,033,207	999,460
Interest accrued but not due on borrowings		53,776	806,819
Interest accrued and due on borrowings		1,428,746	2,299,253
Other Payables			
Unpaid Dividends	8.1	414,236	241,953
Other Payables		8,537,963	16,333,234
		53,516,448	63,165,262
8.1 This is not due for payment to Investor Education and Protection Fund.			
9 SHORT TERM PROVISIONS			
Provision for employee benefits		1,969,909	1,549,078
Proposed Dividend		16,875,000	16,875,000
Tax on Proposed Dividend		2,867,907	2,737,547
		21,712,816	21,161,625

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

(Amount in ₹)

Particulars	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK				
	As on 01.04.2012	Additions	Adjustments/ Deduction	As on 31.03.2013	Upto 31.03.2012	On acquisition of Subsidiary	For the Year	Adjustments/ Deduction	Upto 31.03.2013	As on 31.03.2013	As on 31.03.2012
10 FIXED ASSETS											
TANGIBLE ASSETS											
(a) Land(Leasehold)	1,120,489	-	-	1,120,489	152,029	-	18,285	-	170,314	950,175	968,460
(b) Buildings	66,165,108	4,882,318	-	71,047,426	11,594,174	-	5,587,959	-	17,182,133	53,865,293	54,570,934
(c) Plant & Equipment	308,978,720	18,917,859	2,984,079	324,912,500	113,591,671	-	35,959,106	2,487,695	147,063,082	177,849,418	195,387,049
(d) Wind Mill	267,143,526	-	-	267,143,526	160,035,559	-	29,797,436	-	189,832,995	77,310,531	107,107,967
(e) Electrical Installation	6,752,289	499,025	-	7,251,314	2,231,925	-	666,305	-	2,898,230	4,353,084	4,520,364
(f) Office Equipment	5,265,417	895,107	-	6,160,524	3,657,079	-	502,327	-	4,159,406	2,001,118	1,608,338
(g) Furniture & Fixtures	6,744,862	907,685	-	7,652,547	4,447,791	-	499,328	-	4,947,119	2,705,428	2,297,071
(h) Vehicles	7,970,503	-	-	7,970,503	2,938,642	-	1,316,016	-	4,254,658	3,715,845	5,031,862
TOTAL TANGIBLE ASSETS	670,140,914	26,101,994	2,984,079	699,258,829	298,648,870	-	74,346,762	2,487,695	370,507,937	322,750,892	371,492,045
Previous Year Tangible Assets	424,444,967	300,382,387	54,686,440	670,140,914	283,082,284	722,182	47,695,656	39,350,252	298,648,870	371,492,045	141,362,683
INTANGIBLE ASSETS											
Computer Software	719,474	126,835	-	846,309	555,462	-	50,498	-	605,960	240,349	164,012
TOTAL INTANGIBLE ASSETS	719,474	126,835	-	846,309	555,462	-	50,498	-	605,960	240,349	164,012
Previous Year Intangible Assets	719,474	-	-	719,474	412,106	-	143,356	-	555,462	164,012	307,368
TOTAL	670,860,388	26,228,829	2,984,079	694,105,138	299,204,332	-	74,397,260	2,487,695	371,113,897	322,991,241	371,656,057
Previous Year	425,164,441	300,382,387	54,686,440	670,860,388	283,494,390	722,182	47,839,012	39,350,252	299,204,332	371,656,057	141,670,051

10.1 Refer Note 4.1, 4.2 and 4.3

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2013		As at March 31, 2012	
		No. of Shares	Value	No. of Shares	Value
11 NON CURRENT INVESTMENTS (Valued at cost unless stated otherwise)					
Investment in Equity Shares (Fully paid-up unless otherwise stated)					
Others					
In Equity Shares of Other bodies corporate :					
Un-quoted:					
I.G.E. (India) Limited (Face Value of Share ₹10/- each)		2,975	29,543	2,975	29,543
Pure Coke Ltd (Face Value of Share ₹10/- each)		154,560	1,767,989	154,560	1,767,989
Dabri Properties and Trading Company Limited (Face Value of Share ₹10/- each)		60	600	60	600
		157,595	1,798,132	157,595	1,798,132
Quoted :					
Uco Bank (Face Value of Share ₹10/- each)		200	2,400	200	2,400
Dunlop India Limited (Face Value of Share ₹10/- each)		25	631	25	631
Garware-Wall Ropes Limited (Face Value of Share ₹10/- each)		350	28,465	350	28,465
Radaan Media Works (I) Limited (Face Value of Share ₹2/- each)		73,190	815,753	73,190	815,753
Oil Country Tubular Limited (Face Value of Share ₹10/- each)		6,000	782,853	6,000	782,853
Tide Water Oil (India) Limited (Face Value of Share ₹10/- each)		434	2,170,391	434	2,170,391
Elpro International Limited (Face Value of Share ₹10/- each)		347,058	13,056,947	347,058	13,056,947
Elpro Estates Limited (Face Value of Share ₹10/- each)		200	2,000	200	2,000
R.C.A.Limited (Face Value of Share ₹10/- each)		13,548	162,982	13,548	162,982
		441,005	17,022,422	441,005	17,022,422
Others					
In 12 % Non-Convertible Preference Shares of Other body corporate :					
Elpro International Limited (Face Value of Share ₹ 10/- each)	11.4	1,500,000	300,000,000	-	-
		1,500,000	300,000,000	-	-
			318,820,554		18,820,554
11.1 Aggregate Market value of Quoted Investments			122,306,350		124,510,074
11.2 Aggregate amount of Quoted Investments			17,022,422		17,022,422
11.3 Aggregate amount of Un-Quoted Investments			301,798,132		1,798,132

11.4 These preference shares will have the maximum term of 15 years from the date of allotment. However, these shares can be redeemed earlier at the option of the Company. The dividend on these preference shares will be cumulative and will be payable at the rate of 12% p.a.

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2013	As at March 31, 2012
12 LONG TERM LOANS AND ADVANCES (Unsecured Considered Good)			
Loans and Advances to related parties - Capital Advance	27.7	–	300,000,000
Other Capital Advances		14,709,230	1,729,143
Security Deposits		3,452,820	3,196,825
Advance Income Tax (net of provision)		13,437,804	11,031,191
Mat Credit Entitlement		3,019,081	–
Advance Fringe Benefit Tax (net of provision)		125,532	125,532
Others		25,000	48,334
		34,769,467	316,131,025
13 OTHER NON CURRENT ASSETS			
Balance With Bank			
In Fixed Deposits (having original maturity more than 12 months)	13.1	7,335,300	19,747,900
		7,335,300	19,747,900
13.1 Kept as lien against Letter of Credit and Bank Guarantee.			
14 INVENTORIES (Valued at lower of cost and net realisable value) (As valued, taken and certified by the management)			
Raw Materials		34,380,469	28,023,352
Raw Materials in Transit		5,194,378	24,973,459
Work-in-process		71,856,185	49,642,118
Finished Goods		15,338,122	15,459,367
Finished Goods in Transit		99,102,947	15,978,243
Stock in Trade		6,453,562	3,228,964
Stock in Trade in Transit		1,415,775	1,696,927
Stores and Spares		6,752,601	3,312,456
Loose Tools		183,102	69,702
		240,677,141	142,384,588
14.1 Refer Note 6.1			

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

Particulars	Reference Note No.	(Amount in ₹)	
		As at March 31, 2013	As at March 31, 2012
15 TRADE RECEIVABLES			
Unsecured			
Trade receivables outstanding for a period exceeding six months from the date they are due for payment :			
Considered Good		29,294,912	12,419,721
Considered Doubtful		1,213,845	1,213,845
Less : Provision for Doubtful debt		(1,213,845)	(1,213,845)
		29,294,912	12,419,721
Others			
Considered Good		279,986,187	335,559,294
		309,281,099	347,979,015
16 CASH AND BANK BALANCES			
Cash and Cash Equivalents			
(i) Balances With Banks			
In Current Accounts		7,490,324	7,206,466
In Unpaid Dividend Accounts	8.1	431,588	259,472
Fixed Deposit With Bank (With Original Maturity of less than 3 Months)	16.1	1,232,000	1,044,000
(ii) Cash on Hand		894,453	1,393,759
		10,048,365	9,903,697
Other Bank Balances			
Fixed Deposit With Bank (With Original Maturity of more than 3 Months but less than 12 months)	16.1	27,235,100	5,106,402
		27,235,100	5,106,402
		37,283,465	15,010,099
16.1 Kept as lien against Letter of Credit and Bank Guarantee			
17 SHORT TERM LOANS AND ADVANCES (Unsecured Considered Good)			
Loans and advances to related parties	17.1 & 27.7	118,421,821	194,481,812
Security Deposits		207,333	167,938
Income Tax (Refundable)		214,174	214,174
Balance with Government authorities		36,274,931	11,133,768
Advances for supply of goods and services		18,285,513	29,589,878
Others		13,576,475	4,434,617
		186,980,247	240,022,187
(Unsecured Considered doubtful)			
Deposit to other body corporate		1,769,521	1,969,521
Less: Provision for doubtful deposit		(1,769,521)	(1,969,521)
		-	-
		186,980,247	240,022,187

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

(Amount in ₹)

17.1 Disclosure of Loans and Advances as per the requirement of clause 32 of the Listing agreement with the Stock Exchanges in India.

	Amount Outstanding at the year end 2012-13	Maximum Amount outstanding during the year 2012-13	Amount Outstanding at the year end 2011-12	Maximum Amount outstanding during the year 2011-12
Loans and Advances in the nature of Loans to Subsidiary, Associates etc :				
- Pure Coke Limited (Associate upto 30.03.2012)	-	-	36,088,291	58,500,000

Particulars	Reference Note No.	As at March 31, 2013	As at March 31, 2012
18 OTHER CURRENT ASSETS			
Interest accrued on deposits with related parties	27.7	-	824,537
Interest accrued on deposits with Bank and others		2,788,726	853,538
Gratuity Receivable		2,791,484	2,356,968
Others		5,500	-
		5,585,710	4,035,043

Notes Forming Part of the Consolidated Financial Statements for the year ended March 31, 2013

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2013	For the year ended March 31, 2012
19 REVENUE FROM OPERATIONS :			
Sale of Products (Less : Returns, Claims etc)	19.1	1,201,579,848	988,442,815
Other operating revenue	19.2	2,091,040	3,413,848
		1,203,670,888	991,856,663
Less : Excise Duty		41,190,044	21,287,587
Revenue from operations		1,162,480,844	970,569,076
19.1 Sale of Products			
PVC Fire Resistant Antistatic Solid Woven Coal Conveyor Belting		1,148,461,950	946,394,731
Trading Goods	19.1a	21,762,280	21,305,989
Wind Energy	19.1b	31,355,618	20,742,095
		1,201,579,848	988,442,815

Notes Forming Part of the Consolidated Financial Statements for the year ended March 31, 2013

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2013	For the year ended March 31, 2012
19.1a Details of sale of Trading Goods			
Fittings and Accessories		20,308,092	15,719,736
Equipments		1,454,188	12,250
Yarn and Chemicals		–	5,574,003
		21,762,280	21,305,989
19.1b Details of sales of Wind Energy			
Total Numbers of units generated and sold.* (In Kwh units)		8,892,759	5,884,516
Sales (in ₹)		31,355,618	20,742,095
*Net of 22,632 Units (Previous Year 24,708 Units) being transmission loss			
19.2 Other operating revenue			
Misc. Sales		1,789,999	1,583,327
Misc. Receipt		59,229	1,099,109
Sundry Balance written back		41,812	331,412
Provision for doubtful deposit written back		200,000	400,000
		2,091,040	3,413,848
20 OTHER INCOME			
Rent		29,760	–
Interest on loans, deposits with bank , etc.		30,258,233	63,539,150
Dividend on long-term investments		92,651	53,063
Profit on Sale of Fixed Assets (Net)		–	22,965,358
Misc. Receipt		159,280	–
Foreign Exchange Gain (Net)		4,882,552	11,209,052
		35,422,476	97,766,623
21 COST OF MATERIALS CONSUMED			
Cost of Materials Consumed	21.1	691,832,029	588,689,788
		691,832,029	588,689,788
21.1 Details of Materials Consumed			
(a) Polyester Yarn		225,059,536	178,677,032
(b) Spun Yarn		37,964,434	30,601,097
(c) Cotton Yarn		46,106,720	40,230,658
(d) Chemicals			
(i) PVC Resin		123,158,349	112,224,625
(ii) Phosphate Plasticizer		161,737,908	123,374,407
(iii) Others		97,805,082	82,035,178
(e) Fabrics		–	21,546,791
		691,832,029	588,689,788

Notes Forming Part of the Consolidated Financial Statements for the year ended March 31, 2013

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2013	For the year ended March 31, 2012
22 PURCHASE OF STOCK IN TRADE			
Purchase of Stock in Trade	22.1	19,311,894	20,768,499
		19,311,894	20,768,499
22.1 Details of Purchase of Stock in Trade			
(a) Fittings and Accessories		18,186,926	12,640,038
(b) Equipments		1,124,968	-
(c) Yarn and Chemicals		-	8,128,461
		19,311,894	20,768,499
23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE			
Opening Stock			
Finished Goods (including in transit ₹ 15,978,243/-)		28,741,770	8,596,784
Add : Transfer from pre-operative expenses Subsidiary - Company		2,695,840	-
		31,437,610	8,596,784
Less : Excise Duty		1,393,950	371,703
		30,043,660	8,225,081
Work-in-process		49,642,118	29,982,646
Stock in Trade (including in transit ₹ 1,696,927/-)		4,925,891	3,529,569
		84,611,669	41,737,296
Less : Closing Stock			
Finished Goods (including in transit ₹ 99,102,947/-)		114,441,069	28,741,770
Less : Excise Duty		4,485,628	1,393,950
		109,955,441	27,347,820
Work-in-process		71,856,185	49,642,118
Stock in Trade (including in transit ₹ 1,415,775/-)		7,869,337	4,925,891
		189,680,963	81,915,829
		(105,069,294)	(40,178,533)
24 EMPLOYEE BENEFITS EXPENSE			
Salaries and Wages		68,189,676	55,460,048
Contribution to Provident, Gratuity and other Funds		2,464,265	664,396
Staff Welfare Expenses		3,626,786	2,822,375
		74,280,727	58,946,819
25 FINANCE COSTS			
Interest Expenses		57,929,073	58,654,702
Other Borrowing costs		356,796	986,987
Applicable loss on foreign currency transaction and translation		2,611,895	-
		60,897,764	59,641,689

Notes Forming Part of the Consolidated Financial Statements for the year ended March 31, 2013

Particulars	Reference Note No.	(Amount in ₹)	
		For the year ended March 31, 2013	For the year ended March 31, 2012
26 OTHER EXPENSES			
Consumption of Stores and Spare Parts		2,591,175	4,117,088
Power and Fuel		38,936,599	26,757,901
Rent	26.1	3,863,489	3,314,735
Repairs			
Buildings		2,968,436	248,548
Machinery		11,978,100	7,575,935
Others		4,819,250	2,855,721
Insurance Charges		2,023,840	1,346,724
Rates and Taxes		369,109	356,294
Travelling and Conveyance		11,651,861	11,220,270
Directors Fees		113,911	120,000
Auditors Remuneration	26.2		
Audit Fees		203,708	120,767
Tax Audit Fees		51,236	30,153
Other Services		121,854	140,151
Transport, Packing and Forwarding		80,606,121	72,231,163
Commission on Sales		22,772,948	14,122,066
Legal and Professional Fees		23,933,417	12,437,035
Subscription and Donation		3,250,152	8,124,403
Loss on Sale of Fixed Assets (Net)		865	-
Miscellaneous Expenses		24,838,742	24,034,629
		235,094,813	189,153,583

26.1 The company has certain cancellable operating lease arrangements for office/residential accommodation and for use of machineries with a lease period of one to five years which can be further extended after mutual consent and agreement. The lease agreement can be terminated after giving a notice as per the terms of the lease by either of the party. Expenditure incurred on account of operating lease rentals during the year and recognised in the Statement of Profit and Loss amounts to ₹ 1,362,690/- (Previous Year ₹ 1,304,274/-).

26.2 Auditors Reemuneration includes Service Tax as follows :

Audit Fees		3,708	84
Tax Audit Fees		1,236	17
Other Services		1,864	17

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

(Amount in ₹)

	2012-13	2011-12
NOTE : 27		
27.1 Contingent liabilities not provided for in respect of :		
a) Guarantees given by bank on behalf of the Company	72,660,612	39,291,648
b) Corporate Guarantees given by the Company	145,000,000	34,000,000
c) Excise duty demand under appeal before the Hon'ble Supreme Court of India	1,735,119	1,735,119
d) Income Tax matter under Appeal	1,519,592	1,519,592
Note: Future cash outflows in respect of (c & d) above are dependent upon the outcome of judgments/decisions.		

27.2 Estimated amount of contracts remaining to be executed on account and not provided for :		
a) On capital account	1,450,307	4,197,528
b) Others	-	-

27.3 Employee Benefits :		
a) Contributions to Defined Contribution Plan recognized as expenses for the year are as under :		
Employer's Contribution to Provident Fund	904,967	779,582
Employer's Contribution to Pension Fund	544,537	579,172
Employer's Contribution to Employees State Insurance Scheme	286,192	270,302
b) The disclosure as per the Accounting Standard 15 (AS-15) "Employee Benefits" are given below : The Company operates post retirement benefit plans as following : Funded : Gratuity. Non Funded : Leave Encashment		

Disclosures for defined benefit plans based on actuarial reports as on March 31, 2013 (Amount in ₹)

	Gratuity (Funded)	
	2012-13	2011-12
A. Change in Defined Benefit Obligations :		
Present Value of Defined Benefit Obligations as at the beginning of the year	11,644,938	13,531,481
Current Service Cost	720,361	579,456
Interest Cost	936,448	992,848
Benefits Paid	(1,255,799)	(2,241,770)
Actuarial (Gains)/ Losses	600,431	(1,217,077)
Present Value of Defined Benefit Obligations as at the end of the year	12,646,379	11,644,938

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

(Amount in ₹)

	Gratuity (Funded)	
	2012-13	2011-12
B. Change in the Fair Value of Assets :		
Fair Value of Plan Assets at the beginning of the year	14,001,906	13,694,091
Expected Return on Plan Assets	1,127,892	1,064,013
Contributions by the Employer	1,449,277	1,453,910
Benefits paid	(1,255,799)	(2,241,770)
Actuarial Gains/(Losses)	114,587	31,662
Fair value of Plan Assets at the end of the year	15,437,863	14,001,906
C. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets :		
Present Value of Defined Benefit Obligations as at the end of the year	12,646,379	11,644,938
Fair Value of Plan Assets at the end of the year	15,437,863	14,001,906
Liability/(Assets) recognized in the Balance Sheet	(2,791,484)	(2,356,968)
D. Expenses recognized in the Statement of Profit and Loss :		
Current Service Cost	720,361	579,456
Interest Cost	936,448	992,848
Expected Return on Plan Assets	(1,127,892)	(1,064,013)
Net Actuarial (Gain)/Loss	485,844	(1,248,739)
Total Expenses recognized in the Statement of Profit and Loss*	1,014,761	(740,448)
E. Principal Actuarial Assumptions used :		
Discounted Rate (per annum) Compound	8.10%	8.50%
Expected Rate of return on Plan Assets	8.00%	8.00%
Rate of Salary increase (per annum)	5.00%	5.00%
F. Experience History :		
Net Assets/(Liability) recognized in Balance Sheet (including experience adjustment impact)		
Present Value of Defined Benefit Obligations	12,646,379	11,644,938
Fair Value of Plan Assets	15,437,863	14,001,906
Status [Surplus/(Deficit)]	2,791,484	2,356,968
Experience Adjustment of Plan Assets	114,587	31,662
Experience Adjustment of obligation	(355,596)	325,752

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

(Amount in ₹)

Disclosures for defined benefit plans based on actuarial reports as on March 31, 2013

	Leave Encashment (Non Funded)	
	2012-13	2011-12
A. Change in Defined Benefit Obligations :		
Present Value of Defined Benefit Obligations as at the beginning of the year	1,515,529	1,644,433
Current Service Cost	136,054	99,285
Interest Cost	126,332	125,247
Benefits Paid	(58,538)	(157,688)
Actuarial (Gains)/ Losses	250,532	(195,748)
Present Value of Defined Benefit Obligations as at the end of the year	1,969,909	1,515,529
B. Change in the Fair Value of Assets :		
Fair Value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Contributions by the Employer	-	-
Benefits Paid	-	-
Actuarial Gains/ (Losses)	-	-
Fair Value of Plan Assets at the end of the year	-	-
C. Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets :		
Present Value of Defined Benefit Obligations as at the end of the year	1,969,909	1,515,529
Fair Value of Plan Assets at the end of the year	-	-
Liability /(Assets) recognized in the Balance Sheet	1,969,909	1,515,529
D. Expenses recognized in the Statement of Profit and Loss :		
Current Service Cost	136,054	99,285
Interest Cost	126,332	125,247
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/ Loss	250,532	(195,748)
Total Expenses recognized in the Statement of Profit and Loss*	512,918	28,784
E. Principal Actuarial Assumptions used :		
Discounted Rate (per annum) Compound	8.10%	8.50%
Expected Rate of return on Plan Assets	-	-
Rate of Salary increase (per annum)	5.00%	5.00%

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

(Amount in ₹)

	2012-13	2011-12
F. Experience History :		
Net Assets/(Liability) recognized in Balance Sheet (including experience adjustment impact)		
Present Value of Defined Benefit Obligations	1,969,909	1,515,529
Fair Value of Plan Assets	-	-
Status [Surplus/(Deficit)]	(1,969,909)	(1,515,529)
Experience Adjustment of Plan Assets [Gain/(Loss)]	-	-
Experience Adjustment of obligation [(Gain)/Loss]	250,532	(195,748)

*Included in "Salaries, Wages and Bonus" and "Contribution to Provident Fund, Gratuity and Other Funds" under "EMPLOYEE BENEFITS EXPENSE" on Note 24.

The expected return on Plan Assets is based on the actuarial expectation of the average long-term rate of return expected. The discount rate is based on the prevailing market yields on Government bonds as at the balance sheet date.

The contributions expected to be made by the Company for the year 2013-14 is not ascertained.

27.4 Unhedged Foreign Currency exposures as on March 31, 2013 are as follows :

Nature	Currency	Current year amount in Foreign Currency	Previous year amount in Foreign Currency
Import	USD	171,120.00	533,377.81
Import	GBP	29,032.56	-
Advance to creditors	USD	483,504.04	498,565.92
Advance to creditors	GBP	-	20,333.93
Advance to creditors	AUD	12,500.00	-
PCFC Loan and Interest there on	USD	3,816,551.20	874,000.00
Buyers Credit and Interest there on	USD	2,095,769.39	950,607.49
Others	USD	356,131.35	850,774.38
Others	CDN	421,365.26	314,680.44
Export	USD	3,428,523.79	2,185,508.64
Export	CDN	1,704,106.18	3,322,039.26

	Year ended 31.03.2013	Year ended 31.03.2012
27.5 Earning Per Share (EPS) :		
(a) Profit/(Loss) attributable to Shareholders (₹)	104,664,677	101,764,813
(b) Weighted average number of Equity Shares	67,500,000	67,500,000
(c) Nominal Value of Equity Share (₹)	1	1
(d) Basic and Diluted EPS (₹)	1.55	1.51

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

(Amount in ₹)

27.6 Segment information for the year ended March 31, 2013

(i) Information about primary business segments

	Conveyor Belting		Wind Energy		Trading Goods		Unallocated Corporate		Total Amount		
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	
a	Segment Revenue										
	Sale and Services to External customers	1,148,461,950	946,394,731	31,355,618	20,742,095	21,762,280	21,305,989	-	-	1,201,579,848	988,442,815
	Other operating revenue	-	-	-	-	-	-	2,091,040	3,413,848	2,091,040	3,413,848
	Gross Turnover	1,148,461,950	946,394,731	31,355,618	20,742,095	21,762,280	21,305,989	2,091,040	3,413,848	1,203,670,888	991,856,663
	Less : Excise Duty / Service tax recovered	41,190,044	21,287,587	-	-	-	-	-	-	41,190,044	21,287,587
	Net Turnover	1,107,271,906	925,107,144	31,355,618	20,742,095	21,762,280	21,305,989	2,091,040	3,413,848	1,162,480,844	970,569,076
b	Segment Results										
	Unallocated Corporate Expenses	-	-	-	-	-	-	(60,554,741)	(33,639,374)	(60,554,741)	(33,639,374)
		235,228,379	155,243,224	(1,819,840)	15,106,000	4,943,860	2,867,531	(60,554,741)	(33,639,374)	177,797,658	139,577,381
	Interest Expenses	(20,336,857)	(311,452)	(5,510,106)	(3,401,378)	-	-	(35,050,801)	(55,928,859)	(60,897,764)	(59,641,689)
	Interest Income	7,176,445	26,870	-	-	-	-	23,081,788	63,512,280	30,258,233	63,539,150
	Profit/(Loss) before Tax and Exceptional Items	222,067,967	154,958,642	(7,329,946)	11,704,622	4,943,860	2,867,531	(72,523,754)	(26,055,953)	147,158,127	143,474,842
	Exceptional Items	-	-	-	-	-	-	-	-	-	-
	Profit / (Loss) Before Tax	222,067,967	154,958,642	(7,329,946)	11,704,622	4,943,860	2,867,531	(72,523,754)	(26,055,953)	147,158,127	143,474,842
	Income Taxes	-	-	-	-	-	-	(42,493,450)	(41,710,029)	(42,493,450)	(41,710,029)
	Profit After Tax	222,067,967	154,958,642	(7,329,946)	11,704,622	4,943,860	2,867,531	(115,017,204)	(67,765,982)	104,664,677	101,764,813
c	Segment Assets										
	Unallocated Corporate Assets	-	-	-	-	-	-	476,850,164	668,978,262	476,850,164	668,978,262
	Total Assets	916,140,357	714,797,248	81,864,606	109,973,071	12,579,695	11,475,659	476,850,164	668,978,262	1,487,434,822	1,505,224,240
d	Segment liabilities										
	Unallocated Corporate Liabilities	-	-	-	-	-	-	(428,986,070)	(508,431,482)	(428,986,070)	(508,431,482)
	Total Liabilities	(276,133,760)	(284,920,797)	(32,397,668)	(46,876,407)	-	-	(428,986,070)	(508,431,482)	(737,517,498)	(840,228,686)
e	Cost incurred during the period to acquire segment fixed assets	25,887,874	210,363,322	-	87,410,426	-	-	340,955	2,608,639	26,228,829	300,382,387
f	Depreciation / Amortisation	43,181,631	20,619,022	29,797,436	25,755,190	-	-	1,418,193	1,464,800	74,397,260	47,839,012
g	Non cash expenses other than Amortisation	-	-	-	-	-	-	-	-	-	-

Note : (a) Conveyor Belting segment includes manufacturing and sale of PVC Conveyor Belting.

(b) Wind Energy Segment includes generation, supply and sale of Wind Power (Electricity).

(c) Unallocated / Corporate Segment includes Corporate, Administrative and Financing activity.

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

(Amount in ₹)

(ii) Information about secondary Business Segments

Particulars	2012-13	2011-12
Revenue by geographical market		
Sale of Products		
Domestic	418,912,486	239,289,545
Export	782,667,362	749,153,270
Total	1,201,579,848	988,442,815
Assets		
Trade Receivables		
Within India	33,617,476	39,135,672
Outside India	275,663,623	308,843,343
Total	309,281,099	347,979,015

27.7 Related Party Disclosure as required by Accounting Standard 18 “ Related Party Disclosure” as specified in the Companies (Accounting Standards) Rules,2006 prescribed by the Central Government are as follows:

(a) Key Management Personnel :

Shri R. K. Dabriwala – Managing Director

(b) Enterprises where key management personnel and their relatives have substantial interest and /or significant influence :

- 1) R.C.A. Limited
- 2) Faridabad Investment Co. Limited
- 3) I.G.E.(India) Private Limited
- 4) Pure Coke Limited
- 5) Elpro International Limited
- 6) Dabri Properties and Trading Co. Limited

Notes Forming Part of the Consolidated Financial Statements as at March 31, 2013

Details of transaction made with Related Parties during the year

Nature of transaction	R.C.A. Limited		Pure Coke Limited		I.G.E. (India) Limited		Elpro International Ltd		Faridabad Investment Co. Ltd		Dabri Properties & Trading Co. Ltd		Key Management	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2012-13
Director Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	-	4,800,456
Interest on Loan														
Received	-	-	6,597,259	6,221,605	11,293	-	13,024,854	47,966,576	-	-	-	-	-	-
Paid	-	-	-	-	-	81,147	-	-	-	-	-	-	-	-
Rent Received	29,760	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Received on LC Funding	-	-	-	3,849,043	-	-	-	-	-	-	-	-	-	-
Inter Corporate Deposit :														
Loan Given	-	-	83,920,000	27,400,000	3,300,000	27,315,502	119,500,000	503,000,000	-	-	-	-	-	-
Repayment of Loan	-	-	53,200,000	49,411,153	1,527,526	28,554,123	233,677,694	460,300,000	-	-	-	-	-	-
Loan Taken	-	-	-	-	1,500,000	31,684,498	-	-	-	-	-	300,000	-	-
Loan Repaid	-	-	-	-	1,500,000	31,684,498	-	-	-	9,580,870	-	1,738,663	-	-
LC Funded														
LC Funded	-	-	-	52,924,708	-	-	-	-	-	-	-	-	-	-
Repayment of LC Funded	-	-	-	58,708,386	-	-	-	-	-	-	-	-	-	-
Advance for Capital Assets	-	-	-	-	-	-	-	300,000,000	-	-	-	-	-	-
Refund of Subscription of Right Issue	-	-	-	-	-	-	-	260,000,000	-	-	-	-	-	-
Refund of Advance for Capital Assets	-	-	-	-	-	-	300,000,000	-	-	-	-	-	-	-
Purchase of Shares	-	15,750,000	-	-	-	34,650,000	300,000,000	-	-	-	-	-	-	-
Sale of shares	-	-	-	-	-	-	-	-	-	-	-	1,715,827	-	-
Outstanding														
Loan Given	-	-	72,745,824	36,088,291	2,501,849	727,526	80,735,432	156,677,694	-	-	-	-	-	-
Interest Receivable	-	-	-	-	-	-	-	97,011	-	-	-	-	-	-
Sale of Capital Goods/ Investment	-	-	-	-	-	-	-	-	-	-	-	1,715,827	-	-
Advance for Capital Assets	-	-	-	-	-	-	-	300,000,000	-	-	-	-	-	-
Corporate Guarantee given and outstanding	-	-	-	-	-	34,000,000	145,000,000	-	-	-	-	-	-	-

Notes Forming Part of the Consolidated Financial Statements for the year ended March 31, 2013

(Amount in ₹)

27.8 Value and percentage of Imported and Indigenous Raw Materials, Stores and Loose Tools consumed

Particulars	2012-13		2011-12	
	₹	%	₹	%
(a) Raw Materials :				
Imported	317,457,760	46	331,810,840	56
Indigenous	374,374,269	54	256,878,948	44
Total	691,832,029	100	588,689,788	100
(b) Stores, Spares & Components :				
Imported	476,802	18	45,188	1
Indigenous	2,114,373	82	4,071,900	99
Total	2,591,175	100	4,117,088	100

27.9 C.I.F Value of Imports :

Particulars	2012-13	2011-12
(a) Raw Materials	295,467,208	386,639,050
(b) Capital Goods	1,960,589	45,704
(c) Trading Goods	15,656,295	13,067,863
Total	313,084,092	399,752,617

27.10 Expenditure in Foreign Currency :

Travelling Expenses	2,597,937	3,330,684
Printing and Stationery	6,811	-
Postage and Telegram	54,343	46,538
Rent	966,308	899,561
Commission	21,728,932	13,943,276
Freight Expenses	53,771,663	57,417,981
Interest on PCFC and FCNRB DL Loan	5,590,367	65,085
Interest on LC- Buyers Credit	2,802,412	2,687,413
Testing Expenses	37,190	24,630
Other Expenses	5,215,514	5,901,840
Total	92,771,477	84,317,008

27.11 Earning in Foreign Currency :

Export of Beltings at F.O.B. Value	749,549,245	713,298,788
Total	749,549,245	713,298,788

Notes Forming Part of the Consolidated Financial Statements for the year ended March 31, 2013

- 27.12 The Consolidated Financial Statements have been prepared in accordance with the principles and procedures for the preparation and presentation of the Consolidated Financial Statements mandated by Rule 3 of the Companies (Accounting Standards) Rules 2006, the Provision of the Companies's Act, 1956 and guidelines issued by the Securities and Exchange Board of India.
- 27.13 Subsequent to the Balance Sheet date the Company has entered into a agreement to acquire all assets and liabilities of PVC Belting industrial undertaking of its wholly owned subsidiary, International Belting Limited situated at Falta SEZ South 24 Parganas, West Bengal on a going concern basis with effect from April 19, 2013.
- 27.14 Subsequent to the Balance Sheet date, the Company has formed a wholly owned subsidiary i.e., "Conveyor Holdings Pte Limited" in Singapore.
- 27.15 Figures pertaining to the subsidiary company have been reclassified, wherever necessary to bring them in line with the Parent Company's Financial Statements.
- 27.16 Previous year's figures have been re-arranged/re-grouped wherever necessary.

Note 1 to 27.16 forms an integral part of the Financial Statements.

As per our report of even date

For LODHA & CO.

Chartered Accountants

H. K. Verma

Partner

Place : Kolkata

Date : May 30, 2013

For and on behalf of the Board

R. K. Dabriwala

Managing Director

M. P. Jhunjunwala

Director

Puja Shukla

Company Secretary

Financial Information with respect to Subsidiary as on March 31, 2013

Particulars	International Belting Limited
Capital	7,500,000
Reserves	57,481,156
Total Assets	258,405,358
Total Liabilities	193,424,202
Investments	24,000
Turnover	61,034,379
Profit/(Loss) before taxation	2,343,691
Provision for taxation	-
Profit/(Loss) after taxation	2,343,691
Proposed Dividend	-



International Conveyors Limited

Registered Office : 10, Middleton Row, Kolkata - 700071, West Bengal, India

ATTENDANCE SLIP

NAME & ADDRESS OF THE MEMBER

MEMBER'S FOLIO NUMBER/CLIENT ID NO.

NUMBER OF SHARES HELD

NAME OF PROXY (IN BLOCK LETTER)

(To be filled in if the Proxy attends the meeting instead of the Member)

MEMBER'S/PROXY'S SIGNATURE

I hereby record my presence at the 40th Annual General Meeting of the Company to be held at 10, Middleton Row, Kolkata - 700 071 on Wednesday, the 4th day of September, 2013 at 2 P.M.

To be signed at the time of handing over this slip.

As no extra copy of this attendance slip will be available, Members are requested to bring it with them positively.

This attendance slip filled in accordance with the specimen signature registered with the Company to be handed over before the meeting.

Tear here



International Conveyors Limited

Registered Office : 10, Middleton Row, Kolkata - 700071, West Bengal, India

PROXY FORM

Reg. Folio No./Client ID No.

No. of Shares held

I/We

of.....

being a member/members of the Company hereby appoint

as my/our proxy at the 40th Annual General Meeting of the Company to be held at 10, Middleton Row, Kolkata - 700 071 on Wednesday, the 4th day of September, 2013 at 2 P.M.

Signed thisday of2013

(Signature of the shareholder).....

Affix
Revenue
Stamp of
₹1

Note : The Proxy Form duly completed should be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting.

Financial Highlights 2009-2013

(₹ in Lacs)

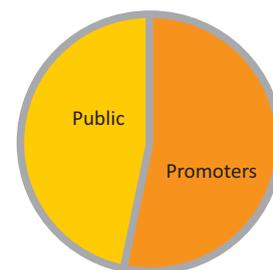
	2009	2010	2011	2012	2013
TURNOVER	7184.00	9024.61	7995.24	10113.47	12015.80
OPERATING PROFIT	906.46	2505.54	817.07	1916.21	1931.05
DEPRECIATION	534.21	448.43	389.66	471.66	482.91
PROFIT BEFORE TAX	372.25	2057.11	427.41	1444.55	1448.14
TAX	95.89	760.79	152.56	417.10	424.93
PROFIT AFTER TAX	276.36	1296.32	274.85	1027.45	1023.21
DIVIDEND PAYOUT	56.93	157.55	117.68	196.13	197.43
RETAINED EARNINGS	219.43	1138.77	157.17	831.32	825.78
SHAREHOLDERS' FUNDS	4532.49	5671.26	5828.43	6659.75	7485.53
BORROWINGS	2124.56	2647.27	3992.34	5234.51	4436.32
GROSS FIXED ASSETS	3807.66	3976.66	4248.25	4725.12	4793.04
DEBT EQUITY RATIO	1:2.13	1:2.14	1:1.46	1:1.27	1:1.69
EARNING PER SHARE (₹)	0.57	1.92	0.41	1.52	1.52
DIVIDEND PER SHARE (₹)	0.10	0.20	0.15	0.25	0.25
NET WORTH PER SHARE (₹)	6.71	8.40	8.63	9.87	11.09

Share Data (as on 31.03.2013)

No. of Shares Issued	: 67500000
Market Capitalisation (₹)	: 762,075,000
No. of Shareholders	: 1747
Listing at	: Kolkata & Mumbai

Share Holding pattern

Promoters	53.18%
Public	46.82%





International Conveyors Limited

10, Middleton Row, Kolkata - 700 071