

STEWARTS AND LLOYDS OF INDIA LIMITED

Notice

NOTICE is hereby given that the Seventy-Fifth Annual General Meeting of Stewarts and Lloyds of India Limited will be held at "RABINDRA-OKAKURA BHABAN", 27/A/1, DD Block, Salt Lake, Kolkata-700 064, on Friday, the 26th July 2013, at 11.30 a.m to transact the following business:

1. To consider and adopt the Directors' Report and Audited Profit and Loss Account for the year ended 31st March, 2013 and the Balance Sheet as at that date.
2. To appoint a Director in place of Mr. R K Tripathy who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and to authorise the Board of Directors to fix their remuneration

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass the following resolution with or without modification as an ORDINARY RESOLUTION:

"RESOLVED that Mr. Asim Chandra, who was appointed an Additional Director by the Board of Directors of the Company on 3rd September 2012 pursuant to section 260 of the Companies Act, 1956 and Article 90 of the Articles of Association of the Company, be and is hereby appointed a Director of the Company "

5. To consider and, if thought fit, to pass the following resolution with or without modification as an ORDINARY RESOLUTION:

"RESOLVED that Mr. Sankar Prasad Saha, who was appointed an Additional Director by the Board of Directors of the Company on 3rd September 2012 pursuant to section 260 of the Companies Act, 1956 and Article 90 of the Articles of Association of the Company, be and is hereby appointed a Director of the Company "

6. To consider and, if thought fit, to pass the following resolution with or without modification as SPECIAL RESOLUTION:

"RESOLVED that pursuant to Sections 198, 269, 309, 311, 386, 387, 388 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the Article 124 of the Articles of Association of the Company and subject to consent of the Shareholders and any other approval and consent as may be required, Mr. Nilanjan Mukhopadhyay be and

is hereby appointed as Chief Executive Officer of the Company on such remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting."

Registered Office :
41, Chowringhee Road
Kolkata-700 071

Dated: 29th April 2013

By order of the Board

SAMIR BHADRA

Company Secretary & Head Legal

NOTES :

- (a) The relevant details pursuant to clause 49 of the Listing Agreement, on Directors for appointment /reappointment are annexed hereto.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY FORMS DULY COMPLETED, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- (c) The Register of Members and Share Transfer Books of the Company will remain close from 15th July 2013 to 26th July 2013 (both days inclusive).
- (d) As per the provisions of the Companies Act, 1956, facility for making nomination is now available to the shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registered Office and/or Registrar and Share Transfer Agent of the Company.
- (e) Pursuant to Section 205C of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund set up by the Government of India and no payment shall be made in respect of any claim lodged thereafter, by the Company. Accordingly, the unclaimed and unpaid amount of dividend declared by the Company for the financial years, 1998-99, 1999-2000, 2000-2001, 2001-2002, 2002-2003, 2003-2004 and 2004-2005 which were lying in the Dividend Account of the Company, were transferred to the Fund in the year 2006, 2007, 2008, 2009, 2010, 2011 and 2012 respectively.

Details of dividends declared by the Company, so far :

Date of payment of the dividend	Financial year related to	Due date for transfer of the unpaid or unclaimed amount to the IEPF
27th August, 1999	Ended on 31st March, 1999	26th September, 2006 (since transferred)
29th May, 2000	Ended on 31st March, 2000	28th June, 2007 (since transferred)
27th July, 2001	Ended on 31st March, 2001	26th August, 2008 (since transferred)
26th June, 2002	Ended on 31st March, 2002	26th July, 2009 (Since transferred)
26th July, 2003	Ended on 31st March, 2003	25th August, 2010 (since transferred)
2nd August, 2004	Ended on 31st March, 2004	1st September, 2011 (since transferred)
27th July, 2005	Ended on 31st March, 2005	26th August, 2012 (since transferred)
1st August, 2006	Ended on 31st March, 2006	31st August, 2013
18th July, 2007	Ended on 31st March, 2007	17th August, 2014
29th July, 2008	Ended on 31st March, 2008	28th August, 2015
29th July, 2009	Ended on 31st March, 2009	28th August, 2016

Members, who have not yet encashed their dividend warrant(s) for the financial year ended 31.3.2006 onwards, are requested to make their claims to the Company and/or Registrar and Share Transfer Agents accordingly, without any delay. In case any assistance is required please contact the Company.

- (f) Shareholders desiring any additional information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
- (g) As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring the admission slips along with their copies of the Annual Report to the meeting.

Annexure to Notice

Explanatory statement in respect of Special Business pursuant to section 173 of the Companies Act, 1956 are set out hereunder:

Item No. 4

Mr. Asim Chandra, was nominated by the principal company i.e M/s IOT Infrastructure and Energy Services Limited as Additional Director in the Company. The Board of Directors appointed him as Additional Director as well as Chairman of the Board with effect from 3rd September 2012. Mr. Chandra is a Commerce Graduate and presently holding the position of Director & CEO of IOT Anewasha Engineering and Construction Ltd, Vadodara. Mr. Chandra has 32 years vast experience in construction industry. Due to his entrepreneurial ability and overall management skill, he started the "Anewasha Comtech Engineering" in 1996 and built it up in the present position as a leading construction and manufacturing Company in India. Mr. Chandra is well concerned about the social responsibilities and associated with some NGOs

However, the Board recommends his appointment as a Director for his valued patronage and project development in the Company and the resolution is placed before the members for their approval. A notice in writing pursuant to Section 257 of the Companies Act, 1956 has been received by the Company from a member signifying his intention to propose the appointment of Mr. Chandra as a Director of the Company at the forthcoming Annual General Meeting.

None of the Directors other than Mr. Asim Chandra is interested in the resolution.

Item No. 5

Mr. Sankar Prasad Saha, a B.E. (Civil) from Karnataka Regional Engineering College (Now NIT Surathkal, Karnataka), has vast and wide experience of 28 years in Project Management. He was initially attached to Bridge & Roof Co Ltd. In the year 2004, he joined IOT (presently known as IOT Infrastructure and Energy Services Limited) and subsequently taken over the charge as Chief Executive Officer in IOT Engineering & Construction Services (IOTECS), Oman where he recorded an excellent performance in his role as Chief Executive Officer.

Mr. Saha was appointed as Chief Executive Officer of the Company w.e.f 1st May 2011 and was further appointed as Additional Director as well as Whole Time Director as on 03.09.2012 due to his able leadership and restructuring in the Company. Subsequently, Mr. Saha could not continue his role as whole time Directorship due to his other engagement. However, the Board recommends his appointment as a Director for his valued patronage and project development in the Company and placed the resolution before the members for

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their approval. A notice in writing pursuant to Section 257 of the Companies Act, 1956 has been received by the Company from a member signifying his intention to propose the appointment of Mr. Saha as a Director of the Company at the forthcoming Annual General Meeting

None of the Directors other than Mr. Sankar Prasad Saha, is interested in the resolution.

Item no. 6

Mr. Nilanjan Mukhopadhyay, a B.E. (Instrumentation) from Jadavpur University, has vast and wide experience of 23 years in Engineering Services and Project Management. He was initially attached to Engineers India Limited, New Delhi, and thereafter with Haldia Petrochemicals Limited. In the year 2008, he joined IOT Infrastructure and Energy Services Limited and subsequently took over the charge as Associate Vice President in IOT Design and Engineering Limited.

The Board recommended the terms and conditions and payment of shared remuneration subject to the approval of the members of the Company as follows:-

1. Tenure : Three years with effect from 12.02.2013
2. Notice period : Three months Notice on either side
3. Responsibilities and duties : Subject to the superintendence and control of the Board, Mr. Mukhopadhyay has the management of the whole or substantially whole of the affairs of the Company and in support of the Power of the Attorney approved by the Board and executed in his favour
4. Monthly Remuneration :

	Monthly (Rs.)	Annual (Rs.)
Basic Salary	25,000	3,00,000
Supplementary allowance	69,856	8,38,272
House rent allowance	12,500	1,50,000
Medical Reimbursement	625	7,500
Leave Travel Assistance	2,083.50	25,000
Provident Fund (12% on Basic)		36,000
Gratuity (4% on Basic)		12,000
Car Reimbursement		1,27,500
Continuity Bonus		40,500
Bonus (Max.)		2,37,500
Gross Annual Package (Max.)		17,74,272

The aforesaid share of remuneration is the minimum remuneration and to be paid in the event of loss or inadequacy

of profits in any financial year during the tenure of his appointment in the Company and the Board shall have the authority to change or vary the terms and conditions if permitted under the Schedule XIII of the Companies Act, 1956 and any amendment or modification thereof.

This should be considered as information required to be sent to every member of the company Under Section 302 of the Companies Act, 1956.

Information relevant to the appointment of Mr. N. Mukhopadhyay, Chief Executive Officer as per Schedule XIII Part II, Section II, of the Companies Act, 1956

GENERAL INFORMATION:

- (1) Nature of Industry : **Engineering and Construction**
- (2) Year of commencement of commercial production: **1948-49**
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : **Not Applicable**
- (4) Financial performance (as per the audited accounts for the year ended 31st March 2013) is as follows:

(Rs. lacs)

Financial Parameters	2012-2013
Turnover	4136.94
Net Loss as per Profit & Loss A/c as computed under Sec. 198 of the Companies Act.	(347.01)
Net Loss after Tax as per Profit & Loss A/c	(329.07)
Net Worth	926.11

- (5) Export performance and net foreign exchange collaborations: NIL
- (6) Foreign Investments or collaborations, if any : NIL

I. INFORMATION ABOUT THE APPIONTEE:

(1) Background Details:

1.1 Educational Qualification :

B.E (Instrumentation) from Jadavpur University.

1.2 Experience:

Mr. N. Mukhopadhyay has vast and wide experience of 23 years in Engineering Services and Project Management. He was initially attached to

Engineers India Limited, New Delhi, and thereafter with Haldia Petrochemicals Limited. In the year 2008, he joined IOT Infrastructure and Energy Services Limited and subsequently took over the charge as Associate Vice President in IOT Design and Engineering Limited.

(2) **Past Remuneration : (2011-12) Rs. 28 lakhs**

(3) **Recognition or awards**

Mr. N. Mukhopadhyay was initially attached to Engineers India Limited, New Delhi, and thereafter with Haldia Petrochemicals Limited. In the year 2008, he joined IOT Infrastructure and Energy Services Limited. Due to his able leadership and technical excellence, IOT Infrastructure and Energy Services Limited handed over the charge as Associate Vice President in IOT Design and Engineering Limited and again upon appreciating his managerial leadership, nominated him as Chief Executive Officer in Stewarts and Lloyds of India Limited.

(4) **Job Profile and his suitability**

As Chief Executive Officer of the Company, he is the overall In charge of all operations of the company subject to superintendence and control of the Board.

(5) **Remuneration Proposed : (Shared amount)**

As specified in the Notice.

(6) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:**

Taking into consideration the size of the company, the profile of Mr. N. Mukhopadhyay, the responsibilities to be carried on by him and the industry benchmarks, the remuneration proposed to be paid is just a shared portion and to be borne by the Company due to ongoing position of the Company.

(7) Mr. N. Mukhopadhyay has no pecuniary relationship either directly or indirectly with the Company or with any managerial personnel of the Company.

II. OTHER INFORMATION

(1) Inadequate profits

Steps are being taken by the Company for continuous improvement in order booking and execution with consequential profit, in subsequent period.

(2) Steps taken or proposed to be taken for improvement

Some of the Strategies adopted by the Company for improvement include the followings:

- (a) Regaining customer's confidence
- (b) Initiatives to tie-up with various Public/Private sectors
- (c) Strengthen the working capacity with active business development drive.
- (d) Synergies with group companies to create value
- (e) Upgradation of safety and quality standard in order to meet up international standard
- (f) Restructuring its Marketing Group to focus on Company's business both for project related areas as well as for the production unit
- (g) To build self-sustaining base for manufacturing and fabrication unit
- (h) Aggressive implementation of cost reduction measure and cost control in all the activities.
- (i) Diversification in the related areas of operation
- (j) Upgradation of equipment, IT and other resources.

(3) Expected increase in productivity and profits in measurable terms

The Company is expecting that the turnover for 2013-2014 will be increased substantially and an average growth of turnover for next three financial years will be around 10% -15 %.

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Annexure to Notice

Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. R.K. Tripathy	Mr. Asim Chandra	Mr. S.P. Saha
Date of Birth	24.10.1946	14.01.1958	27.10.1958
Date of Appointment	26.12.2006	03.09.2012	03.09.2012
Expertise in Specific Functional Areas	Held the Position of Addl. Chief Secretary, Govt. of W.B. and also held the position of Chairman, Managing Director, Director in various Companies/Board.	Project & Construction Management	Project & Construction Management
Qualification	M.A. Political Science, IAS (Retired)	B.COM , MDP from IIM Amedabad ,Effective Personal Productivity Program from LMI, Texas	BE (Civil)
List of Companies in which outside Directorship held as on 31.03.2013	NIL	IOT Anewasha Engg & const. Ltd , Comtech Metals Pvt. Ltd. Ambalika Ceramsol Pvt. Ltd. IOT Anewasha Engg & const. LLC Comtech Middle East WLL Manav Seva Foundation	IOT Engineering Projects Ltd.
Chairman/Members of the Committees of the Board of Companies on which he is a Director as on 31.03.2013	NIL	NIL	NIL
No. of shares held in the Company	NIL	NIL	NIL
Relationship with other Directors of the Company	NIL	NIL	NIL

Directors' Report

TO THE MEMBERS,

The Directors hereby present the seventy-fifth Annual Report on business and operations together with Audited Accounts of the Company for the year ended 31st March, 2013 :

1. FINANCIAL RESULTS

	2012-2013	2011-2012
	(Rs. in lakhs)	
(i) Total Earnings	4136.95	3748.61
(ii) Total Expenditure	<u>3967.67</u>	<u>3194.64</u>
(iii) Profit/(Loss) before interest, depreciation and taxes	169.28	553.97
(iv) Less: (a) Interest	458.56	473.78
(b) Depreciation	57.73	65.06
(v) Profit/(Loss) before taxes	(347.01)	15.13
Less : Provision for taxation		
Current Year	—	—
Deferred	(17.93)	(42.20)
Fringe Benefit	—	—
(vi) Profit/(Loss) after taxes	<u>(329.08)</u>	<u>57.33</u>
(vii) Less : Profit Brought Forward		
From Last Year	57.33	—
Transfer to/(from)		
General Reserve	<u>(271.75)</u>	<u>57.33</u>

During the financial year 2012-13, the Company has achieved a total revenue of Rs. 4136.95 lacs, which is commensurate with its operations, as against previous years' corresponding figures of Rs. 3748.61 lacs. It may be informed that though there is some growth in the revenue but due to the cost overrun, your Company recorded with a loss of Rs. 329.08 lacs during the Financial Year under report.

During the year under report, the order book position of the Company has improved but the target could not be achieved due to some unforeseen developments like, non availabilities of fronts at various projects sites, delay in materialization/finalization of few contracts etc. However, during the current financial year i.e. 2013-2014 the Company is making an all out effort to improve the order booking position and also to achieve both higher turnover and profits.

2. RESERVES AND SURPLUS

The balance Reserves and Surplus, as at 31st March, 2013 stands at Rs. 6.26 crores after making the appropriations indicated above.

3. NEW INITIATIVES AND PROSPECTS

In line with the existing business scenario across the country, your Company took various steps and new initiatives in different segments of operation.

The prospects in the financial year 2013-14 are expected to improve. All attempts are being made to improve the order booking position.

As a part of business development process, the Management has established a new business relation with a major steel manufacturing company in India from whom some order has been achieved during the last quarter of the financial year 2012-2013 and some more orders are expected shortly.

Initiatives are being taken for diversification of Company's product areas.

The Company has bagged a substantial quantum of orders from its Parent and other associate companies and also expecting to get involved further in a big way for some of newly coming up projects of the Parent Company. Efforts are also being made to enter into business relationship with other big houses in Steel and Power sectors.

During the financial year 2012-2013, your Company has successfully run both the JJP works and KDP works but due to sharp increase of monthly occupation charges both the units have become non viable. In view of the same, Management has to re look for an alternative means to continue its services with a lower cost and full control over the premises.

4. CONSERVATION OF ENERGY

The disclosures required in Form A of Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable to the Company.

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5. TECHNOLOGY ABSORPTION

Information in accordance with Provision to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules 1988 are given in the Annexure "A".

6. FOREIGN EXCHANGE EARNINGS AND OUTGO

Exports	Nil
Foreign Exchange utilised for purchase of materials	Rs. 42.96 lakhs
Expenditure in foreign currency	Rs. 3.05 lakhs
Foreign Exchange earned	Nil

7. AUDITORS

The retiring Auditors, Messrs Ray & Ray being eligible have expressed their willingness to be re-appointed.

8. DIRECTORS

During the year under report, Mr. P G Vaidhyanathan the Chairman of the Board and Mr K K Ranade, Director resigned from the Board on 3rd September 2012 and Mr Asim Chandra, Mr. S.P. Saha inducted in the Board as on 3rd September 2012. Mr. Asim Chandra was selected as Chairman of the Board and Mr. S.P. Saha was appointed as Whole time Director of the Company. But due to some overseas assignment of the principal company, Mr. S.P. Saha could not continue the Whole time Directorship and had to be released but he is continuing as a Non Executive Director of the Company with effect from 12.02.2013. The Board of Directors comprised six members but due to sudden demise of Mr. V K Sinha, Independent Director, on 15.03.2013 the strength of the Board has been reduced to five as on 31st March 2013. The Board deeply mourns the sudden demise of Mr. V. K. Sinha and records his valuable contribution as a Director in the Company.

In terms of Companies Act, 1956 and Articles of Association of the Company, Mr. R.K. Tripathy a Non Independent Director retires by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting.

Both Mr. Asim Chadra and Mr. S P Saha, Additional Directors will hold their offices up to the ensuing Annual General Meeting.

However, your Company has received the Notices under Section 257 of the Companies Act, 1956 from a Shareholder proposing their names to be Directors retire by rotation, in the Company and the same is placed before the Shareholders.

None of the Directors are disqualified under Section 274 (1) (g) of the Companies Act, 1956. As required by law, this position is also reflected in the Auditors' Report.

9. HUMAN RESOURCES & INDUSTRIAL RELATIONS

At S&L, we believe and affirm the importance of development of human resources, which is most valuable and key element in bringing all round improvement and achieving growth of the business. S&L is proud to have a successful industrial relations philosophy which focuses on finding solutions through dialogue in a spirit of open work culture and constructive team work. This has enabled us to maintain a cordial and peaceful work environment throughout the organization.

In addition to a group of experienced professionals who have remained with the organization for long time, fresh professionals in various disciplines were also inducted. For enhancement of professional capabilities, employees were exposed to various training programs both in-house, organized by IOT and S&L, as well as by reputed training institutions. In line with the current business requirements, employees were exposed to various programs on Project & Construction Management, Safety, Quality, Cost Control etc.

There is no employee, who received remuneration above the limit as prescribed by Section 217 (2A) of the Companies Act, 1956.

10. ENVIRONMENT

Though the Company's operations are not inherently polluting in nature, the Company continues to take adequate precautions to comply with all regulatory measures in this regard at all working units.

In order to maintain the highest standard of safety and security with all levels of employees, the Company has formulated a "Health, Safety, Security and Environmental Policy (HSSE)" which is being strictly complied with. This ensures continuous improvement in the environmental performance, health and safety of the employees throughout the year.

11. CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a Management Discussion and Analysis Report, Corporate Governance Report and Compliance of Condition of Corporate Governance are made a part of the Annual Report.

12. DECLARATION ON COMPLIANCE WITH CODE OF CONDUCTS

The Board has formulated a Code of Conducts for the members of Board and Senior Management team, which has been posted on the website of the Company.

It is hereby affirmed that all the Directors and Senior Management Personnel have complied with the Code and a confirmation to that effect has been obtained from the Directors and the Senior Management.

13. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the confirmation received from the Operating Management, confirm that –

- i) in the preparation of annual accounts, the applicable accounting standards have been followed and that there are no material departures;

- ii) they have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period. Quarterly and Half Yearly Results were also declared and limited reviews were undertaken;
- iii) they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis.

For and on behalf of the Board

Kolkata
29th April, 2013

ASIM CHANDRA
Chairman

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ANNEXURE - "A"

FORM B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION: 2012-2013

1. Specific Areas in which R&D carried out by the Company	NIL
2. Benefits derived as a result of the above R&D	N.A.
3. Future Plan of action	-
4. Expenditure on R&D	
a) Capital	-
b) Recurring	-
c) Total	-
d) Total R&D expenditure as a percentage of total turnover	-

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts made towards technology absorption : During the Year 2012-13 there was no technology absorption
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction and product development, import substitution etc. : N.A.
3. Particulars of technology imported during the last five years : NIL

Management Discussion and Analysis

BUSINESS REVIEW

Industrial Structure & Development

Company's performance during the Financial Year 2012-13 and future outlook of the Organization are as under :-

Project & Construction services business

During the financial year 2012- 13, the Company has bagged orders aggregating to Rs. 32.00 crores. However, the order booked position as on 29th April, 2013 stood at Rs. 29.00 crores. As reviewed during April 2013, the live offers are around Rs.135.00 crores out of which, Company expects a favourable response of at least Rs. 20.00-25.00 crores. In view of this business backdrop, Management expects improved performance during the current financial year 2013-2014.

Revenue for the financial year ended 31st March 2013, was Rs. 41.00 crores which is higher than the corresponding period of the previous year.

Revenue during the period under review were higher than that of the corresponding period of the previous year due to increase in turnover. However, Loss during the period under review was Rs. 3.47 crores in comparison to profit before tax of Rs. 0.15 crores during the corresponding period of the previous year due to higher incidence of expenditure.

The revenue and profits could not meet the target as set by the Management due to some unforeseen developments like non availability of front, delay in materialization/finalization of few contracts, dearth of orders for execution, decrease in order value in major part of works. It is also to mention that in spite of being L1, the Company could not bag the orders from a reputed steel company.

Various jobs bagged & being executed

The details of the orders received and are under execution during the period April 2012 to March 2013 are as follows :-

- Fire Fighting Work for IOTIES at IOCL, Paradip Refinery
- Installation of 3 LPE Coated Buried Pipeline for IOTIES at IOCL, Paradip Refinery
- Erection of LT Flare for IOTIES at IOCL, Paradip Refinery
- Fabrication, testing, inspection of Matix- KBR Reformer for Ammonia Plant of Matix Fertilizers Chemicals

- Repairing of tank for IOTIES at IOT, Navgarh Terminal, Maharashtra
- Fabrication, supply and erection work at JSW Bengal Steel Limited
- Rehabilitation of conveying system at TATA power, Trombey
- Maintenance Work at HSM and CRM of TATA Steel Limited, Jamshedpur
- Inter Plan Piping for fuel and Industrial Gases at SAIL, Durgapur
- Fabrication and Painting of Economizer Coil for IOCL- Guwahati
- Fabrication and Painting of Moveable Hood for SAIL- Rourkela

Production activities & prospects

In line with the growing business all over the country, Management has taken various steps and initiatives in different segments of operation inclusive of production activities.

After restoration of the Workshops at Jhijhirapole and Khidderpore, Kolkata a good quantum of orders were executed from these two units but due to sharp increase of the occupation charges by the Kolkata Port Trust both the units have become non viable. As a result, your Management has identified a piece of land to set up a new unit with a minimum lease rent to arrest such unbearable cost, as well as maintenance charges of the workshops so as to carry out the manufacturing activities on a profitable basis.

As a part of business development process, the Management has established a new business relation with a major steel manufacturing company in India from whom orders have already been received and are expected on substantive basis near soon which will boost your Company's performance at its workshop. The Management has also established a new business relation with the following Companies from whom substantial orders are expected :-

- I. JSW Bengal Steel Limited, Salbani
- II. Durgapur Steel Plant
- III. IOCL – Guwahati
- IV. JSPL
- V. IOCL – Haldia

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Management Information System

MIS department has been formulated for collecting information, analyzing the same and reporting to the Management for prompt and quick decision.

Marketing

Marketing group has been further strengthened to focus on Company's business both for project related areas as well as for the production units. The Company also inducting experienced technical personnel to meet the challenges in the job undertaken/to be undertaken by the Company.

Opportunities & Threats

S&L have been diversifying from piping and erection contract to composite work and EPC area in Metal, Hydrocarbon, Power etc. The business growth is directly linked with capital investments both in green field and brown field project for these sectors.

The Company is also in the process of modernizing and restructuring its fleet of construction wings i.e. manpower, machineries and equipment.

One of the major threats in this area is stiff competition from small companies, who are offering their services in lower rate. In order to overcome this, Company is exploring grass root level execution by keeping total control on all materials and depending on outside agencies for skilled and unskilled manpower.

Segmentwise Performance

The Company is mainly engaged in Project Management and Construction in various projects sites and fabrication of equipments/items at their fabrication units. The project & construction services business deal with overall Project Management, Design & Engineering, Procurement of bought-out items, Fabrication & erection of pipes & equipment at various sites including civil, structural, electrical and instrumentation. The Product business covers design engineering for fabrication of items like coils, skirt & hoods with cooling rings, pipes & pipe fittings, pressure vessels, storage tanks and small heat exchangers.

Outlook

During the year 2012-13, the Company has achieved quantum increase in turnover. However, the management is endeavoring hard to increase the order value and expecting a good

execution of order in the year 2013-14 which will bring the overall growth in the Company.

Internal Control Systems

The Company has in place adequate systems of internal control and documented procedures covering all financial and operating functions. These have been designed to facilitate the function of maintaining proper accounting controls, monitoring economy and efficiency of operations, protecting assets from losses and ensuring reliability of financial and operational information. The Company constantly endeavors to upgrade the system of internal control to ensure optimum utilization of its resources.

The system audit and/or internal audit is being carried out by qualified auditor(s). The Company has also an integrated computer system in commensurate with the operations of the Company. The audit committee of the Board of Directors reviews the operations and financial reports of the Company at periodical intervals.

Industrial Relation & Human Resource Management

Human Resource has the key role in the growth and development of our organization. With the diversification of business, S&L have inducted experienced senior level as well as middle level management professionals, useful to meet the challenges of the jobs undertaken. The Company's relationship with its employees has taken heartening step forward. Our resources are first committed to offering quality people that are fairly and professionally treated so that they in turn are in a position to communicate with others in a like manner. Various technical and Management development programme are also undertaken along with upgradation of our manpower skills which in turn increase leading to ultimate growth in the Company.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable Securities Laws and Regulation. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions, change in the Government regulations, tax laws and other statutes and other incidental factors.

INDEPENDENT AUDITORS' REPORT

To
The Members of
Stewarts & Lloyds of India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Stewarts & Lloyds of India Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and the 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 preparation of the financial statements that 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, the assessment of the risk of material misstatements 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 31st March, 2013;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act 1956 ('the Act'), we give 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 Companies Act, 1956, we report that:
 - a. We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
 - e. On the basis of written representations received from the Directors as on 31st March, 2013 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2013 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Act;

For RAY & RAY

Chartered Accountants
(Firm's Registration No. 301072E)

K. K. GHOSH
Partner

Place : Kolkata

Dated : **29th April, 2013**

Membership No. : 59781

STEWARTS AND LLOYDS OF INDIA LIMITED

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 3 of the Auditor's Report of even date to the Members of 'STEWARTS AND LLOYDS OF INDIA LIMITED' on the financial statements for the year ended 31st March, 2013.

year 2012-13 the Company has no outstanding balance of any loan, secured or unsecured, from companies, firms or other parties covered in the Register maintained under Section 301 of the Act.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The fixed assets of the Company have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of the assets. No material discrepancies were noticed on such verification.
(c) During the year a part of fixed assets (W.D.V. Rs. 2.88 Lacs) has been disposed off by the company.
2. (a) The inventory has been physically verified and certified by the Management during the year/ at the year end. In our opinion, the frequency of verification is reasonable.
(b) In our opinion and as explained to us, the procedures of physical verification of inventories followed by the Management are generally reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. (a) As far as we can ascertain from the relevant register maintained by the company and based on Management representation, the company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 301 of the "Act". As such, clauses (iii) (b) to (iii) (d) of paragraph 4 of the aforesaid Order are not applicable.
(b) As far as we can ascertain from the relevant register maintained by the Company and based on management representation, as at the end of the
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. As far as we can ascertain from the relevant register maintained under section 301 of the Act, in our opinion and according to the information and explanations given to us, there are no such contracts or arrangements referred to in Section 301 of the 'Act' during the year whose particulars are needed to be entered into the Register required to be maintained under that Act.
6. The Company has not accepted any deposits from the public during the year within the meaning of sections 58A and 58AA of 'the Act' and the Companies (Acceptance of Deposits) Rules, 1975 framed thereunder.
7. The Internal Audit function of the company had been carried out by a firm of Chartered Accountants for a part of the year and subsequently by its own internal audit system. In our opinion, the Internal Audit System needs to be further strengthened to be commensurate with the size and nature of the Company's business.
8. The Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the "Act" for any of the products of the Company.
9. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing the 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 as applicable with the appropriate authorities.
- (b) As far as we can ascertain from the relevant records/documents, so produced and according to the information and explanations given to us the particulars of dues of Sales Tax, Income tax, Service Tax, Custom Duty, Wealth Tax, Excise Duty and Cess as at Balance Sheet date, which have not been deposited on account of a dispute, are given in **Appendix-1**.
10. The Company has no accumulated losses as at 31st March 2013. However, it has incurred a cash loss in the financial year ended on that date. The company has not incurred cash losses in the immediately preceding financial year.
 11. According to the records of the Company examined by us and the information and explanations given to us, the Company has generally not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the Balance Sheet date.
 12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
 14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
 15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
 16. The Company has not obtained any term loan during the year.
 17. On the basis of an overall examination of the Balance Sheet and Cash Flow Statement of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis that have been used for long-term investment.
 18. 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" during the year.
 19. The Company has not issued any debentures during the year and no debentures are outstanding at the year-end. Accordingly, creation of securities in this regard does not arise.
 20. The Company has not raised any money by public issues during the year.
 21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

For RAY & RAY
Chartered Accountants
Registration No. 301072E

(K. K. GHOSH)

Partner

Membership No. 59781

Place : Kolkata

Date : **29th April, 2013**

STEWARTS AND LLOYDS OF INDIA LIMITED

APPENDIX 1 TO THE AUDITORS' REPORT

Name of the Statute	Nature of dues	Period	Amount (Rs.)	Forum where the dispute is pending
The West Bengal Sales Tax Act, 1994	Declaration forms due, disallowance of erection, freight and other charges	1996-1997	51,09,552	West Bengal Commercial Taxes Appellate and Revision Board
Central Sales Tax Act, 1956	Declaration forms due, disallowance of erection, freight and other charges	1996-1997	23,89,705	West Bengal Commercial Taxes Appellate and Revision Board
West Bengal VAT Act, 2003	Enhancement of Gross Turnover, disallowance of erection, freight and other charges	2007-2008	10,22,750	Sr. Jt. Comm. of Commercial Taxes
Central Sales Tax Act, 1956	Declaration forms due, disallowance of erection, freight and other charges	2007-2008	50,85,967	Sr. Jt. Comm. of Commercial Taxes
West Bengal VAT Act, 2003	Enhancement of Gross Turnover, disallowance of erection, freight and other charges	2008-2009	57,25,827	Addl. Comm. of Commercial Taxes
Central Sales Tax Act, 1956	Declaration forms due, disallowance of erection, freight and other charges	2008-2009	2,91,00,529	Addl. Comm. of Commercial Taxes
West Bengal VAT Act, 2003	Enhancement of Gross Turnover, disallowance of erection, freight and other charges	2009-2010	29,22,569	Sr. Jt. Comm. of Commercial Taxes
Central Sales Tax Act, 1956	Declaration forms due, disallowance of erection, freight and other charges	2009-2010	1,57,231	Sr. Jt. Comm. of Commercial Taxes
The Income Tax Act, 1961	Under Assessment of Capital gains for determination of cost of acquisition of the capital assets	2004-2005	1,01,05,270	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Disallowance of certain expenditure	2007-2008	1,02,95,851	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Disallowance of certain expenditure	2005-2006	20,73,370	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Disallowance of certain expenditure	2008-2009	1,21,25,010	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Disallowance of certain expenditure	2009-2010	2,51,82,780	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Disallowance of certain expenditure	2010-2011	9,510	Commissioner of Income Tax (Appeals)
Wealth Tax Act, 1957	Wealth Tax Liability on Land	2002-2003	3,16,688	Commissioner of Wealth Tax (Appeals)
Finance Act, 1994 – Service Tax	Service Tax on erection, Commissioning & installation services	2003-2004 & 2004-2005	1,01,12,083	Customs, Excise & Service Tax Appellate Tribunal
Finance Act, 1994 – Service Tax	Service Tax on erection, Commissioning & installation services	2005-2006	25,88,299	Commissioner, Central Excise
Finance Act, 1994 – Service Tax	Service Tax on business auxiliary services	2008-2009	35,13,226	Commissioner, Central Excise

**Balance Sheet as at 31st March, 2013**

Particulars	Note No.	31st March 2013 Rs.	31st March 2012 Rs.
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds:			
Share Capital	1	3,00,00,000	3,00,00,000
Reserves and Surplus	2	6,26,10,831	9,55,18,382
Total Shareholders' Funds		9,26,10,831	12,55,18,382
2 Non-current Liabilities:			
Other Long-term Liabilities	3	61,60,162	1,10,01,174
Long-term Provisions	4	19,26,222	23,28,122
Total Non-current Liabilities		80,86,384	1,33,29,296
3 Current Liabilities:			
Short-term Borrowings	5	29,85,92,527	29,11,05,632
Trade Payables	6	13,95,37,177	9,59,43,309
Other Current Liabilities	7	34,92,71,887	33,08,61,805
Total Current Liabilities		78,74,01,591	71,79,10,746
TOTAL EQUITY AND LIABILITIES		88,80,98,806	85,67,58,424
II. ASSETS			
1 Non-current Assets:			
Fixed Assets	8		
- Tangible Assets		2,15,12,298	2,48,29,522
- Intangible Assets		34,99,232	53,34,220
- Capital Work-in-Progress		19,14,120	—
		2,69,25,650	3,01,63,742
Non-current Investments	9	1,002	1,002
Deferred Tax Asset (net) (Refer Other Notes on Accounts 23.2)		97,23,694	79,30,678
Long-term Loans and Advances	10	79,41,573	68,16,141
Total Non-current Assets		4,45,91,919	4,49,11,563
2 Current Assets:			
Inventories	11	2,02,70,916	2,44,32,019
Trade Receivables	12	43,75,33,707	39,99,83,532
Cash and Bank Balances	13	1,03,53,407	48,05,819
Short-term Loans and Advances	14	20,67,26,225	20,80,23,434
Other Current Assets	15	16,86,22,632	17,46,02,057
Total Current Assets		84,35,06,887	81,18,46,861
TOTAL ASSETS		88,80,98,806	85,67,58,424

Significant Policies & Other Notes on Accounts : 23
This is the Balance Sheet referred to in our report of even date.

The Notes referred to above form an integral part of the Balance Sheet.

For RAY & RAY

Chartered Accountants

Firm Registration Number – 301072E

K. K. GHOSH

Partner

Membership Number : 59781

Kolkata, 29th April, 2013

R. K. TRIPATHY

Director

ASIM CHANDRA

Chairman

SAMIR BHADRA

Company Secretary & Head Legal

STEWARTS AND LLOYDS OF INDIA LIMITED

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

Particulars	Note No.	2012- 2013 Rs.	2011- 2012 Rs.
I. Revenue from Operations	16	36,82,31,390	25,81,29,170
II. Other Income	17	4,54,63,313	11,67,32,133
III. Total Revenue (I+II)		41,36,94,703	37,48,61,303
IV. Expenses:			
Cost of Materials Consumed	18	18,39,817	68,83,915
Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	19	53,04,980	(1,21,88,453)
Employee Benefits Expense	20	4,39,68,700	6,15,94,878
Finance Costs	21	4,58,56,527	4,73,78,084
Depreciation and Amortisation Expense on			
- Tangible Assets		39,38,129	46,72,344
- Intangible Assets		18,34,988	18,34,988
Other Expenses	22	34,56,52,129	26,31,73,339
Total Expenses		44,83,95,270	37,33,49,095
V. Profit/(Loss) before Tax (III-IV)		(3,47,00,567)	15,12,208
VI. Tax Expense:			
(1) Current Tax		—	—
(2) Deferred Tax		(17,93,016)	(42,20,296)
		(17,93,016)	(42,20,296)
VII. Profit/(Loss) for the period (V - VI)		(3,29,07,551)	57,32,504
VIII. Earnings per equity share:			
Basic and Diluted (Refer Other Notes on Accounts 23.12)		(10.97)	1.91
Significant Policies & Other Notes on Accounts :	23		

This is the Statement of Profit and Loss referred to in our report of even date.

The Notes referred to above form an integral part of the Statement of Profit and Loss

For RAY & RAY

Chartered Accountants
Firm Registration Number – 301072E

K. K. GHOSH

Partner
Membership Number : 59781
Kolkata, 29th April, 2013

R. K. TRIPATHY

Director

ASIM CHANDRA

Chairman

SAMIR BHADRA

Company Secretary & Head Legal

Notes to Balance Sheet as at 31st March 2013

	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
1 Share Capital		
Authorised :		
2,00,00,000 Equity Shares of Rs. 10/- each (March 2012 : 2,00,00,000 Equity Shares of Rs. 10 each)	20,00,00,000	20,00,00,000
Issued, Subscribed and Paid Up:		
30,00,000 Equity Shares of Rs. 10/- each, fully paid up (March 2012 : 30,00,000 Equity Shares of Rs. 10 each, fully paid up)	3,00,00,000	3,00,00,000
	3,00,00,000	3,00,00,000

Notes:

- a. Reconciliation of number of shares at the end of the period:
- | | As at 31st March 2013 | As at 31st March 2012 |
|--|-----------------------|-----------------------|
| Number of Shares at the beginning of the year | 30,00,000 | 30,00,000 |
| Number of Shares issued during the period | — | — |
| Number of Shares bought back during the period | — | — |
| Number of Shares at the end of the period | 30,00,000 | 30,00,000 |
- b. Shares held by Holding Company:
16,63,754 Equity Shares (Previous year: 16,63,754) are held by IOT Infrastructure & Energy Services Limited (Formerly Indian Oiltanking Limited), Holding Company
- c. Shareholders holding more than 5% shares

Name of Shareholder	As at 31st March 2013		As at 31st March 2012	
	Numbers	%	Numbers	%
IOT Infrastructure & Energy Services Ltd.	16,63,754	55.46	16,63,754	55.46
National Insurance Company Limited	1,52,985	5.10	1,52,985	5.10

- d. Shares allotted other than cash and bought back:

Particulars	Year (Aggregate number of Shares)				
	2012-13	2011-12	2010-11	2009-10	2008-09
Fully paid up Equity Shares pursuant to contract(s) without payment being received in cash	—	—	—	—	—
Fully paid up Equity Shares by way of Bonus Shares	—	—	—	—	—
Shares bought back	—	—	—	—	—

STEWARTS AND LLOYDS OF INDIA LIMITED

Notes to Balance Sheet as at 31st March 2013 (Contd.)

2 Reserves and Surplus

	Balance 31st March 2012 Rs.	Additions During the Period Rs.	Deductions During the Period Rs.	Balance 31st March 2013 Rs.
Capital Reserve	4,16,401	–	–	4,16,401
Security Premium Account	12,13,970	–	–	12,13,970
General Reserve	8,81,55,507	–	–	8,81,55,507
Surplus (As per note below)	57,32,504	(3,29,07,551)	–	(2,71,75,047)
	<u>9,55,18,382</u>	<u>(3,29,07,551)</u>	–	<u>6,26,10,831</u>

	As at 31st March 2013	As at 31st March 2012
Note:		
Net Profit/(Loss) for the period	(3,29,07,551)	57,32,504
Add: Transfer from Reserves	–	–
Less: 1. Proposed Dividends	–	–
2. Tax on Proposed Dividends	–	–
3. Transfer to Reserves	–	–
Closing balance	<u>(3,29,07,551)</u>	<u>57,32,504</u>

3 Other Long-term Liabilities

Others	61,60,162	1,10,01,174
	<u>61,60,162</u>	<u>1,10,01,174</u>

4 Long-term Provisions

Provision for Retirement Benefits	19,26,222	23,28,122
	<u>19,26,222</u>	<u>23,28,122</u>

**5 Short-term Borrowings
Secured**

Loans repayable on demand from Banks:		
Working Capital Facility	29,85,92,527	29,11,05,632
Total Short-term Borrowings	<u>29,85,92,527</u>	<u>29,11,05,632</u>

Working capital and non-fund based facilities aggregating to Rs. 41,13,17,349 (March 2012: Rs. 39,16,33,684) from banks are secured by pari passu first charge among Working Capital Bankers on the whole of the hypothecated current assets and movable assets including Plant and Machinery (other than Propane Gas Project at Jamshedpur), both present and future.

6 Trade Payable

Trade Payable		
Due to Micro Enterprises and Small Enterprises	5,40,080	4,13,521
Others	13,89,97,097	9,55,29,788
	<u>13,95,37,177</u>	<u>9,59,43,309</u>



Notes to Balance Sheet as at 31st March 2013 (Contd.)

	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
7 Other Current Liabilities		
Unpaid Dividends	3,28,035	4,24,345
Other Liabilities	34,89,43,852	33,04,37,460
	<u>34,92,71,887</u>	<u>33,08,61,805</u>
8 Fixed Assets		
A Tangible Assets		
Gross Block	11,71,03,701	11,67,30,378
Depreciation	9,55,91,403	9,19,00,856
Net Block	<u>2,15,12,298</u>	<u>2,48,29,522</u>
B Intangible Assets		
Gross Block	91,74,936	91,74,936
Amortisation	56,75,704	38,40,716
Net Block	<u>34,99,232</u>	<u>53,34,220</u>

	Gross Block at Cost			Depreciation and Amortisation				Net Block	
	As at 31.03.2012	Addition	Deduction/ Adjustment	As at 31.03.2013	As at 31.03.2012	For the Year	Deduction/ Adjustment	As at 31.03.2013	As at 31.03.2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible Assets :									
Leasehold Land	1,74,300	-	-	1,74,300	81,320	1,675	-	82,995	91,305
Buildings	70,59,612	-	1,60,000	68,99,612	63,67,345	62,073	1,39,152	62,90,266	6,09,346
Plant and Equipment	9,33,08,999	9,08,853	2,41,230	9,39,76,622	7,16,40,411	34,87,299	13,852	7,51,13,858	1,88,62,764
Furniture and Fixtures	48,51,951	-	-	48,51,951	39,99,757	1,53,343	-	41,53,100	6,98,851
Vehicles	40,43,487	-	-	40,43,487	38,66,949	46,027	-	39,12,976	1,30,511
Office Equipment	21,82,406	-	-	21,82,406	16,63,155	76,946	-	17,40,101	4,42,305
Electrical Equipment	29,16,633	-	-	29,16,633	25,29,238	55,661	-	25,84,899	3,31,734
Air Conditioning Plant	15,46,341	-	1,34,300	14,12,041	11,22,025	53,496	94,578	10,80,943	3,31,098
Railway Sidings	6,46,649	-	-	6,46,649	6,30,655	1,609	-	6,32,264	14,385
Sub-total	11,67,30,378	9,08,853	5,35,530	11,71,03,701	9,19,00,856	39,38,129	2,47,582	9,55,91,403	2,15,12,298
Previous year	13,02,14,527	14,90,630	1,49,74,779	11,67,30,378	9,34,47,896	46,72,344	62,19,385	9,19,00,856	2,48,29,522
Intangible Assets :									
Computer Software - Acquired	91,74,936	-	-	91,74,936	38,40,716	18,34,988	-	56,75,704	34,99,232
Sub-total	91,74,936	-	-	91,74,936	38,40,716	18,34,988	-	56,75,704	34,99,232
Previous year	91,74,936	-	-	91,74,936	20,05,728	18,34,988	-	38,40,716	53,34,220
Capital work in progress:									
Plant and Equipment under installation									19,14,120
Sub-total									19,14,120
Previous year									-

STEWARTS AND LLOYDS OF INDIA LIMITED

Notes to Balance Sheet as at 31st March 2013 (Contd.)

	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
9 Non-current Investments		
Other than Trade - Unquoted		
At cost :		
National Savings Certificate (Lodged as Security Deposit - Matured but not encashed)	1,000	1,000
At written down value :		
Rs.7000, 5% Non-redeemable Registered Mortgage Debenture Stock 1957 - Woodlands Hospital and Medical Research Centre Ltd.	1	1
33 Nos. 1/2% Debentures of Rs.100 each - Woodlands Hospital and Medical Research Centre Ltd.	1	1
	1,002	1,002
10 Long-term Loans and Advances (Unsecured, Considered Good)		
Security Deposits	79,41,573	68,16,141
	79,41,573	68,16,141
11 Inventories (Valued at lower of cost and estimated net realisable value)		
Raw Materials	6,64,108	8,53,141
Work-in-process (Fabrication)	1,10,79,558	1,70,89,322
Stores and Spare Parts	74,50,166	55,52,139
Loose Tools	10,77,084	9,37,417
	2,02,70,916	2,44,32,019
12 Trade Receivables (Unsecured)		
Trade Receivables outstanding for a period exceeding six months -		
Considered Good	32,14,77,039	34,27,70,178
Considered Doubtful	2,79,85,625	2,79,85,625
	34,94,62,664	37,07,55,803
Less: Provision for Doubtful Debts	2,79,85,625	2,79,85,625
	32,14,77,039	34,27,70,178
Other Debts - Considered Good	11,60,56,668	5,72,13,354
	43,75,33,707	39,99,83,532
13 Cash and Bank Balances		
Cash and cash equivalents:		
Balance with banks:		
- In Current Account	45,08,128	36,78,880
- In Term Deposit	50,00,000	-
Cash on hand	98,706	3,01,568
	96,06,834	39,80,448
Other bank balances:		
- In Fixed Deposit	7,979	7,349
- In Margin Money Account	4,10,559	3,93,677
- In Unpaid Dividend Account	3,28,035	4,24,345
	7,46,573	8,25,371
	1,03,53,407	48,05,819

Notes to Balance Sheet as at 31st March 2013 (Contd.)

	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
14 Short-term Loans and Advances (Unsecured, considered good)		
Tax payments and tax deducted at source less provision for taxation	6,05,68,225	5,19,01,304
Other Advances	14,61,58,000	15,61,22,130
	<u>20,67,26,225</u>	<u>20,80,23,434</u>
Considered Doubtful	-	-
	<u>20,67,26,225</u>	<u>20,80,23,434</u>
Less: Provision for Doubtful Advances	-	-
	<u>20,67,26,225</u>	<u>20,80,23,434</u>

Note :

Tax payments and tax deducted at source are net off provisions for taxation of Rs.13,78,30,588 (Previous year: Rs.13,78,30,588)

15 Other Current Assets (Unsecured considered good)		
Tender and Other Deposits	41,53,395	34,49,771
Prepaid Expenses	23,41,065	31,97,583
Work-in-progress (Construction Contracts)	16,21,28,172	16,79,54,703
	<u>16,86,22,632</u>	<u>17,46,02,057</u>

Note

Information in accordance with the requirement of the revised Accounting Standard-7 on Construction Contracts prescribed by the Companies Act, 1956:

Contract revenue recognised for the year	28,37,04,792	20,44,24,195
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) up to the year end for all the contracts in progress	88,06,34,458	1,44,15,50,547
The amount of customer advances outstanding for contracts in progress as at the year end	3,85,00,000	5,32,60,859
The amount of retention due from customers for contracts in progress as at the year end	4,26,13,965	3,57,58,227
Gross amount due from customers	16,21,28,172	16,79,54,703
Gross amount due to customers	NIL	NIL

STEWARTS AND LLOYDS OF INDIA LIMITED

Notes to Statement of Profit and Loss for the year ended 31st March 2013

	2012-2013 Rs.	2011-2012 Rs.
16 Revenue from Operations		
Sale of Products	12,62,12,684	5,49,33,235
Sale of Services	28,37,04,792	20,44,24,195
Other Operating Income	12,38,093	61,24,239
	41,11,55,569	26,54,81,669
Less: Excise Duty	4,29,24,179	73,52,499
	36,82,31,390	25,81,29,170
17 Other Income		
Interest Income	9,84,161	9,57,715
Profit/(Loss) on Sale of Fixed Assets	4,44,79,152	11,57,74,418
	4,54,63,313	11,67,32,133
Expenses		
18 Material Consumed		
Opening Stock	8,53,141	47,35,084
Add: Purchases	16,50,784	30,01,972
	25,03,925	77,37,056
Less: Closing Stock	6,64,108	8,53,141
	18,39,817	68,83,915
19 Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade		
Work-in-progress (Erection)	(7,04,784)	1,54,225
Work-in-process (Fabrication)	60,09,764	(1,23,42,678)
	53,04,980	(1,21,88,453)
20 Employee Benefits Expense		
Salaries, Wages & Bonus etc. (including compensation of Voluntary Retirement)	4,04,62,026	5,82,15,623
Contribution to Provident and Other Funds	10,84,118	12,70,527
Workmen's Insurance	6,92,906	3,30,803
Workmen & Staff Welfare Expenses	17,29,650	17,77,925
	4,39,68,700	6,15,94,878
21 Finance Costs		
Interest on Fixed Loans	3,27,759	30,13,061
Interest Others	4,55,28,768	4,43,65,023
	4,58,56,527	4,73,78,084

Notes to Statement of Profit and Loss for the year ended 31st March 2013 (Contd.)

	2012-2013	2011-2012
	Rs.	Rs.
22 Other Expenses		
Sub-Contractor payments	20,09,50,379	14,85,45,247
Freight & Handling Charges	2,15,07,938	1,25,19,989
Advertising	1,75,960	1,02,293
Consumption of Stores & Tools	3,82,87,669	1,22,44,775
Insurance	7,04,490	11,75,496
Power and Fuel	1,33,57,786	76,10,744
Rent	2,31,41,497	2,47,77,992
Rates & Taxes	13,82,423	2,88,587
Repairs to Building	25,17,099	10,49,906
Repairs to Machinery	14,76,358	32,84,867
Repairs Others	27,800	—
Travelling Expenses	42,16,429	43,34,065
Works Contract Tax Expenses	1,79,268	32,77,648
Hire Charges of Equipment	1,40,26,519	1,58,62,374
Bank Charges	33,35,316	38,43,813
Service Charges	62,39,480	83,74,622
Printing & Stationery	6,26,512	11,42,741
Auditor's Remuneration	21,59,890	8,62,205
Postage & Telephone	12,70,083	11,23,119
Vehicle Expenses	30,88,498	25,76,425
Inspection Charges	6,29,093	1,80,026
Legal Expenses	34,95,639	1,07,823
Miscellaneous Expenses	28,56,003	23,88,582
Provision for Doubtful Debts	—	75,00,000
	<u>34,56,52,129</u>	<u>26,31,73,339</u>

23 Significant Policies & Other Notes on Accounts

23.1 Significant Accounting Policies :

The Financial Statements are prepared to comply in all material respects with all the applicable accounting principles in India, the applicable accounting standards notified under section 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

a) FIXED ASSETS - Tangible

- (i) Assets other than those acquired on lease are stated at cost of acquisition and related expenditure. The cost of fixed assets acquired on finance lease comprises present value of minimum lease payments at the inception of lease, lease management fees and residual value of the related assets. The discounting factor considered in calculating the present value of the minimum lease payments is the rate of interest implicit in the lease. An impairment loss is recognised if and when the carrying amount of the fixed assets of a cash generating unit exceeds its net selling price or value in use whichever is higher. Depreciation on fixed assets (including those acquired on finance lease) is provided on written down value method at the rates which are in conformity with the requirements of the Companies Act, 1956. Leasehold land is amortised over the period of lease under written down value method.

FIXED ASSETS - Intangible

- (ii) Cost of Computer Software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and cost of implementation/system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. Expenses incurred on upgradation/enhancement is charged off as revenue expenditure unless it enable the software to generate future economic benefits in excess of its originally assessed standard.
- (iii) Computer Software cost is amortised on a straight line basis over a period of five years.
- b) LONG TERM investments are valued at cost less provision for permanent diminution, if any, in carrying amount of such investments.
- c) INVENTORIES are valued at lower of cost and net realisable value. The costs are, in general, determined under "First in First out" formula. Work in progress/process and Finished Goods include applicable fabrication charges and allocable overheads. Obsolete, slow and non moving inventories are identified at the time of physical verification and, where necessary, adequate provision is made for such inventories.
- d) REVENUE from erection contracts are recognised on the percentage of completion method, in proportion that the contract costs incurred for work performed (as techno-commercially assessed by the management) up to the reporting date bear to the estimated total contract costs. Revenue recognised in excess of billing and billing in excess of revenue recognised as per Accounting Standard-7, prescribed by the Companies Act, 1956, have been reflected under 'Other Current Assets' and 'Current Liabilities' respectively in the Balance Sheet. Escalation and other claims in respect of these contracts are accounted for on their acceptance by the customers. Adequate provision for foreseeable losses are made in the accounts.

OTHER SALES are recognised on completion of sale of goods, rendering of services and/or use of Company's resources by third parties.

e) EMPLOYEE BENEFITS

i) Short-term Employee Benefits :

The undiscounted amount of Short-term Employee Benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

ii) Post Employment Benefit Plans :

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the year.

23. Significant Policies & Other Notes on Accounts (Contd.)

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

iii) Other Long-term Employment Benefits (unfunded) :

The cost of providing long term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Other long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

- f) TRANSACTIONS IN RESPECT OF FOREIGN CURRENCIES are recorded at exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies outstanding at the Balance Sheet date are restated at the exchange rate prevailing on the balance sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions. Exchange differences arising on settlement of transactions and/or restatements are dealt with in the Statement of Profit and Loss. In respect of Forward Exchange Contracts with underlying transaction, the premium or discount arising at the inception of such contract is amortised as expense or income over the life of contract.
- g) BORROWING COSTS other than those directly attributable to acquisition and construction of fixed assets are recognised as an expense in the period in which they are incurred.
- h) PROVISIONS are recognised when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or there is a present obligation, reliable estimate of the amount of which cannot be made. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.
- i) CURRENT TAX in respect of taxable income is provided for the year based on applicable tax rates and laws. Deferred tax is recognised subject to the consideration of prudence in respect of deferred tax assets, on timing differences, between taxable income that originate in one period and are capable of reversal in one and more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date to re-assess realisability thereof. Fringe Benefit Tax is accounted for based on the estimated fringe benefits for the period as per the related provisions of the Income-tax Act, 1961.

23.2 Year-end Deferred Tax balance comprises the following :

	31st March 2013	31st March 2012
	(Rs.)	(Rs.)
Tax impact due to timing differences resulting in (liabilities)/ assets on account of :		
Payment under Voluntary Retirement Scheme	26,47,337	38,64,521
Depreciation as per tax law and book	(28,07,201)	(34,99,901)
Provision for doubtful debts	86,47,558	63,30,058
Items allowable for tax purpose on payment	12,36,000	12,36,000
Net Deferred Tax Assets/(Liability)	97,23,694	79,30,678

STEWARTS AND LLOYDS OF INDIA LIMITED

23. Significant Policies & Other Notes on Accounts (Contd.)

23.3 Contingent Liabilities :

23.3 (a) Claims not acknowledged as debts :

	31st March 2013	31st March 2012
	(Rs.)	(Rs.)
(i) Disputed Sales Tax*	45,30,906	31,73,906
(ii) Disputed Income Tax	5,97,91,791	5,73,06,080
(iii) Disputed Wealth Tax	3,16,688	3,16,688
(iv) Disputed Service Tax	1,62,13,608	1,62,13,608

* On account of certain reliefs claimed which are under dispute and pending sales tax declaration forms.

23.3 (b) The Company has completed all the four contracts at IOCL-Bongaigaon (IOCL-BGR) and has submitted its final bills and other claims etc. during the current financial year, to IOCL-BGR, who is deriving commercial benefit out of the same. IOCL-BGR without settling the said final bills and other claims, has unilaterally encashed four bank guarantees aggregating to Rs. 5.80 Crores which the Company has not acknowledged in the books, in respect of three contracts, towards their alleged recovery. Being aggrieved, the Company has initiated the arbitration proceedings at Indian Council of Arbitration (ICA), New Delhi, in respect of three contracts, as per terms of the relevant General Conditions of Contract (GCC) to adjudicate the case and the same is pending settlement.

23.3 (c) The Company had exported rubber lined pipes to Konkola Copper Mines, Zambia (KCM) during 2007 and 2008. The KCM went into International Arbitration Proceedings claiming damages for the alleged defects in the supplied rubber lined pipes and the Company was awarded to pay US \$ 3.58 Million (equivalent to INR 19.45 Crores) approximately based on alleged seven years guarantee which the Company had never given. Being aggrieved, the Company has filed an appropriate application at the Competent Court challenging the award and the same is pending for hearing.

23.4 (a) Outstanding Bank Guarantees Rs. 11,27,24,822 (Previous Year: Rs. 10,05,28,052) are secured by a charge created on assets as recited under Short-term borrowings (Refer Note 5 to Balance Sheet)

(b) In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated.

23.5 (a) Information on Sale of products under broad heads (Net of Excise duty) :

Particulars	2012-2013	2011-2012
	(Rs.)	(Rs.)
Industrial Pipework	8,09,13,942	4,75,80,736
Engineering and Procurement	23,74,563	—
	8,32,88,505	4,75,80,736

23.5 (b) Information on Work-in-Progress (Fabrication) :

Particulars	Year	Opening Stock	Closing Stock
		(Rs.)	(Rs.)
Industrial Pipework	2012-13	1,70,89,322	1,10,79,558
	2011-12	47,46,644	1,70,89,322

23. Significant Policies & Other Notes on Accounts (Contd.)
23.6 Consumption of Materials under broad heads :

Particulars	2012-2013	2011-2012
	(Rs.)	(Rs.)
Tubes	13,05,810	57,39,088
Plates	2,82,726	4,45,419
Paints	2,50,093	—
Fittings	—	1,810
Miscellaneous	1,188	6,97,598
	18,39,817	68,83,915

(a) Above represents bought out items also which are ultimately used for erection services.

(b) Miscellaneous include items which individually do not constitute more than 10% of the total consumption.

23.7 Value of Imported and Indigenous Materials Consumption as a percentage of Total Consumption :

Particulars	2012-2013		2011-2012	
	(Rs.)	%	(Rs.)	%
Indigenous	18,39,817	100.00	68,83,915	100.00
Imported	—	—	—	—
	18,39,817	100.00	68,83,915	100.00

23.8 Consumption of Imported and Indigenous Stores, Tools, Spare Parts and Components as a percentage of Total Consumption :

Particulars	2012-2013		2011-2012	
	(Rs.)	%	(Rs.)	%
Indigenous	3,24,90,760	84.86	1,05,12,563	85.85
Imported	57,96,909	15.14	17,32,212	14.15
	3,82,87,669	100.00	1,22,44,775	100.00

23.9 Earnings and Expenditure in Foreign Currency :

Particulars	2012-2013	2011-2012
	(Rs.)	(Rs.)
a) Value of Imports calculated on C.I.F. basis		
Materials	—	—
Store, Tools, Spare Parts and Components	42,95,501	13,00,375
b) Expenditure in Foreign Currency		
Travelling	3,05,453	5,53,707
Technical Services	—	—
c) Earnings in Foreign Currency		
F.O.B. Value of Export	—	—

STEWARTS AND LLOYDS OF INDIA LIMITED

23. Significant Policies & Other Notes on Accounts (Contd.)

23.10 Details of Dues to Micro Enterprises and Small Enterprises :

		2012-2013	2011-2012
		(Rs.)	(Rs.)
a)	The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the year	Principal Interest 1,46,152 3,93,928	1,46,152 2,67,369
b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	Principal Interest Nil Nil	32,242 Nil
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006	Nil	Nil
d)	The amount of interest accrued and remaining unpaid at the end of accounting year	Interest accrued Interest remaining unpaid 1,26,559 3,93,928	27,271 2,67,369
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	1,26,559	27,271

The above information has been compiled in respect of parties to the extent to which they could be identified as Micro and Small Enterprises under Micro, Small and Medium Enterprise Development Act, 2006 on the basis of information available with the Company.

23.11 Employees Benefits :

Post Employment Defined Contribution Plans :

During the year an amount of Rs. 5,09,025 (2011-2012 : Rs. 8,56,637) has been recognised as expenditure towards Defined Contribution Plans of the Company.

Post Employment Defined Benefit Plans :

Gratuity (Funded)

The Company's Gratuity Scheme, a defined benefit plan, covers the eligible employees and is administered through a trust fund under group administration plan. Such gratuity fund, whose investments are managed by insurance companies/trustees themselves, make payments to vested employees or their nominees upon retirement, death, incapacitation or cessation of employment, of an amount based on the respective employee's eligible salary and tenure of employment as per the provision of "The Payment of Gratuity Act, 1972". Liabilities with regard to Gratuity Plan are determined by actuarial valuation as set out in Note 23.1.e.(iii) above based upon which the Company makes contribution to Gratuity Fund.

23. Significant Policies & Other Notes on Accounts (Contd.)

The following Table sets forth the particulars in respect of Post Employment and other Defined Benefit Plans of the Company for the year ended 31st March, 2013 and corresponding figures for the previous year :

(Rupees)

	Description	Gratuity		Leave Encashment Unfunded	
		31st March 2013	31st March 2012	31st March 2013	31st March 2012
(a)	Reconciliation of Opening and Closing balances of the Present Value of the Defined Benefit Obligation :				
	Present Value of Obligation at the beginning of the year	32,27,046	70,12,551	25,71,437	35,34,005
	Current Service Cost	2,31,499	2,95,633	3,61,651	4,51,469
	Past Service Cost	—	—	—	—
	Interest Cost	2,77,526	5,61,004	2,21,144	2,82,720
	Actuarial (Gains)/Losses	(1,33,536)	(3,33,056)	(5,87,714)	(8,19,511)
	Benefits Paid	(11,13,236)	(43,09,086)	(4,66,620)	(8,77,246)
	Present Value of Obligation at the end of the year	24,89,299	32,27,046	20,99,898	25,71,437
(b)	Reconciliation of the Opening and Closing balances of Plan Assets :				
	Fair Value of Plan Assets at the beginning of the year	32,27,046	70,12,551	—	—
	Expected Return on Plan Assets	3,80,951	5,23,581	—	—
	Actuarial Gains/(Losses)	—	—	—	—
	Contributions	—	—	—	—
	Benefits paid	(11,13,236)	(43,09,086)	—	—
	Fair Value of Plan Assets at the end of the year	24,94,761	32,27,046	—	—
(c)	Reconciliation of the Present Value of the Defined Benefit Obligation and the Fair Value of Plan Assets :				
	Present Value of Obligation at the end of the year	24,89,299	32,27,046	20,99,898	25,71,437
	Fair Value of Plan Assets at the end of the year	24,94,761	32,27,046	—	—
	Assets/(Liabilities) recognised in the Balance Sheet	5,462	—	(20,99,898)	(25,71,437)
(d)	Expense recognised in the Statement of Profit and Loss :				
	Current Service Cost	2,31,499	2,95,633	3,61,651	4,51,469
	Past Service Cost	—	—	—	—
	Interest Cost	2,77,526	5,61,004	2,21,144	2,82,720
	Expected Return on Plan Assets	(3,80,951)	(5,23,581)	—	—
	Actuarial (Gains)/Losses	(1,33,536)	(3,33,056)	(5,87,714)	(8,19,511)
	Total Expense recognised	(5,462)	—	(4,919)	(85,322)
(e)	Category of Plan Assets :				
	Fund with LIC	34,88,402	42,61,070	—	—
	Central Government Securities	—	—	—	—
	State Government Securities	—	—	—	—
	Others (including bank balances)	(9,93,641)	(10,34,024)	—	—
	Total	24,94,761	32,27,046	—	—
(f)	Actual Return on Plan Assets	3,80,951	5,23,581	—	—
(g)	Actuarial Assumptions :				
	Discount Rate (Per annum)	8.00%	8.60%	8.00%	8.60%
	Expected Rate of Return on Assets (Per annum)	9.15%	9.15%	—	—
	Mortality Rate	LIC (1994-96)	LIC (1994-96)	LIC (1994-96)	LIC (1994-96)

STEWARTS AND LLOYDS OF INDIA LIMITED

23. Significant Policies & Other Notes on Accounts (Contd.)

Net Asset/(Liability) recognised in Balance Sheet including experience adjustment impact :

	Gratuity			Leave Encashment		
	2013	2012	2011	2013	2012	2011
Present value of funded obligation	24,89,299	32,27,046	70,12,551	-	-	-
Present value of unfunded obligation	-	-	-	20,99,898	25,71,437	35,34,005
Fair Value of Plan Assets	24,94,761	32,27,046	70,12,551	-	-	-
Status [Surplus/(Deficit)]	5,462	-	-	-	-	-
Experience Adjustment of Plan Assets [Gain/(Loss)]	Not Available			Not Available		
Experience Adjustment of Obligation [Gain/(Loss)]	Not Available			Not Available		

The estimates of future salary increases, considered in actuarial valuations, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The expected return on plan assets is based on actuarial expectation of the average long term rate of return expected on investment of funds during the estimated term of the obligation.

23.12 Basic and Diluted Earning/(Loss) Per Share :

i) Basic		2012-2013	2011-2012
a)	Number of Equity Shares at the beginning of the year	30,00,000	30,00,000
	Number of Equity Shares at the end of the year	30,00,000	30,00,000
	Weighted average number of Equity Shares outstanding during the year	30,00,000	30,00,000
	Face value of each Equity Share (Rs.)	10	10
b)	Profit/(Loss) after tax available for Equity Shareholders (Rs.)	(3,29,07,551)	57,32,504
	Basic Earning/(Loss) per Share (Rs.)	(10.97)	1.91
ii) Dilutive Potential Equity Shares			
	Diluted Earning/(Loss) per Share (Rs.)	(10.97)	1.91

23.13 Related Party Disclosures in accordance with Accounting Standard 18 :

List of Related Parties

i) Parties where control exists :

IOT Infrastructure & Energy Services Ltd., (Formerly Indian Oiltanking Ltd.) – Holding Company
 IOT Engineering Projects Limited – Fellow Subsidiary
 IOT Design & Engineering Ltd. – Fellow Subsidiary
 IOT Anwasha Engineering & Construction Limited – Fellow Subsidiary
 Newsco International Energy Services Inc. – Fellow Subsidiary

ii) Key Managerial Personnel :

Mr. S P Saha - Chief Executive Officer from 01.04.2012 to 02.09.2012
 Mr. S P Saha - Chief Executive Officer & Director from 03.09.2012 to 12.02.2013
 Mr. Nilanjan Mukhopadhyay - Chief Executive Officer from 12.02.2013 to 31.03.2013

23. Significant Policies & Other Notes on Accounts (Contd.)
Transactions with Related Parties

	2012-2013 (Rs.)	2011-2012 (Rs.)
a) Sales and Services billed		
Holding Company	20,23,67,500	8,68,08,792
Fellow Subsidiaries	3,34,56,665	2,67,47,281
b) Purchase of Raw Materials and Components and Services		
Fellow Subsidiary	-	-
c) Other Income – Rental Income		
Holding Company	3,75,000	41,46,900
Fellow Subsidiary	7,20,000	11,82,141
Income from sale of immovable property		
Holding Company	-	12,45,29,813
d) Expenditure on other services		
Holding Company	78,30,410	2,74,95,123
Fellow Subsidiary	7,69,303	7,83,659
e) Outstanding Balances as at the end of Financial Year		
<u>Receivables (Net) :</u>		
Fellow Subsidiary	33,732	41,853
<u>Payables (Net) :</u>		
Holding Company	1,18,86,169	2,76,20,972
Fellow Subsidiary	6,98,50,935	9,14,04,263
f) Remuneration to Key Managerial Personnel	34,80,266	37,36,200

23.14 The Company is primarily engaged in execution of erection projects, which, in most cases involve supply of materials (procured or manufactured). Manufactured items are also supplied for servicing of refurbishment projects of clients and in a few cases to other customers. The management considers the entire activity process to be an integrated one. Further, the Company is managed organisationally as a single unit. Therefore, according to the management, the Company's operations are carried out in a single segment.

23.15 Previous year's figures have been re-arranged/re-grouped, where necessary to make the same comparable with the current year's figures.

Signatures to Notes 1 to 23.

R. K. TRIPATHY
Director

ASIM CHANDRA
Chairman

SAMIR BHADRA
Company Secretary & Head Legal

STEWARTS AND LLOYDS OF INDIA LIMITED

CASH FLOW STATEMENT

(PREPARED PURSUANT TO LISTING AGREEMENT)

	For the Year ended 31st March 2013		For the Year ended 31st March 2012	
	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit/(Loss) Before Tax and Extraordinary Items :		(3,47,00,567)		15,12,208
Adjustments for –				
Depreciation	57,73,117		65,07,332	
Liability written back	(1,33,093)		(2,89,679)	
Profit/Loss on Sale of Fixed Assets	(4,42,22,552)		(11,57,74,418)	
Interest (Net) - shown separately	4,48,72,366		4,64,20,369	
Amortisation of Miscellaneous Expenditure	–		2,73,703	
Provision for Doubtful Debts	–		75,00,000.00	
		62,89,838		(5,53,62,693)
Operating Profit before Working Capital Changes		(2,84,10,729)		(5,38,50,485)
Adjustment for –				
Trade and other receivables	(2,27,32,052)		(3,23,92,445)	
Inventories	41,61,103		(1,25,29,710)	
Trade payable	5,69,90,441		76,51,898	
		3,84,19,492		(3,72,70,257)
Cash generated/(used in) from operation		1,00,08,763		(9,11,20,742)
Direct Taxes Paid (Net of refunds) (Including Fringe Benefit Tax)	(86,66,921)		(1,33,83,628)	
		(86,66,921)		(1,33,83,628)
Net Cash from/(used in) operating activities		13,41,842		(10,45,04,370)
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets	(28,22,973)		(14,90,630)	
Sale of Fixed Assets	4,45,10,500		12,45,29,812	
Interest Received	9,84,161		9,57,715	
Net Cash from/(used in) investing activities		4,26,71,688		12,39,96,897
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from Short Term Bank Borrowing (Net)	74,86,895		2,91,97,371	
Interest paid	(4,58,56,527)		(4,73,78,084)	
Dividend Paid (including Tax thereon)	(96,310)		(75,573)	
Net Cash from/(used in) financing activities		(3,84,65,942)		(1,82,56,286)
Carried forward		55,47,588		12,36,241

**CASH FLOW STATEMENT (Contd.)**

(PREPARED PURSUANT TO LISTING AGREEMENT)

	For the Year ended 31st March 2013		For the Year ended 31st March 2012	
	Rs.	Rs.	Rs.	Rs.
Brought forward		55,47,588		12,36,241
NET CHANGES IN CASH AND CASH EQUIVALENT (A+B+C)		<u>55,47,588</u>		<u>12,36,241</u>
CASH AND CASH EQUIVALENTS				
– Opening Balance (Refer Note 13 to Balance Sheet)	48,05,819		35,69,578	
CASH AND CASH EQUIVALENTS				
– Closing Balance (Refer Note 13 to Balance Sheet)	<u>1,03,53,407</u>	<u>55,47,588</u>	<u>48,05,819</u>	<u>12,36,241</u>

- Notes :
- (i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statement prescribed by the Companies Act, 1956.
 - (ii) For the purpose of Cash Flow Statement, Cash and Cash Equivalents include Other Bank Balances.
 - (iii) The Schedule referred to above form an integral part of the Cash Flow Statement.
 - (iv) Previous year's figures have been re-grouped/re-arranged wherever necessary.

This is the Cash Flow Statement referred to in our report of even date.

For RAY & RAY*Chartered Accountants*

Firm Registration Number – 301072E

K. K. GHOSH*Partner*

Membership Number : 59781

Kolkata, 29th April, 2013

R. K. TRIPATHY*Director***ASIM CHANDRA***Chairman***SAMIR BHADRA***Company Secretary & Head Legal*

Report of the Directors on Corporate Governance

1.0 A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company continues to focus on good Corporate Governance with emphasis on its further betterment on a continuous basis. Corporate Governance is an integral part of Management. Any practical Corporate Governance Policy must provide empowerment of the Management to meet their obligations to the stakeholders at all level together with a system for the Management to ensure that the power vested on them are used with utmost care and responsibilities and not misused. Your Company's Management believes in continuous attainment of excellence, growth and value creation and in pursuit of that it continuously endeavors to leverage resources to transform opportunities into reality as much as possible.

2.0 BOARD OF DIRECTORS

The Board of Directors of the Company comprised six members but due to sudden sad demise of Mr. V.K. Sinha the Independent Director on 15.03.2013, the strength of the Board has gone reduced to five as on 31st March 2013. Out of this strength, there is a Non-Executive Chairman and Two Independent Directors one of whom is a nominee of General Insurance Corporation of India. All of the Directors are Non-Executive Directors.

Mr. P.G. Vaidhyathan, the Chairman of the Board and Mr. K.K. Ranade, Director relinquished from the Board w.e.f. 3rd September 2012 and Mr. Asim Chandra, Mr. S.P. Saha inducted in the Board on 3rd September 2012. Mr. Asim Chandra became the Chairman of the Board.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all Companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors. None of the Directors are related between themselves.

The Company did not have any pecuniary relationship or transaction with the Non Executive Directors during 2012-13.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting as also the number of Directorships and Committee Memberships held by them in other Companies are given below:

Name	Category	No. of Board Meetings attended during 2012-13	Whether attended AGM held on 29th July 2012	No. of Directorships in other Indian Public Limited Companies as on 31st March 2013	No. of Committee* position held in other Indian Public Limited companies as on 31st March 2013 Chairman Member	
Mr. Asim Chandra (Joined on 03.09.2012)	Non-Executive Chairman	2	N.A.	1	Nil	Nil
Mr. P G Vaidhyathan (Date of Cessation on 03.09.2012)	Non-Executive Chairman	2	Yes	2	Nil	Nil
Mr. Radhakant Tripathy	Independent Non-Executive	3	No	Nil	Nil	Nil
Mr. V K Sinha (Date of demise - 15.03.2013)	Independent Non-Executive	3	Yes	—	—	—
Mr. Jatin Mavani	Non-Independent Non-Executive	4	Yes	5	Nil	2
Mr. K P Brahma	Independent Non-Executive (GIC Nominee)	2	Yes	Nil	Nil	Nil

Mr. K K Ranade (Date of Cessation on 03.09.2012)	Non-Independent Non-Executive	2	Yes	1	Nil	Nil
Mr. S. P. Saha (Joined on 03.09.2012)	Non-Independent Non-Executive	2	N.A.	1	Nil	Nil

*Committee positions held in Audit Committees and Shareholders'/ Investors' Grievance Committees are considered.
Four Board Meetings were held during the year 2012-13 and the gap between two meetings did not exceed four months.
The dates on which the Board Meetings were held are as follows :

4th May 2012, 26th July 2012, 6th November 2012 and 12th February 2013.

The information as required under Annexure IA to Clause 49 was being made available to the Board.

3.0 AUDIT COMMITTEE

The Audit Committee of the Board has been functioning since 1997. The broad terms of reference of the Audit Committee were to review the unaudited and audited financial results of the Company and recommend/ suggest the same for the approval and adoption by the Board, to review the Internal Audit Reports, discuss with the Auditors periodically, review and implement their suggestions and other related matters, to review weaknesses in internal controls, if any, reported by Internal Auditors and Statutory Auditors.

The terms of reference of the Audit Committee include the powers as stipulated in Clause 49II(C) of the Listing Agreement and the role as laid out in Clause 49II(D) of the Listing Agreement.

Composition of Audit Committee

Name of the Members	Category	No. of Meetings attended during the year 2012-13
Mr. Radhakant Tripathy (Chairman)	Non-Executive, Independent	3
Mr. Jatin Mavani	Non-Executive, Non-Independent	4
Mr. K. P. Brahma	Non-Executive, Independent	2

Mr. Jatin Mavani, Director, a member of the Audit Committee is a Chartered Accountant and has the requisite financial and accounting expertise.

Number of Audit Committee Meetings held during the year: 4

Dates of Audit Committee Meetings: 4th May 2012, 26th July 2012, 6th November 2012, and 12th February 2013.

The Audit Committee meetings were attended by the Financial Controller i.e Head of Finance, the Chief Executive Officer, Representatives of Auditors were being invited to the meetings as and when required.

The Company Secretary acted as the Secretary to the Audit Committee.

The Chairman of the Audit Committee could not attend the 74th Annual General Meeting held on 27th July 2012.

At the Audit Committee Meeting held on 29th April 2013, the Annual Accounts for the year ended 31st March 2013 were reviewed by the Audit Committee and recommended to the Board. The unaudited quarterly financial results for each quarter were also reviewed by the Audit Committee during the year before recommendation to the Board for its adoption.

4.0 REMUNERATION COMMITTEE

The Remuneration Committee constituted in the year 1997. The broad terms of reference of the Remuneration Committee are to recommend to the Board in regard to salary (including annual increments), perquisites and performance linked remuneration to be paid to the Executive Director(s), Manager(s) depending upon merit, Company's performance and the terms of appointment as to be approved by the shareholders at the General Meeting.

STEWARTS AND LLOYDS OF INDIA LIMITED

Composition of Remuneration Committee

Name of the Members	Category	No. of Meetings attended during the year 2012-13
Mr. Asim Chandra (Joined on 03.09.2012)	Non-Executive, Non-Independent	–
Mr. Radhakant Tripathy	Non-Executive, Independent	
Mr. K. K. Ranade (Date of cessation on 03.09.2012)	Non-Executive, Non-Independent	–
Mr. K. P. Brahma	Non-Executive, Independent	–

No. of Remuneration Committee Meetings held during the year : Nil

Dates of Remuneration Committee Meeting : N.A.

Details of remuneration paid to all Directors during the year 2012-13 :

Non-Executive Directors :

Sl. No.	Name	Sitting Fees (Rs.)	Commission (Rs.)
1	Mr. P G Vaidhyanathan	20,000	0.00
2	Mr. V K Sinha	30,000	0.00
3	Mr. Jatin Mavani	80,000	0.00
4	Mr. Radhakant Tripathy	60,000	0.00
5	Mr. K K Ranade	20,000	0.00
6	Mr. K P Brahma	40,000	0.00
7	Mr. Asim Chandra	20,000	0.00
8	*Mr. S.P. Saha	NIL	
		2,70,000	

* Being a Chief Executive Officer till 12.02.2013 in the Company, no sitting fee was paid to Mr. S.P. Saha

Sitting fee paid to Directors for attending Board and Audit Committee Meeting was Rs. 10,000/- per meeting. However, for attending Remuneration Committee Meeting, sitting fees was Rs. 2,500/- per meeting.

None of the Directors hold any shares in the Company.

5.0 SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Shareholders'/Investors Grievance Committee was constituted in the year 2000 to specifically look into the redressal of investor's complaints like transfer of shares, non-receipt of declared dividend and other issues and shares transfer/transmission matters including issue of duplicate share certificates.

Composition of Shareholders'/Investors' Grievance Committee

Name	Category	No. of meetings attended during the year 2012-13
Mr. Jatin Mavani	Non-Executive, Non-Independent	4
Mr. P. G. Vaidhyanathan (Chairman) (Resigned on 03.09.2012)	Non-Executive, Non-Independent	2
Mr. K. P. Brahma	Non-Executive, Independent	2
Mr. Asim Chandra (Chairman) (Joined on 03.09.2012)	Non-Executive, Non-Independent	2

Compliance Officer : Mr. S Bhadra, Company Secretary and Head Legal

No. of shareholders complaints received during 2012-2013 : NIL

No. of pending shareholders complaints : NIL

No. of pending share transfer : NIL

6.0 GENERAL BODY MEETINGS

Location and time where last three Annual General Meetings were held :

	2010	2011	2012
Date	23rd July 2010	29th July 2011	27th July 2012
Time	11 a.m.	11.30 a.m.	11.30 a.m.
Venue	"RABINDRA-OKAKURA BHABAN", 27/A/1, DD Block, Salt Lake, Kolkata-700 064	"RABINDRA-OKAKURA BHABAN", 27/A/1, DD Block, Salt Lake, Kolkata-700 064	"BIRLA ACADEMY OF ART AND CULTURE", Ground Floor, 108 Southern Avenue, Kolkata – 700 029

No special resolution was put through postal ballot in the previous year and no postal ballot is proposed for this year.

7.0 DISCLOSURES

- a) There has been no transaction of the Company with its promoters, their subsidiaries, Directors, their relatives or the Management that may have potential conflict with the interest of the Company at large.

Transactions with the related parties are disclosed in note no 23.13 to the accounts in the Annual Report.

- b) The members of Management have informed the Board as per the requirements of Clause 49IV(F) of the Listing Agreement regarding their not having any personal interest in any material commercial and financial transactions of the Company that may have potential conflict with the interests of the Company at large. They have also informed about their compliance with the Code of Conduct as laid down by the Company.
- c) There are no instance of non-compliance by the Company for which any strictures imposed on it by the Stock Exchanges, SEBI or any other statutory authority or any matter related to capital market during the last three years.
- d) The Company has adopted a whistle blower policy for the employees across the Company, as suggested by the Non-mandatory requirements of Clause 49 of the Listing Agreement. All the employees of the Company were informed about the policy and their access to the Audit Committee, if they feel necessary and the policy is also available in the website of the Company.
- e) The Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement. Further it has also complied with some of the non-mandatory clauses of Clause 49 such as formation of Remuneration Committee, Whistle Blower Policy etc.
- f) While preparation of financial statements for the year under review, no accounting treatment, which was different from that prescribed in the various applicable Accounting Standards, were followed.
- g) The Company has laid down procedures to inform the Board Members about the risk assessment and minimization procedures. A register has been formulated and that has been adopted at the Board at their Meeting held on 28th April 2006 and is being placed before the Board at their meetings at the end of each quarter.
- h) A certificate had been placed before the Board of Directors at their Meeting held on 29th April 2013 in compliance with Clause 49 (V) of the Listing Agreement duly signed by the Chief Executive Officer and the Financial Controller of the Company.

STEWARTS AND LLOYDS OF INDIA LIMITED

- i) A code of conduct for prevention of insider trading in equity shares of the Company applicable to the employees and directors of the Company in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading Regulation, 1992) has been formulated and adopted by the Company since 2002.
- j) The Company has an established Internal Control System and Procedures which are being reviewed periodically.

MEANS OF COMMUNICATION

1. The quarterly unaudited financial results of the Company are announced within 45 days from the end of the respective quarter, after its 'Limited Review' by the Statutory Auditors and review by the Audit Committee & adoption by the Board of Directors. Audited Annual Results are announced within two months from the end of the financial year on 31st March of each year.

The results are published in two widely circulated newspapers in and around West Bengal, generally in 'Business Standard' (in English version) and in 'Aajkal' (in Bengali version), within 48 hours of the conclusion of the Board Meeting. The results are also made available at the website of the Company (www.slofindia.com), within the same period. All these results are also being posted on SEBI's Electronic Data Information Filing and Retrieval System (EDIFAR) website, within the time period as specified by SEBI.

2. The corporate website of the Company (www.slofindia.com) displays any official news release on the Company, whenever there is any new release.
3. Presentations are made to Institutional Investors on their specific request and the same is also made available on the website of the Company.

GENERAL SHAREHOLDERS' INFORMATION

1.0 AGM :

Date & time	: Friday, 26th July 2013 at 11.30 A. M.
Venue	"RABINDRA-OKAKURA BHABAN", 27/A/1, DD Block, Salt Lake, Kolkata – 700 064

2.0 Financial Calendar (tentative)

Financial Results for the quarter ending 30th June, 2013	: 14th August, 2013
Financial Results for the quarter/half year ending 30th September, 2013	: 15th November, 2013
Financial Results for the quarter ending 31st December, 2013	: 15th February, 2014
Audited Results for the year ending 31st March, 2014	: May, 2014

3.0 Date of Book Closure

: from 15th July, 2013 to 26th July, 2013
(Both days inclusive)

4.0 Dividend Payment Date

: N.A.

5.0 Listing on Stock Exchanges :

1) The Calcutta Stock Exchange Association Limited 7, Lyons Range Kolkata-700 001	2) The Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers Dalal Street Mumbai-400 001
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(Note: Annual Listing Fees for the year 2013-2014 have been duly paid to both these Stock Exchanges)



**6.0 A. Demat ISIN Number in NSDL and CDSL
B. Stock Code**

The Bombay Stock Exchange Ltd.

The Calcutta Stock Exchange Association Limited

: INE356D01012

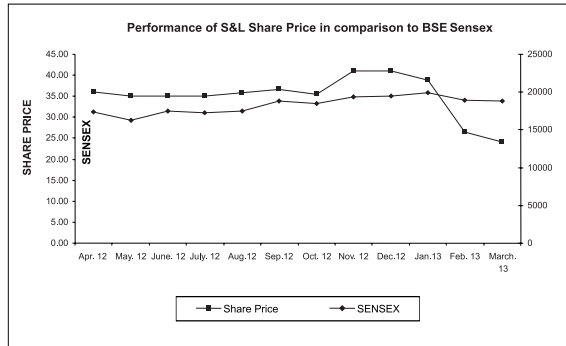
: Physical Segment 4960
: Demat Segment 504960

: Physical Segment 29962
: Demat Segment 10029962

7.0 Market Price Data : The high and low market price of shares of the Company during each month of the financial year 2012 -13 at the Bombay Stock Exchange Ltd., Mumbai were as follows :

Month	High (Rs.)	Low (Rs.)
April '12	40.70	33.25
May '12	38.75	34.05
June '12	41.60	34.50
July '12	41.60	33.40
Aug '12	41.60	32.20
Sept '12	40.95	35.50
Oct '12	40.65	33.90
Nov '12	42.95	33.80
Dec '12	48.00	38.00
Jan '13	41.80	36.20
Feb '13	39.00	26.45
Mar '13	28.00	23.75

Performance in comparison to BSE Sensex, CRISIL Index :



8.0 Registrar and Transfer Agent (for Physical and Demat)

: C B Management Services (P) Limited
P-22, Bondel Road
Kolkata-700 019
Tel.: (033) 2280 6692/93/94
Fax: (033) 2287 0263
E-mail: cbmsl1@cal2.vsnl.net.in

9.0 Share Transfer System :

Share transfer in physical form can be lodged with C B Management Services (P) Limited at the above mentioned address or at the Registered Office of the Company.

Share transfers are registered and despatched within a period of 15 days from the date of receipt if technically found to be in order and complete in all respects. As per directives issued by SEBI, it is compulsory to trade in the Company's Equity Shares in dematerialised form.

10.0 Distribution of Shareholding as on 31.03.2013

No. of Shares held	No. of Shareholders	Total No. of Shares
Upto 2500	2963	481272
2501-5000	18	60524
5001-50000	15	221680
50001-100000	1	53189
Above 100000	5	2183335
Total	3002	3000000

Categories of Shareholders as on 31.03.2013

Category	No. of Shares held	% of Capital
Promoters	1663754	55.46
FIs incl. Banks	317760	10.59
Indian Individuals	859867	28.66
Bodies Corporate	120820	4.03
NRIs	37799	1.26
Total	3000000	100.00

STEWARTS AND LLOYDS OF INDIA LIMITED

11.0 Dematerialisation of shares and liquidity

The equity shares of the Company are available for dematerialisation with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Total no. of shares dematerialised till 31st March 2013 : 29,03,689
% of shares dematerialised till 31st March 2013 : 96.79%

12.0 Outstanding GDR/ADRs/Warrants & Convertible Instruments, Conversion date and likely impact on equity : Not Applicable

13.0 Plant Locations:

Kolkata

(a) 39, Hide Road
Kolkata-700 043
Phone: 2439 1262/ 5756/ 5977
Fax: 033-2439 6411
E-mail: slikdp@slofindia.com

(b) 43/2, Hide Road Extn.
Kolkata-700 088
Phone: 2439 5914

14.0 Address for Correspondence:

Mr. S Bhadra
Company Secretary and Head Legal
Stewarts and Lloyds of India Limited
41, Chowringhee Road, Kolkata - 700 071

Phone: 033 2288 8194 to 96
Fax: 033 2288 8236
E-mail: slical@slofindia.com
Website : www.slofindia.com

Certificate of Compliance with Code of Conduct Policy

I declare that in terms of Clause 49(ID) of the Listing Agreement with Stock Exchanges, the Company has received affirmation of Compliance with Code of Conduct from all Directors and Senior Management Personnel of the Company for the financial year ended 31st March 2013.

Kolkata
Date : 29th April 2013

For Stewarts and Lloyds of India Limited
Nilanjan Mukhopadhyay
Chief Executive Officer



Corporate Governance Compliance Certificate

Registration No. of the Company : 21-9099
ISIN : INE 035600102
Nominal Capital : Rs. 20,00,00,000/-, Paid up Capital Rs. 3,00,00,000/-

To
The Members
Stewarts and Lloyds of India Limited
41, Chowringhee Road,
Kolkata- 700 071

I have examined all relevant records of M/S. Stewarts & Lloyds of India Limited (The Company) for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement with Calcutta Stock Exchange Ltd. and Bombay Stock Exchange Ltd. for the financial year ended 31st March 2013. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedure and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

On the basis of my examination of the records produced, explanations and information furnished, I certify that the Company has complied with all the mandatory conditions of Clause 49 of the Listing Agreement.



Place : Kolkata
Date : 12.04.2013

Debasish Mukhopahyay
Practising Company Secretary
Membership No. ACS-9680
Certificate of Practice No. 5323



FORM A

**Format of Covering letter of the Annual Report to be filed with the
Stock Exchanges**

1.	Name of the Company:	STEWARTS AND LLOYDS OF INDIA LTD.
2.	Annual Financial Statements for the year ended	31 st March..2013
3.	Type of Audit observation	Un-qualified / Matter of Emphasis
4.	Frequency of observation	Whether appeared first time.../ repetitive...../since how long period... NOT APPLICABLE
5.	To be signed by- <ul style="list-style-type: none">• CEO / Managing Director• CFO• Auditor of the Company• Audit Committee Chairman	 Kalyan Das Gupta  (NOT AVAILABLE)