

# International Conveyors Limited

Corporate Office : 10, Middleton Row  
Post Box No. 9282, Kolkata - 700 071  
CIN : L21300WB1973PLC028854  
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ICL/NK/2017-18/398

September 26, 2017

The Secretary,  
Department of Corporate Services  
Bombay Stock Exchange Limited  
Floor 25, P.J.Towers,  
Dalal Street,  
Mumbai – 400 001

Dear Sir,

Sub: **Annual Report for the Financial Year 2016-17**

Please find enclosed herewith Annual Report being approved and adopted in the Annual General Meeting as per the provisions of Companies Act, 2013.

This is for your information and record.

Thanking you,  
Yours faithfully,  
For **International Conveyors Ltd**

*Neha Khandelwal*

**Neha Khandelwal**  
**(Company Secretary & Compliance Officer)**

Encl. as above



Registered Office & Works I :  
Falta SEZ, Sector - II, Near Pump House No. 3  
Village & Mouza - Akalmegh  
Dist. South 24 Parganas, West Bengal-743 504

Works II :  
E-39, M.I.D.C. Area, Chikalthana  
Aurangabad - 431 006  
Maharashtra



International Conveyors Limited

**Annual Report**  
2016-17

## FORWARD-LOOKING STATEMENT

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

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# Corporate Information

**Directors**

Mr. M. P. Jhunjhunwala  
Mr. L.K. Tibrawalla  
Mr. J. S. Vanzara  
Mr. K. T. Reddy  
Mr. Sunit Mehra  
Ms. Nandini Khaitan  
Mr. Colin William Benjamin

**Managing Director**

Mr. R. K. Dabriwala

**Chief Financial Officer**

Mr. A. K. Gulgulia

**Company Secretary**

Ms. Ayushi Gupta (Upto 30.04.2017)

**Auditors**

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

**Bankers**

State Bank of India

**Registered Office & Works-I**

Falta SEZ, Sector-II, Near Pump House No.3  
Village & Mouza - Akalmegh  
Dist. South 24 Parganas, West Bengal - 743504  
CIN : L21300WB1973PLC028854  
E-Mail : icltd@icbelting.com

**Works-II**

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

**Corporate Office**

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

**Registrar & Share Transfer Agents**

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

# Directors' Report

*Dear members*

The Board of Directors hereby submits the reports of the business and operations of your Company ('the Company or 'International Conveyors Limited), along with the Audited Financial Statements, for the financial year ended March 31, 2017.

## 1. FINANCIAL RESULTS

(Amount in ₹)

Particulars	31.03.2017	31.03.2016
Profit before depreciation and taxation	1,44,99,168	1,27,06,434
Less: Depreciation	2,90,21,641	3,36,46,266
<b>Profit/(Loss) before taxes</b>	<b>(1,45,22,473)</b>	<b>(2,09,39,832)</b>
Less: Provisions for Taxation	(15,31,583)	(80,98,146)
<b>Profit/(Loss) after taxes</b>	<b>(1,29,90,890)</b>	<b>(1,28,41,686)</b>

## 2. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Kindly refer to 'Management Discussion and Analysis Report' which forms part of the Annual Report.

## 3. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

## 4. DIVIDEND

Pursuant to Section 123 read with Companies (Declaration and Payment of Dividend) Rules, 2014, your Directors are pleased to recommend dividend of ₹ 0.05 per share on Equity Share of ₹ 1/- each (Previous year ₹ 0.05 per share on Equity Share of ₹ 1/- each) for the financial year ended March 31, 2017, the consequent outflow will be ₹ 40.62 lakhs including dividend tax (Previous year ₹ 40.66 lakhs including dividend tax).

## 5. TRANSFER TO RESERVES

In view of the loss, your Board of Directors does not propose any amount to be transferred to General Reserves during the year under review.

## 6. CHANGES IN SHARE CAPITAL

The paid-up Equity Share Capital of the Company as at March 31, 2017 stood at ₹ 675 Lacs. During the year under review, the Company has not issued any further shares.

## Directors' Report

### 7. RESULT OF OPERATIONS

The turnover of the Company including the excise duty for the year amounted to ₹ 4,764 lakhs (Previous year ₹ 7,766 lakhs). However, your Directors are expecting to achieve better results in coming years.

### 8. SUBSIDIARY

The Company has 3 (Three) wholly owned subsidiaries and 1(One) step-down Subsidiary as on March 31, 2017. There is no associate or joint venture company within the meaning of section 2(6) of the Companies Act, 2013. The Audit Committee reviews the consolidated financial statements of the Company and the investments made by it in unlisted subsidiary companies.

The Company does not have any material, non listed Indian subsidiary company, a statement containing salient features of the financial statements of the Company's subsidiaries in form AOC-1 is attached to the financial statements of the Company.

The Company has a policy for determining 'material subsidiaries' which is disclosed on its website at the following link- <http://www.iclbelting.com/resources/reports/gnrl/Material%20Subsidiaries.pdf>

### 9. LISTING WITH STOCK EXCHANGES

Your Company is listed with The Bombay Stock Exchange Limited and The Calcutta Stock Exchange limited and the Company has paid the listing fees to each of the said Exchanges.

### 10. DIRECTORS & KMP

In terms of the Articles of Association of the Company read with Section 150, 152 of the Companies Act, 2013, Mr. Sunit Om Prakash Mehra (DIN: 00359482) retires by rotation and being eligible, offers herself for re-appointment, is proposed to be re-appointed as Director of the Company from the date of this Annual General Meeting (AGM).

Pursuant to the provision of Section 196 of the Companies Act, 2013 and subject to the approval of the members in the General Meeting, the Board of Directors, on the recommendation of Nomination and Remuneration Committee, re-appointed Mr. Rajendra Kumar Dabriwala (DIN: 00086658) as Managing Director effective from October 1, 2017 for a period of 1 year as per the terms specified in the draft agreement to be placed before the ensuing AGM.

Pursuant to the provisions of Section 149 of the Act, Mr. Jinesh Suryakant Vanzara (DIN: 00239574), Mr. Kunchala Thirupal Reddy (DIN: 03330182), Mr. Lakshmikant Tibrawalla (DIN: 00423521), Mr. Colin William Benjamin (DIN: 07093277) and Mr. Mahadeo Prasad Jhunjunwala (DIN: 00567070) are independent directors of the company. The terms and conditions of appointment of independent are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of independence as provided under section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

Pursuant to the provisions of Section 203 of the Act, the key managerial personnel of the Company are Mr. Rajendra Kumar Dabriwala, Managing Director, Mr. Ashok Kumar Gulgulia, Chief Financial Officer and Ms. Ayushi Gupta, Company Secretary (Resigned on May 1, 2017).

### 11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- i) In the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the Loss of the Company for that period;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

## Directors' Report

- iv) The Directors have prepared the annual accounts of the Company on a 'going concern' basis.
- v) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial control is adequate and operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 12. NUMBER OF BOARD MEETINGS

Four meetings of the board were held during the year, for details of the meetings please refer to the corporate governance report, which forms part of this report.

### 13. BOARD EVALUATION

According to Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013, a meeting of Independent Directors was held on February 14, 2017 to review the performance of the Non-Independent Directors and the Board as a whole. The details are given in the Corporate Governance Report.

### 14. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company policy is to have an optimum combination of executive, non- executive and independent directors to maintain the independence of the Board. As on March 31, 2017, the Board consists of 8 (Eight) directors, 1 (one) of whom is executive, 2 (Two) of them is non-executive and rest are independent directors. The Board periodically evaluates the need for change in its composition and size.

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the directors' report.

### 15. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

Your Company has in place adequate internal financial control policy and procedure for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

### 16. AUDIT COMMITTEE

The details pertaining to composition of Audit Committee are included in the corporate governance report, which forms part of this report.

### 17. STATUTORY AUDITORS

In terms of provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the term of office of M/s Lodha & Co., Chartered Accountants., the Statutory Auditors of the Company will conclude from the conclusion of the ensuing Annual General Meeting of the Company. The Board of Directors places on record its appreciation to the services rendered by M/s Lodha & Co., as Statutory Auditors of the Company.

Based on the recommendation of the Audit Committee, your Board at its meeting held on August 28, 2017, appointed M/s. G.P. Agrawal & Co., Chartered Accountants (ICAI Firm Registration No.302082E), as the Auditors of the Company, in place of the retiring auditors M/s. Lodha & Co., Chartered Accountants, to hold office from the conclusion of the ensuing 44th AGM until the conclusion of the 49th AGM of your Company to be held in the year 2022, subject to approval of the Members of the Company at the ensuing AGM and ratification by the Members of the Company every year thereafter, if required.

The Company has received written consent and certificate of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or reenactment(s) thereof for the time being in force) from M/s G.P. Agrawal & Co., Chartered Accountants. Further, M/s G.P. Agrawal & Co.,

## Directors' Report

Chartered Accountants, have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the provisions of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The proposal for their appointment has been included in the Notice convening the 44th AGM for obtaining approval of the Members of the Company.

### 18. AUDITORS' REPORT

The auditors' report does not contain any reservations, qualifications or adverse remarks. The Auditors' report is attached to the Balance Sheet as at March 31, 2017.

### 19. SECRETARIAL AUDITORS' REPORT

The Board of Directors had appointed M/s. V Gulgulia & Co., Company Secretaries to conduct secretarial audit of the Company for the financial year 2016-2017. The Secretarial Auditors' Report does not contain any reservations, qualifications or adverse remarks and the Secretarial Audit Report (in Form MR-3) forms part of the Board's Report.

### 20. RISK MANAGEMENT

Risk management is the process of identification, assessment, and prioritisation of risks followed by coordinated efforts to minimise, monitor and mitigate/control the probability and / or impact of unfortunate events or to maximise the realisation of opportunities.

The Company has in place a Risk Management Policy which was reviewed by the Audit Committee and approved by the Board of Directors of the Company. The objective of risk management is to have a dynamic and an optimum balance between risk and return and ensure regulatory compliance and conformity with the Board approved policies, it starts with the identification and evaluation process which is followed by optimal use of resources to monitor and minimize the risks.

### 21. LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The full particulars of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### 22. EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as of March 31, 2017 pursuant to the sub-section (3) of Section 92 of the Companies Act, 2013 is forming part of the report and is attached separately.

### 23. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given hereunder.

Sl. No	Name	Designation	Remuneration paid in the FY 2016-17	Remuneration paid in the FY 2015-16	% increase in remuneration from previous year	Ratio of remuneration to Median remuneration of employee
1	Mr. Rajendra Kumar Dabriwala	Managing Director	95,93,039	79,08,533	Nil	28.57:1
2	Mr. Ashok Kumar Gulgulia	Chief Financial Officer	13,58,000	13,28,000	Nil	4.04:1
3	Ms. Ayushi Gupta	Company Secretary	2,61,600	74,987*	Nil	0.78:1

\* Remuneration paid to Ms. Ayushi Gupta for the FY 2015-16, is from December, 2015.



## Directors' Report

### Percentage increase in remuneration of each Managing Director, Chief Financial Officer (CFO), Company Secretary in the financial year 2016-17 :

Mr. Rajendra Kumar Dabriwala	(Managing Director) :	Nil
Mr. Ashok Kumar Gulgulia	(CFO) :	Nil
Ms. Ayushi Gupta	(Company Secretary) :	Nil

### Percentage increase in median remunerations of employees in the financial year 2016-17- 7.70%

### Explanation of the relationship between average increase in remuneration & Company performance:

The average increase in remuneration is as per the policy of retention of talent.

### Comparison of remuneration of each KMP against performance of company:

Sl. No	Name	Designation	Remuneration paid in the FY 2016-17	% Increase in remuneration from previous year	PAT	% Decrease in PAT
1	Mr. Rajendra Kumar Dabriwala	Managing Director	95,93,039	Nil	(1,29,90,890)	201.16%
2	Mr. Ashok Kumar Gulgulia	Chief Financial Officer	13,58,000	Nil		
3	Ms. Ayushi Gupta	Company Secretary	2,61,600	Nil		

### Variation in the Market Capitalisation of the Company, Price Earning Ratio as at closing date of the current financial year and previous financial year :

Particulars	31.03.2017	31.03.2016	% Variation
Market Capitalisation	1,28,25,00,000	1,13,06,25,000	13.43
Price Earnings Ratio	(100.00)	(88.16)	13.43

### Key parameters for any variable remuneration of directors:

Except for the Managing Director Mr. Rajendra Kumar Dabriwala, no directors have been paid any remuneration as only sitting fees are paid to them.

### The Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year- Not Applicable.

### Affirmation that remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

## 24. CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements laid down in SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. The requisite Certificate from the Statutory Auditor of the Company confirming compliance with the conditions of corporate governance as stipulated under SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 is included as a part of this report.

## 25. DEPOSITS

Pursuant to Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, the Company has not accepted any deposit from the public/member during the year.

## 26. DECLARATION GIVEN BY INDEPENDENT DIRECTORS

Independent Directors have given the necessary declarations to the Company as required under sub-section (6) of Section 149 of the Companies Act, 2013.

## Directors' Report

### 27. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There were no contracts/ arrangements/ transactions with related parties which could be considered material in accordance with the policy of the Company or materiality of related party transactions, all contacts / arrangements / transactions with related party were on arm's length basis. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 and the same forms part of this report.

### 28. POLICY ON RELATED PARTY TRANSACTION

Policy on dealing with Related Party Transaction is available on the Company's website at <http://www.iclbelting.com/resources/reports/gnrl/Related%20Party%20Policy.pdf>.

### 29. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

It is the responsibility of the Directors/ senior managerial employees of the Company to intimate to the Independent Director about the Company's strategy, operations, product and service offerings, markets, finance, quality etc. to make Independent Director familiarize with the strategy, operations and functions of the Company.

The details of familiarization programme have been posted in the website of the Company under the web link <http://www.iclbelting.com/resources/reports/gnrl/Familiarisation%20Programme%20for%20Independent%20Director.pdf>.

### 30. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information relating to energy conservation, technology absorption, foreign exchange earnings and outgo, required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are annexed to the Board's Report.

### 31. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In pursuant to the provisions of section 135 and Schedule VII of the Companies Act, 2013, the Board has constituted a CSR Committee. Details of CSR Committee is given in the Corporate Governance Report. The policy is available on the Company's Website at

<http://www.iclbelting.com/resources/reports/cgr/CorporateSocialResponsibilityPolicy.pdf>.

### 32. VIGIL MECHANISM

In terms of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism has been established for Directors and employees of the Company to report genuine concerns and the same has been displayed on the Company's Website at <http://www.iclbelting.com/resources/reports/gnrl/Vigil%20Mechanism.pdf>.

### 33. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

There has been no such case pending during the year under review.

### 34. ACKNOWLEDGEMENTS

The Directors express their sincere thanks and place on record their deep appreciation for the patronage extended by the shareholders, valued customers, bankers, government authorities and the investors for their continued support and confidence in the company. The Directors also wish to place on record their deep sense of appreciation to all employees for the diligence of the Company.

For and on behalf of the Board of Directors

Place : Kolkata  
Date : August 28, 2017

**R. K. Dabriwala**  
Managing Director

**M.P.Jhunjunwala**  
Director

## Annexure to the Directors' Report

Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are provided hereunder:

### A. CONSERVATION OF ENERGY

1. Company has carried out a close monitoring of the Electricity consumption based on KWH.
2. Company is also upgrading its machinery so that it will consume less power and work in low fluctuation.
3. Continuous upgradation in machineries to enhance productivity so that it will consume less energy and power.
4. The Company is also endeavoring to maintain the optimum combination of energies and always looking for the alternate sources.

### Consumption per unit of production for the year 2016-17:

Particulars	(KWH)	(₹)
Purchased Units from Electricity Board	1553407	1,13,58,927
Units generated (DG)	4516	80,614
Total	1557923	1,14,39,541
Rate per unit	-	7.34
Consumption per meter of manufacture	16.67	-

The Company presently has in total 5 Wind Mills. All these Wind Mills are generating green energy in the states of Karnataka, Maharashtra, Gujarat and Telangana and the same is supplied to respective state consumers through state grids.

Sl. No.	Product Name	Unit of Capacity / production	Installed Capacity 'KWH'	Quantity produced 'KWH'	Capacity utilised (%)	Value of Production (in ₹)
1.	Wind Mill at Chitradurga Dist., Karnataka	KWH	1400000	246480	18%	16,23,372
2.	Wind Mill at Panchpatta Dist., Maharashtra	KWH	1600000	1277554	80%	8,98,046
3.	Wind Mill at Kutch Dist., Gujarat	KWH	4700000	2586104	55%	25,14,182
4.	Wind Mill at Kurnool Dist., Phase - I, Telangana	KWH	1700000	1147073	67%	26,46,373
5.	Wind Mill at Kurnool Dist., Phase - II, Telangana	KWH	1700000	1331122	78%	26,28,934

### B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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

### C. FOREIGN EXCHANGE EARNING AND OUTGO

(₹ in Lakhs)

Foreign exchange used and earned	2016-17	2015-16
a) Foreign Exchange Earnings	5,380.47	4,361.52
b) C.I.F. Value of Imports	1,223.42	2,143.45
c) Expenditure/Claims etc. in foreign currency	457.89	707.12

For and on behalf of the Board of Directors

Place : Kolkata  
Date : August 28, 2017

**R. K. Dabriwala**  
Managing Director

**M.P.Jhunjhunwala**  
Director

## Directors' Report

### Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto :

Sl. No.	Particulars	Details
1.	<b>Details of contracts or arrangements or transactions not at arm's length basis:</b>	Not Applicable
2.	<b>Details of material contracts or arrangement or transactions at arm's length basis:</b>	
(a)	Name(s) of the related party and nature of relationship:	International Conveyors Australia Pty Ltd International Conveyors America Ltd., INC
(b)	Nature of contracts/arrangements/transactions:	Purchase and sale of goods.
(c)	Duration of the contracts / arrangements/transactions:	As per normal business practice
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Goods are sold at market rate on arm's length basis
(e)	Date(s) of approval by the Board, if any:	Not applicable, since the contract was entered into in the ordinary course of business and on arm's length price.
(f)	Amount incurred during the year	International Conveyors Australia Pty Ltd - ₹ 10,66,81,317 International Conveyors America Ltd, INC - ₹ 3,54,92,974

For and on behalf of the Board of Directors

Place : Kolkata  
Date : August 28, 2017

**R. K. Dabriwala**  
Managing Director

**M.P.Jhunjunwala**  
Director

## Directors' Report

### FORM MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**International Conveyors Ltd.**  
CIN: L21300WB1973PLC028854

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **International Conveyors Ltd.** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2017** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on March 31, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during audit period);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);
  - f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period); and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during audit period);
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

## Directors' Report

vi. Other Laws applicable to the Company namely:

- 1) Air (Prevention and Control of Pollution) Act, 1981 and the rules and standards made thereunder.
- 2) Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975
- 3) The Environment Protection Act, 1986 and the rules, notifications issued thereunder.
- 4) Factories Act, 1948 and allied State Laws.
- 5) The Income Tax Act, 1961
- 6) The Central Excise Act, 1944
- 7) The Finance Act, 1994

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

- i. Secretarial Standards on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited and the Calcutta Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Regulations.
- II. Adequate Notice is given to all Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- III. Majority decision is carried through, while the dissenting members' views are captured, and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as also represented by the management.

We further report that during the audit period, the company has no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **V. Gulgulia & Co**  
Company Secretaries

**Vineeta Gulgulia**  
(Proprietor)

ACS No.: 36867 CP No.:13743

Place : Kolkata  
Date : August 28, 2017

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## Directors' Report

'Annexure- A'

To,  
The Members  
**International Conveyors Ltd.**  
CIN: L21300WB1973PLC028854

Our report of even date is to be read along with this letter.

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

For **V. Gulgulia & Co**  
Company Secretaries

**Vineeta Gulgulia**  
(Proprietor)

ACS No.: 36867 CP No.:13743

Place : Kolkata  
Date : August 28, 2017

## Directors' Report

### Form No. MGT-9

Extract of ANNUAL RETURN as on the financial year ended on 31.03.2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION AND OTHER DETAILS		
i)	CIN	L21300WB1973PLC028854
ii)	Registration Date	18/06/1973
iii)	Name of the Company	International Conveyors Ltd.
iv)	Category / Sub-Category of the Company	Company Limited by Shares
v)	Address of the Registered Office	Falta SEZ, Sector-II, near Pump House No. 3 Village & Mouza- Akalmegh, Akalmegh-743504
vi)	Contact details	03174222964
vii)	Whether listed company	Yes
viii)	Name of Registrar and Transfer Agent	Maheshwari Datamatics Pvt. Ltd.
ix)	Address of Registrar and Transfer Agent	6, Mangoe Lane (Surendra Mohan Ghosh Sarani), 2nd Floor, Kolkata-700 001
x)	Contact details of Registrar and Transfer Agent	2243-5029/5809, 2248-2248

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	PVC Fire Resistant Antistatic Solid Woven Coal Conveyor Belting, Trading goods, Wind Energy	1399	100

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% Of Shares Held	Applicable Section
1.	International Belting Limited, 10, Middleton Row, Kolkata-700 071	U25209WB2006PLC110267	Subsidiary	100	2(87)
2.	Conveyor Holdings Pte. Limited, 80 Raffles Place #26-01 UOB Plaza, Singapore, 048624	NA	Subsidiary	100	2(87)
3.	International Conveyors America Limited, INC 2711 Centreville Road, Suite No 400, Wilmington, New Castle 19808	NA	Subsidiary	100	2(87)
4.	International Conveyors Australia Pty Limited, Level 48, 101 Collins Street, Melbourne VIC 3000	NA	Subsidiary	100	2(87)



## Directors' Report

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

#### i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-Apr-2016]				No of Shares held at the end of the year [As on 31-Mar-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	4922265	0	4922265	7.2922	4922265	0	4922265	7.2922	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	5081320	0	5081320	7.5279	5081320	0	5081320	7.5279	0.0000
e) Banks/ FI									
f) Any other									
<b>Sub-total (A)(1)</b>	<b>10003585</b>	<b>0</b>	<b>10003585</b>	<b>14.8201</b>	<b>10003585</b>	<b>0</b>	<b>10003585</b>	<b>14.8201</b>	<b>0.0000</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	15234759	0	15234759	22.5700	15234759	0	15234759	22.5700	0.0000
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/ FI									
e) Any other									
<b>Sub-total (A)(2)</b>	<b>15234759</b>	<b>0</b>	<b>15234759</b>	<b>22.5700</b>	<b>15234759</b>	<b>0</b>	<b>15234759</b>	<b>22.5700</b>	<b>0.0000</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>25238344</b>	<b>0</b>	<b>25238344</b>	<b>37.3901</b>	<b>25238344</b>	<b>0</b>	<b>25238344</b>	<b>37.3901</b>	<b>0.0000</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks/ FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs	15403000	0	15403000	22.8193	2403000		2403000	3.5600	(19.2593)
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors	10799400	0	10799400	15.9991	23799400		23799400	35.2584	19.2593
Provident Funds / Pension Funds									
Qualified Foreign Investor									
<b>Sub-total(B)(1):-</b>	<b>26202400</b>	<b>0</b>	<b>26202400</b>	<b>38.8184</b>	<b>26202400</b>		<b>26202400</b>	<b>38.8184</b>	<b>0.0000</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1234293	30000	1264293	1.8731	1146290	30000	1176290	1.7427	(0.1303)
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3001277	221880	3223157	4.7750	3118553	221380	3339933	4.9480	0.1730
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	11492166	0	11492166	17.0254	11492166	0	11492166	17.0254	0.0000

## Directors' Report

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-Apr-2016]				No of Shares held at the end of the year [As on 31-Mar-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (Specify)									
Non Resident Indians	26519	0	26519	0.0393	13216	0	13216	0.0196	(0.0197)
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	53021	0	53021	0.0786	37651	0	37651	0.0558	(0.0227)
Trusts									
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI	100	0	100	0.0001	0	0	0	0.0000	(0.001)
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
<b>Sub-total(B)(2):-</b>	<b>15807376</b>	<b>251880</b>	<b>16059256</b>	<b>23.7915</b>	<b>15807876</b>	<b>251380</b>	<b>16059256</b>	<b>23.7915</b>	<b>0.0000</b>
<b>Total Public Shareholding (B)= (B)(1)+ (B)(2)</b>	<b>42009776</b>	<b>251880</b>	<b>42261656</b>	<b>62.6099</b>	<b>42010276</b>	<b>251380</b>	<b>42261656</b>	<b>62.6099</b>	<b>0.0000</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>67248120</b>	<b>251880</b>	<b>67500000</b>	<b>100.0000</b>	<b>67248620</b>	<b>251380</b>	<b>67500000</b>	<b>100.0000</b>	<b>0.0000</b>

### ii) Shareholding of Promoters-

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	SURBHIT DABRIWALA/ AFNPD3718C	8824859	13.0739	0.0000	8824859	13.0739	0.0000	0.0000
2.	YAMINI DABRIWALA/AEIPD7884D	6409900	9.4961	0.0000	6409900	9.4961	0.0000	0.0000
3.	RAJENDRA KUMAR DABRIWALA/ AFOPD3779E	2426620	3.5950	0.0000	2426620	3.5950	0.0000	0.0000
4.	DABRI PROPERTIES AND TRADING COMPANY LIMITED/AAACD8673P	2300000	3.4074	0.0000	2300000	3.4074	0.0000	0.0000
5.	IGE (INDIA) PRIVATE LIMITED/ AAACI2678B	2153800	3.1908	0.0000	2153800	3.1908	0.0000	0.0000
6.	RITU DALMIA/AGIPD3031A	826286	1.2241	0.0000	826286	1.2241	0.0000	0.0000
7.	SUJATA SARAF/ALMPS8672F	800000	1.1852	0.0000	800000	1.1852	0.0000	0.0000
8.	SMITI SOMANY/ALNPS7138R	790000	1.1704	0.0000	790000	1.1704	0.0000	0.0000
9.	R. C. A. LIMITED/AABCR6015J	627520	0.9297	0.0000	627520	0.9297	0.0000	0.0000
10.	INDU DABRIWALA/ADEPD5990M	48000	0.0711	0.0000	48000	0.0711	0.0000	0.0000
11.	PUSHPA BAGLA/ADRPB6361M	31359	0.0465	0.0000	31359	0.0465	0.0000	0.0000
	<b>TOTAL</b>	<b>25238344</b>	<b>37.3901</b>	<b>0.0000</b>	<b>25238344</b>	<b>37.3901</b>	<b>0.0000</b>	<b>0.0000</b>

## Directors' Report

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

Sl No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	DABRI PROPERTIES AND TRADING COMPANY LIMITED/AAACD8673P				
	At the beginning of the year	2300000	3.4074		
	<b>At the end of the year</b>	<b>2300000</b>	<b>3.4074</b>	<b>2300000</b>	<b>3.4074</b>
2.	IGE (INDIA) PRIVATE LIMITED/AAACI2678B				
	At the beginning of the year	2153800	3.1908		
	<b>At the end of the year</b>	<b>2153800</b>	<b>3.1908</b>	<b>2153800</b>	<b>3.1908</b>
3.	R. C. A. LIMITED/AABCR6015J				
	At the beginning of the year	627520	0.9297		
	<b>At the end of the year</b>	<b>627520</b>	<b>0.9297</b>	<b>627520</b>	<b>0.9297</b>
4.	INDU DABRIWALA/ADEPD5990M				
	At the beginning of the year	48000	0.0711		
	<b>At the end of the year</b>	<b>48000</b>	<b>0.0711</b>	<b>48000</b>	<b>0.0711</b>
5.	PUSHPA BAGLA/ADRPB6361M				
	At the beginning of the year	31359	0.0465		
	<b>At the end of the year</b>	<b>31359</b>	<b>0.0465</b>	<b>31359</b>	<b>0.0465</b>
6.	YAMINI DABRIWALA/AEIPD7884D				
	At the beginning of the year	6409900	9.4961		
	<b>At the end of the year</b>	<b>6409900</b>	<b>9.4961</b>	<b>6409900</b>	<b>9.4961</b>
7.	SURBHIT DABRIWALA/AFNPD3718C				
	At the beginning of the year	8824859	13.0739		
	<b>At the end of the year</b>	<b>8824859</b>	<b>13.0739</b>	<b>8824859</b>	<b>13.0739</b>
8.	RAJENDRA KUMAR DABRIWALA/AFOPD3779E				
	At the beginning of the year	2426620	3.595		
	<b>At the end of the year</b>	<b>2426620</b>	<b>3.595</b>	<b>2426620</b>	<b>3.595</b>
9.	RITU DALMIA/AGIPD3031A				
	At the beginning of the year	826286	1.2241		
	<b>At the end of the year</b>	<b>826286</b>	<b>1.2241</b>	<b>826286</b>	<b>1.2241</b>
10.	SUJATA SARAF/ALMPS8672F				
	At the beginning of the year	800000	1.1852		
	<b>At the end of the year</b>	<b>800000</b>	<b>1.1852</b>	<b>800000</b>	<b>1.1852</b>
11.	SMITI SOMANY/ALNPS7138R				
	At the beginning of the year	790000	1.1704		
	<b>At the end of the year</b>	<b>790000</b>	<b>1.1704</b>	<b>790000</b>	<b>1.1704</b>

## Directors' Report

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

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	NAVIN KUMAR BHARTIA / ADTPB8802D#				
	At the beginning of the year	752830	1.1153		
	As on 10/06/2016 - Transfer	(100000)	0.1481	652830	0.9672
	As on 17/06/2016 - Transfer	(100000)	0.1481	552830	0.8190
	As on 24/06/2016 - Transfer	(100000)	0.1481	452830	0.6709
	As on 08/07/2016 - Transfer	(100000)	0.1481	352830	0.5227
	As on 22/07/2016 - Transfer	(100000)	0.1481	252830	0.3746
	<b>At the end of the year</b>	<b>252830</b>	<b>0.3746</b>	<b>252830</b>	<b>0.3746</b>
2.	LOTUS GLOBAL INVESTMENTS LTD /AAACL6080E				
	At the beginning of the year	4299400	6.3695		
	<b>At the end of the year</b>	<b>4299400</b>	<b>6.3695</b>	<b>4299400</b>	<b>6.3695</b>
3.	ELARA INDIA OPPORTUNITIES FUND LIMITED / AABCE6307N				
	At the beginning of the year	6500000	9.6296		
	<b>At the end of the year</b>	<b>6500000</b>	<b>9.6296</b>	<b>6500000</b>	<b>9.6296</b>
4.	INDIA MAX INVESTMENT FUND LIMITED/ AABC15500R				
	At the beginning of the year	2403000	3.5600		
	<b>At the end of the year</b>	<b>2403000</b>	<b>3.5600</b>	<b>2403000</b>	<b>3.5600</b>
5.	ERISKA INVESTMENT FUND LTD / AACCE7601G				
	At the beginning of the year	6500000	9.6296		
	<b>At the end of the year</b>	<b>6500000</b>	<b>9.6296</b>	<b>6500000</b>	<b>9.6296</b>
6.	CRESTA FUND LTD / AADCC2634A				
	At the beginning of the year	6500000	9.6296		
	<b>At the end of the year</b>	<b>6500000</b>	<b>9.6296</b>	<b>6500000</b>	<b>9.6296</b>
7.	MADHURI KELA / ADGPK4711M				
	At the beginning of the year	1615000	2.3926		
	<b>At the end of the year</b>	<b>1615000</b>	<b>2.3926</b>	<b>1615000</b>	<b>2.3926</b>
8.	VINIT SURESH SETHI / AAUPS2921E*				
	At the beginning of the year	700000	1.0370		
	<b>At the end of the year</b>	<b>700000</b>	<b>1.0370</b>	<b>700000</b>	<b>1.0370</b>
9.	DEEPSHIKHA KHAITAN / AGCPK8668E				
	At the beginning of the year	750000	1.1111		
	<b>At the end of the year</b>	<b>750000</b>	<b>1.1111</b>	<b>750000</b>	<b>1.1111</b>
10.	MADHUSUDAN KELA / AHMPK8610P				
	At the beginning of the year	1710000	2.5333		
	<b>At the end of the year</b>	<b>1710000</b>	<b>2.5333</b>	<b>1710000</b>	<b>2.5333</b>
11.	SHANTANU KEJRIWAL / AJRPK6478J				
	At the beginning of the year	824600	1.2216		
	<b>At the end of the year</b>	<b>824600</b>	<b>1.2216</b>	<b>824600</b>	<b>1.2216</b>

\* Not in the list of Top 10 shareholders as on 01/04/2016 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2017.

# Ceased to be in the list of Top 10 shareholders as on 31/03/2017. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2016.

## Directors' Report

### (v) Shareholding of Directors and Key Managerial Personnel:

SI No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	RAJENDRA KUMAR DABRIWALA				
	At the beginning of the year	2426620	3.5950		
	<b>At the end of the year</b>	<b>2426620</b>	<b>3.5950</b>	<b>2426620</b>	<b>3.5950</b>
2.	JINESH SURYAKANT VANZARA				
	At the beginning of the year	0	0.0000	0	0.0000
	<b>At the end of the year</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0.0000</b>
3.	SUNIT OM PRAKASH MEHRA				
	At the beginning of the year	0	0.0000	0	0.0000
	<b>At the end of the year</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0.0000</b>
4.	LAKSHMIKANT TIBRAWALLA				
	At the beginning of the year	2930	0.0043		
	<b>At the end of the year</b>	<b>2930</b>	<b>0.0043</b>	<b>2930</b>	<b>0.0043</b>
5.	MAHADEO PRASAD JHUNJHUNWALA				
	At the beginning of the year	200	0.0003		
	<b>At the end of the year</b>	<b>200</b>	<b>0.0003</b>	<b>200</b>	<b>0.0003</b>
6.	KUNCHALA THIRUPAL REDDY				
	At the beginning of the year	0	0.0000	0	0.0000
	<b>At the end of the year</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0.0000</b>
7.	ASHOK KUMAR GULGULIA				
	At the beginning of the year	0	0.0000		
	<b>At the end of the year</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0.0000</b>
8.	COLIN WILLIAM BENJAMIN				
	At the beginning of the year	0	0.0000	0	0.0000
	<b>At the end of the year</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0.0000</b>
9.	NANDINI KHAITAN				
	At the beginning of the year	0	0.0000	0	0.0000
	<b>At the end of the year</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0.0000</b>
10.	AYUSHI GUPTA				
	At the beginning of the year	0	0.0000	0	0.0000
	<b>At the end of the year</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0.0000</b>

## Directors' Report

### INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>					
i)	Principal Amount	23,38,67,505	32,81,63,557	0	56,20,31,062
ii)	Interest due but not paid	2,78,461	49,315	0	3,27,776
iii)	Interest accrued but not due	87,876	0	0	87,876
<b>Total (i+ii+iii)</b>		<b>23,42,33,842</b>	<b>32,82,12,872</b>	<b>0</b>	<b>56,24,46,714</b>
Change in Indebtedness during the financial year					
* Addition		0	0	0	0
* Reduction		7,41,17,452	8,47,34,806	0	15,88,52,258
<b>Net Change</b>		<b>7,41,17,452</b>	<b>8,47,34,806</b>	<b>0</b>	<b>15,88,52,258</b>
<b>Indebtedness at the end of the financial year</b>					
i)	Principal Amount	15,96,11,060	24,30,95,874	0	40,27,06,934
ii)	Interest due but not paid	3,54,831	3,82,192	0	7,37,023
iii)	Interest accrued but not due	1,50,499	0	0	1,50,499
<b>Total (i+ii+iii)</b>		<b>16,01,16,390</b>	<b>24,34,78,066</b>	<b>0</b>	<b>40,35,94,456</b>

### VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD Mr. Rajendra Kumar Dabriwala	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	60,00,000	60,00,000
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961"	35,93,039	35,93,039
	(c) Profits in lieu of salary under Section 17(3) of the Income- tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL
5.	Others, please specify	NIL	NIL
<b>Total (A)</b>		<b>95,93,039</b>	<b>95,93,039</b>
Ceiling as per the Act		1,68,00,000	1,68,00,000

## Directors' Report

### B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors		
	* Fee for attending board committee meetings	Mr. M. P. Jhunjhunwala	1,55,000.00
		Mr. L.K. Tibrawalla	1,20,000.00
		Mr. J.S. Vanzara	1,45,000.00
		Mr. K.T. Reddy	60,000.00
		Mr. C.W. Benjamin	30,000.00
	* Commission		NIL
	* Others, please specify		NIL
	<b>Total (1)</b>		<b>5,10,000.00</b>
2.	Other Non-Executive Directors		
	* Fee for attending board committee meetings	Ms. Nandini Khaitan	30,000.00
		Mr. Sunit Mehra	30,000.00
	* Commission		NIL
	* Others, please specify		NIL
	<b>Total (2)</b>		<b>60,000.00</b>
	<b>Total (B)=(1+2)</b>		<b>5,70,000.00</b>
	<b>Total Managerial Remuneration</b>		<b>5,70,000.00</b>
	Overall Ceiling as per the Act		₹ 1 Lakh per Board or Committee Meeting

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary (Ayushi Gupta)	CFO (Ashok Kumar Gulgulia)	Total
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1,68,000	8,22,000	9,90,000
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	93,600	5,36,000	62,9,600
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5.	Others, please specify			
	<b>Total</b>	<b>2,61,600</b>	<b>13,58,000</b>	<b>16,19,600</b>

## Directors' Report

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment					
Compounding					



# Management Discussion and Analysis Report

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## OVERVIEW

The following report has been prepared to convey the management's perspective on the financial and operating performance of the Company for the financial year ended March 31, 2017. This report is an integral part of the Directors' Report. Aspects on industry structure and developments, opportunities and threats, outlook, risks and concerns, internal control systems and their adequacy, material developments in human resources and industrial relations have been covered in the Directors' Report. The Company's Financial Statements have been prepared in compliance with the requirements of Companies Act, 2013, the guidelines issued by Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Management Discussion and Analysis (MDA) which forms part of Annual Report has been prepared in compliance with the Listing Regulations and it should be read in conjunction with the Company's Financial Statements, the schedules and notes thereto and other information included in the report.

The Company is a public limited Company incorporated and domiciled in India and has its registered office in Falta SEZ, West Bengal. The Company has its primary listings on BSE Limited and CSE Limited in India.

## INDUSTRY STRUCTURE AND DEVELOPMENTS

International Conveyors Limited is one of the largest manufacturer of PVC Fire Resistant Antistatic Solid Woven Coal Conveyor Belt with current installed capacity of 11,25,800 meters per annum. Your Company had an operational production of 1,16,840 meters, for the year 2016-17. It is also in wind power generation with a capacity of 4.65 MW, with locations spread across Telangana, Gujarat, Karnataka and Maharashtra.

Global micro and macro economic factors and governments stringent fiscal policies lead to a decline in the conveyor belts price. Looking at the projected growth in coal production and coal-based power generation, which is a major end-user of conveyor belts, we expect these two sectors, i.e. coal mining and power sectors, to be the major drivers of demand for conveyor belts industry during the next couple of years. The other end-user industries such as cement, potash, steel and ports have also projected better growth prospects in the coming years and should drive demand for conveyor belts as well.

One of the major trends predicted to gain traction in this market is the growing demand for eco-friendly conveyor belts. Offering a unique solution to transferring heavy materials, these conveyor belts are economical, extremely curve-negotiable, and ultra-eco-friendly in performance. Due to heavy competition, these industries rely heavily on efficient techniques to maintain production costs as low as possible. Therefore, in order to stabilise the conveyor industry new technological advancements have to be promoted.

## Management Discussion and Analysis Report

### OPPORTUNITIES AND THREATS

A considerably wide geographical presence and reach, both domestic and international, have helped the Company to attempt derisking its business and meet the risks with suitable precaution. The government is taking adequate measures to lower the country's reliance on importation of coal by boosting the coal production thereby enhancing the consumption of conveyor belts. Improvement in safety performance is of utmost priority, for which the Company has constantly involved in Research and Development for achieving all safety parameters.

The Company is exposed to a number of inherent market threats from its normal and day to day business activities. These risks include competitive pricing, foreign currency exchange rate, stringent policies and regulations governing the sector. Currency Movements and interest rates is also a major threat. Since coal is the end-user of conveyor belt production, importation of coal may restrict the consumption of conveyor belts thereby discouraging the production of PVC conveyor belts.

### SEGMENT-WISE AND PRODUCT-WISE PERFORMANCE

The segment-wise and product-wise performances of the Company are given in the notes to accounts for the year ended March 31, 2017.

### OUTLOOK

In India's energy sector, coal accounts for the majority of primary commercial energy supply. With the economy poised to grow at the rate of 8–10% per annum, energy requirements will also rise at a reasonable level. Coal will continue to be a dominant commercial fuel two decades from now and beyond, thereby enhancing the consumption of PVC conveyor belting.

The Indian coal industry aspires to reach the 1.5 billion tonne (BT) mark by FY 2020. One of the primary goals of the Government of India is to lower the country's reliance on coal imports by boosting the coal production quickly which will lead to increment in the consumption & production of conveyor belt.

The global conveyor belt market is predicted to grow steadily at a CAGR of almost 4% by 2020. The Conveyor beltings form an integral part of material handling system. It serves as a chain right from the stage of conveying semi-finished goods till final rolling out of finished goods.

### RISKS AND CONCERNS

In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organization's success. Globalization, with increasing integration of markets, newer and more complex products & transactions and an increasingly stringent regulatory framework has exposed organisations to newer risks. As a result, today's operating environment demands a rigorous and integrated approach to risk management. Timely and effective risk management is of prime importance to our continued success. Increased competition and market volatility has enhanced the importance of risk management. Your Company has identified the following risks:-

- Non availability and change in prices of raw materials as well as energy due to market fluctuation and imposition of government duties.
- Fluctuations in interest rates, exchange rates, operating costs and commodity prices may affect the results of operations and also affect the finance cost and profitability.
- The importation of coal may demotivate the producers of coal to produce more coal thereby restricting the demand for PVC conveyor belting.
- Non availability of required talent resources can affect the performance of the Company.
- The environmental hazards related to the production of coal may lead to restrictions on production of coal thereby reducing demand for PVC conveyor belting.
- The increase in competition can create pressure on margins, market share etc.

## Management Discussion and Analysis Report

- Stringent corporate governance regulations and public disclosure requirements have enhanced the need for compliances. Non-compliance may lead to penalties and loss of reputation.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

International Conveyors Limited has a robust system of internal financial control, commensurate with the size and complexity of its business operations. The Company has an efficient system of internal controls which helps it to maintain both internal controls and procedures to ensure all transactions are authorized, recorded and reported correctly and also ensures proper disclosure and protection of physical and intellectual property.

A firm of Chartered Accountants has been appointed by your Company as Internal Auditors for independently evaluating the adequacy of the internal controls on a regular basis. For effectiveness and transparency, the management duly considers and takes appropriate action on the recommendations made by Statutory Auditors, Internal Auditors and by Audit Committee of the Board of Directors. The Audit Committee reviews the adequacy and effectiveness of internal control system of the Company and keeps the Board of directors informed of its major observations from time to time. Based on the findings of internal auditors, process owners take corrective actions in their respective areas. During the year under review, no significant deficiency or material weaknesses was observed in the operations.

### FINANCIAL PERFORMANCE

During the year 2016-2017 the Company recorded net sales of ₹ 4,717.10 lakhs as compared to net sales of ₹ 7,556.18 lakhs in 2015-2016. The Company derived 30.78% of its sales from within India and balance 69.22 % of its sales derived from Exports. Profit/(loss) before tax were at ₹ (145.22) lakhs and Profit/(loss) after tax were at ₹ (129.91) lakhs for the year ended March 31, 2017 as compared to ₹ (209.40) lakhs and Profit after tax were at ₹ (128.42) lakhs for the financial year ended March 31, 2016 respectively. The total cost of materials has decreased from ₹ 3,142.75 lakhs in 2015-2016 to ₹ 2,080.88 lakhs in 2016-2017.

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

Human resources play a significant role in your Company's growth strategy. There is a continuous and determined effort to better the Human Resource (HR) service delivery in order to serve the customers well with the use of technological advancements and well executed processes. The strategic thrust of HR has been improvement in the performance of employees by providing them training and development and also to identify employees who are performing good and have potential to take higher responsibilities. The devotion and commitment of our employees has enabled the Company to fulfill its targets and deadlines in time. The company had 78 employees on its rolls at the close of business hours on March 31, 2017. Industrial relations were cordial during the year.

### CAUTIONARY STATEMENT

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

For and on behalf of the Board of Directors

Place : Kolkata  
Date : August 28, 2017

**R. K. Dabriwala**  
Managing Director

**M. P. Jhunjunwala**  
Director

# Corporate Governance Report

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[Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "SEBI LODR")]

## **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency and fairness in all its transactions. The Company's philosophy on Corporate Governance oversees business strategies and ensures fiscal accountability, ethical behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") a report on compliance with the principles of Corporate Governance is given below:

## **DISCLOSURES AND TRANSPARENCY**

The Company ensures timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company.

Some aspects of Corporate Governance related to the year 2016-2017 are appended below :

### **(A) BOARD OF DIRECTORS:**

#### **(i) Composition**

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Board comprises of 8 (Eight) Directors that includes one Woman Director. All the Directors of the Company, except the Managing Director are Non-Executive Directors. The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors during the period under review. During the year, none of the Directors of the Company was a member of more than 10 Committees or Chairman of more than 5 Committees in companies in which he/she was a Director. Company's Directors promptly notify any change(s) in the committee positions as and when they take place.

#### **(ii) Meetings, agenda and attendance of the Board Meetings**

The Board of Directors of the Company met four times during the year 2016-17 held on May 30, 2016, August 13, 2016, November 14, 2016 and February 14, 2017. The maximum time gap between any two consecutive meetings was not more than one hundred and twenty days.

## Corporate Governance Report

All the agenda items are backed by necessary supporting information and documents to enable the Board to take informed decisions. The Chairman along with the Managing Director and/or the Chief Financial Officer, Executive Presidents of the Company makes presentation on the quarterly and annual operating & financial performance and on annual operating and capex budget of the Company.

The composition and category of the Board of Directors, their relationship with other Directors, their attendance at the Board Meetings held during the year 2016-17 as well as at the last Annual General Meeting, number of Directorships and Committee Memberships/ Chairmanships in other Companies as on March 31, 2017 are as follows :

Sl No	Name of Directors	Category	No. of Board Meetings attended during the year	Attendance at last AGM	No. of Other Directorship in Listed Company as on March 31, 2017	No. of committee positions held in other Companies*	
						Member	Chairman
1.	Mr. R. K. Dabriwala	Executive Director	4	Yes	1	-	-
2.	Mr. M. P. Jhunjhunwala	Non-Executive Independent Director	4	Yes	-	-	-
3.	Mr. L. K. Tibrawalla	Non-Executive Independent Director	3	Yes	1	-	-
4.	Ms. Nandini Khaitan	Non-Executive Director	2	No	4	-	-
5.	Mr. J. S. Vanzara	Non-Executive Independent Director	4	Yes	-	-	-
6.	Mr. K.T. Reddy	Non-Executive Independent Director	2	No	-	-	-
7.	Mr. S. Mehra	Non-Executive Director	1	No	-	-	-
8.	Mr. C. W. Benjamin	Non-Executive Independent Director	1	No	-	-	-

\*only Membership/chairmanship of Audit Committee, Investor Grievance and Stakeholder's Relationship Committee have been considered.

### (iii) Video Conferencing

The Companies Act, 2013 read with the relevant rules made thereunder, facilitates the participation of a Director in Board/ Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/Items which are not permitted to be transacted through video conferencing. During the year 2016-17, one of the directors participated in the Board Meeting through video conferencing.

### (iv) Information Placed before Board of Directors

The Company has complied with Part A of Schedule II of the Listing Regulations read with Regulation 17(7) of the said regulations with regard to information being placed before the Board of Directors

### INDEPENDENT DIRECTORS

Company has complied with the definition of Independent Director as per The Companies Act, 2013 and SEBI LODR Regulations, 2015. The Company has also obtained declarations from all the Independent Directors as required under Section 149(7) of the Companies Act, 2013.

## Corporate Governance Report

### PERFORMANCE EVALUATION OF DIRECTORS

The Nomination and Remuneration Committee has devised criteria for performance evaluation of all Directors including Independent Director. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The said criteria for performance evaluation provide certain parameters like attendance at meetings, heading Board Sub-committees, interpersonal skills etc.

### MEETING OF INDEPENDENT DIRECTORS

Meeting of Independent Directors was held on February 14, 2017. Mr. M. P. Jhunjhunwala, Chairman of the Meeting, in the presence of all other Independent directors, presented their views on matters relating to Board processes and the overall affairs of the Company.

### FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has complied with the terms of Regulation 25(7) of the Listing Regulations whereby the Company is required to conduct familiarization programmes for Independent Directors to familiarize them with their roles, rights, responsibilities in the company, nature of the industry in which the Company operates, business model of the Company etc.

Independent Directors are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

The details of familiarisation programme have been posted in the website of the Company under the web link <http://www.iclbelting.com/resources/reports/gnrl/Familiarisation%20Programme%20for%20Independent%20Director.pdf>.

### (B) COMMITTEES OF THE BOARD OF DIRECTORS

The Board's Committees include Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

#### (i) AUDIT COMMITTEE

The Audit committee of the Company is constituted in line with the provisions of Regulation 18 of Listing Regulations, read with Section 177 of the Companies Act, 2013.

The Audit Committee is responsible for reviewing with the management the financial statements and adequacy of internal audit function and to discuss significant internal audit findings.

### Composition and Meetings

The Committee comprises of :

Name of Member	Category	Number of meetings during the financial year 2016-2017	
		Held	Attended
*Mr. J. S. Vanzara	Non-Executive Independent Director	4	4
Mr. L. K. Tibrawalla	Non-Executive Independent Director	4	3
Mr. M. P. Jhunjhunwala	Non-Executive Independent Director	4	4

\*Mr. J.S. Vanzara is the Chairman of the Committee.

The Audit Committee invites such of the executives, as it considers appropriate (particularly head of the finance function), representatives of the statutory auditors and representative of the internal auditors to be present at its meetings, the Company Secretary act as the Secretary to the Audit Committee. During the year under review, the Committee met on 30.05.2016, 13.08.2016, 14.11.2016 and 14.02.2017 and the gap between two meetings did not exceed four months. Each member had attended all Committee Meetings held at the above mentioned dates except Mr. L.K. Tibrawalla who was not present in 1 Meeting held on 13.08.2016.

## Corporate Governance Report

The terms and reference of the Audit Committee are broadly as under :

1. Overview of the Company's financial reporting process and financial information disclosure;
2. Review with the management, the annual and quarterly financial statements before submission to the board; matters to be included into the Directors Responsibility Statement;
3. Monitoring the auditor's independence and performance, and effectiveness of audit processes;
4. Review with the Management, the Internal and External Audit Reports and adequacy of the internal control systems and risk management system.
5. Review the functioning of the Vigil Mechanism;
6. Recommending the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees and confirm their independence.
7. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### (ii) NOMINATION AND REMUNERATION COMMITTEE

The Committee is mainly entrusted with the responsibility of formulating criteria for determining the qualifications, positive attributes and independence of the present and proposed Directors as well as recommending a policy to the Board relating to the remuneration of Directors, KMP and other employees.

#### Composition and Meetings

As per the requirement of Section 178 of the Act and Regulation 19 of the Listing Regulation, the Nomination and Remuneration Committee comprises of 3 Directors, all of them are Non-executive Directors as well as Independent Director.

The Committee comprises of:

Name of Member	Category	Number of meetings during the financial year 2016-2017	
		Held	Attended
Mr. J. S. Vanzara	Non-Executive Independent Director	1	1
Mr. L. K. Tibrawalla	Non-Executive Independent Director	1	1
*Mr. M. P. Jhunjhunwala	Non-Executive Independent Director	1	1

\*Mr. M. P. Jhunjhunwala is the Chairman of the Committee.

During the year under review the Committee met on 30.05.2016. Each member had attended all Committee meeting held at the above mentioned date.

#### Terms of Reference of the Committee

- To identify persons who are qualified to become Director and who may be appointed in Senior Management Personnel;
- To carry out evaluation of every Director's performance;
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and for evaluation of Independent Directors and the Board;
- To carry out any other function as is mandated by the Board from time to time.

## Corporate Governance Report

Details of Directors' Remuneration for the year ended March 31, 2017

(Amount in ₹)

Sl. No.	Name	Salary	Perquisites and Allowances	Sitting Fees	Total
<b>i)</b>	<b>Executive Directors:</b>				
	Mr. R. K. Dabriwala, Managing Director	60,00,000	35,93,039	–	95,93,039
<b>ii)</b>	<b>Non-Executive Directors:</b>				
	Mr. M.P. Jhunjhunwala			1,55,000	1,55,000
	Mr. L. K. Tibrawalla			1,20,000	1,20,000
	Mr. J.S. Vanzara			1,45,000	1,45,000
	Mr. K.T. Reddy			60,000	60,000
	Mr. S. Mehra			30,000	30,000
	Ms. Nandini Khaitan			30,000	30,000
	Mr. Colin William Benjamin			30,000	30,000

### (iii) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholder's Relationship Committee has the mandate to review and redress shareholder's complaints.

#### Composition and Meetings

The Committee comprises of :

Name of Member	Category	Number of meetings during the financial year 2016-2017	
		Held	Attended
Mr. R. K. Dabriwala	Managing Director	1	1
*Mr. L. K. Tibrawalla	Non-Executive Independent Director	1	1
Mr. M. P. Jhunjhunwala	Non-Executive Independent Director	1	1

\*Mr. L. K. Tibrawalla is the Chairman of the Committee.

Mr. A. K. Gulgulia acted as the Secretary of the Committee. During the year under review, the Committee met on 30.05.2016.

During the year, no investor complaints pending unresolved at the end of the financial year 2016-17.

### (iv) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

CSR Committee framed a mechanism for implementation of CSR projects or programs or activities undertaken by the Company and also monitor CSR policy from time to time.

#### Composition and Meetings

The Committee comprises of :

Name of Member	Category	Number of meetings during the financial year 2016-2017	
		Held	Attended
*Mr. R. K. Dabriwala	Managing Director	1	1
Mr. M. P. Jhunjhunwala	Non-Executive Independent Director	1	1
Mr. L.K. Tibrawalla	Non-Executive Independent Director	1	1

\*Mr R. K. Dabriwala is the Chairman of the Committee.



## Corporate Governance Report

### (C) GENERAL BODY MEETINGS:

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

Financial year	Date	Time	Location	No. of Special Resolution(s) Passed
2015-2016	24.09.2016	2.00 PM	Falta SEZ, Sector-II, Near Pump House No. 3, Village and Mouza-Akalmegh, Dist. 24 Parganas (S), West Bengal-743504	1
2014-2015	26.09.2015	2.00 PM	Falta SEZ, Sector-II, Near Pump House No. 3, Village and Mouza-Akalmegh, Dist. 24 Parganas (S), West Bengal-743504	1
2013-2014	26.09.2014	2.00 PM	Falta SEZ, Sector-II, Near Pump House No. 3, Village and Mouza-Akalmegh, Dist. 24 Parganas (S), West Bengal-743504	1

(ii) No Extra-Ordinary General Meeting was held during the financial year 2016-17.

### (iii) Postal Ballot

During the financial year ended March 31, 2017, no resolution was passed through Postal Ballot.

### (D) DISCLOSURES

#### (i) Disclosures on materially significant Related Party Transactions

None of the transactions with any of the related parties were in conflict with the Company's interest. The Details of related party transactions are given in the Notes to Accounts (Note) of the Annual Report which have been reviewed / approved by the Audit Committee.

The policy on Related Party Transaction is available on the website of the Company at <http://www.iclbelting.com/resources/reports/gnrl/Related%20Party%20Policy.pdf>.

#### (ii) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last years

The Company has, complied with all requirements of the Listing Regulations entered with BSE and CSE, as well as regulations and guidelines of SEBI. Consequently, no penalties or strictures are imposed by SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the Capital markets.

#### (iii) Disclosure of Accounting Treatment

The Financial Statements of the Company have been prepared in accordance with the applicable accounting standards as issued by the Institute of Chartered Accountants of India and notified by the Central Government under Section 133 of the Companies Act, 2013.

#### (iv) Management Discussion and Analysis Report

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

## Corporate Governance Report

### (v) Code of Conduct

In terms of Regulation 17(5) of the Listing Regulations, there exists a Code of Conduct, laid down by the Board, for all the Board Members and Senior Management Personnel of the Company. The Board Members and Senior Management Personnel have affirmed compliance with this Code in terms of Regulation 26(3) of the Listing Regulations. A declaration to this effect for the financial year 2016-2017 from the Managing Director of the Company is annexed to this Report.

The full text of the Code has been disclosed on the Company's website under the link <http://www.iclbelting.com/resources/reports/gnrl/Code%20of%20Conduct%20for%20Directors.pdf>.

### (vi) Vigil Mechanism

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil policy and it provides adequate safeguards against victimization of Director(s)/ employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases.

The Vigil Mechanism policy has been disclosed on the Company's website under the link <http://www.iclbelting.com/resources/reports/gnrl/Vigil%20Mechanism.pdf> and circulated to all the Directors/ employees.

### (vii) Status of Non-Mandatory Requirements

Non-mandatory requirements on Corporate Governance as prescribed in Part E of Schedule II to the Regulation 27 (1) of the Listing Regulation will be implemented by the Company when required and/or deemed necessary by the Board.

### (viii) CEO/CFO Certification

The CEO and CFO of the Company has given a certificate to the Board of Directors as per Part B of Schedule II to the Regulation 17 (8) of the listing Regulation for the year ended March 31, 2017.

### (ix) Compliance Certificate of the Auditors

Certificate from the Company's Statutory Auditors M/s. Lodha & Co., Chartered Accountants, confirming compliance with conditions of Corporate Governance as stipulated under the Listing Regulations is attached and forms part of the Directors' Report

### (x) Subsidiary companies

The Company has 3 (Three) wholly owned subsidiaries and 1(One) step-down Subsidiary. The Consolidated Financial Statements of the Company and the investments made by it in its unlisted subsidiary companies are reviewed by the Audit Committee.

The Company has a policy for determining 'material subsidiaries' which is disclosed on its website at the following link- <http://www.iclbelting.com/resources/reports/gnrl/Material%20Subsidiaries.pdf>

### (xi) Means of Communication

The Financial Results of the Company quarterly/yearly are communicated to the Stock Exchanges where shares of the Company are listed and published in leading newspaper like Business Standard and Kaalantar (Regional). The Company's results and official news releases were displayed on the Company's website [www.iclbelting.com](http://www.iclbelting.com)

## Corporate Governance Report

### (E) GENERAL SHAREHOLDERS' INFORMATION :

(i)	<b>Annual General Meeting</b>	
	<b>44th Annual General Meeting</b>	
	Date	Saturday, September 23, 2017
	Time	2:00 P.M.
	Venue	Falta SEZ, Sector-II, Near Pump House No. 3, Village and Mouza - Akalmegh, Dist. 24 Parganas (S), West Bengal-743504
(ii)	<b>Financial Calendar Year</b>	April to March
(iii)	<b>For Adoption of Quarterly Results</b>	Expected Date
	-Quarter ending June 30, 2017	2nd Week of August, 2017
	-Quarter ending September 30, 2017	2nd Week of November, 2017
	-Quarter ending December 31, 2017	2nd Week of February, 2018
	-Year and quarter ending March 31, 2018	Last Week of May, 2018
(iv)	<b>Book Closure</b>	September 16, 2017 to September 23, 2017 (both days inclusive)
(v)	<b>Expected Dividend payment date</b>	Within 30 days from the date of Declaration of Dividend
(vi)	<b>Listing on Stock Exchange</b>	The Company's shares are listed at:-
		(i) <b>The Calcutta Stock Exchange Ltd.</b> 7, Lyons Range, Kolkata – 700 001
		(ii) <b>BSE Ltd.</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
		Listing fees for the year 2017 -2018 have been paid to all the aforesaid Stock Exchanges.
(vii)	<b>Stock Codes</b>	10019039 (CSE) 509709 (BSE)

### (viii) Stock Market Price Data for the year 2016-2017

Month	BSE			SENSEX (BSE)	
	High (₹)	Low (₹)	Volume (BSE)	High	Low
April, 2016	25.70	17.00	39,883	26,100.54	24,523.20
May, 2016	23.60	16.50	16,624	26,837.20	25,057.93
June, 2016	25.40	17.00	32,744	27,105.41	25,911.33
July, 2016	22.40	18.45	14,059	28,240.20	27,034.14
August, 2016	21.40	17.00	20,774	28,532.25	27,627.97
September, 2016	21.60	17.95	32,498	29,077.28	27,716.78
October, 2016	21.00	17.05	45,751	28,477.65	27,488.30
November, 2016	21.65	14.75	70,300	28,029.80	25,717.93
December, 2016	21.00	17.00	22,585	26,803.76	25,753.74
January, 2017	19.90	16.80	33,766	27,980.39	26,447.06
February, 2017	21.70	17.20	66,164	29,065.31	27,590.10
March, 2017	20.00	16.70	71,966	29,824.62	28,716.21

### (ix) Registrar & Share Transfer Agents and Shareholders' Correspondence :

The Company has engaged Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, Kolkata – 700001 (MDPL), a SEBI registered Share Transfer Agent for processing transfer, sub-division, consolidation, splitting of securities, etc.

For transfer/dematization of shares and any other query relating to the shares of the Company kindly contact Registrar and Share Transfer Agent.

## Corporate Governance Report

### (x) Unclaimed Dividend/ Shares :

Pursuant to the provisions of Section 123 of the Companies Act, 2013 and other applicable provisions, if any, of the Act, the Company is required to transfer the amount of dividend remained unclaimed for a period of seven years from the date of transfer to the Investor Education and Protection Fund (IEPF).

Accordingly detailed information in respect of the relevant financial years is provided for the benefit of the Company's Investors.

Financial Year	Type	Date of Declaration	Dividend Paid	Unclaimed Dividend as on 31.03.2017		Due date for transfer to IEPF
				₹	%	
2009-2010	Final	27.09.2010	1,01,25,000	55,588.20	0.549	26.10.2017
2010-2011	Final	28.09.2011	1,01,25,000	69,350.55	0.685	27.10.2018
2011-2012	Final	25.07.2012	1,68,75,000	1,03,178.25	0.612	23.08.2019
2012-2013	Final	04.09.2013	1,68,75,000	1,12,791.25	0.678	03.10.2020
2013-2014	Final	26.09.2014	1,68,75,000	53,516.75	0.318	25.10.2021
2014-2015	Final	26.09.2015	1,68,75,000	56,515.00	0.334	25.10.2022
2015-2016	Final	24.09.2016	33,75,000	14,111.40	0.418	23.10.2023

### (xi) Transfer of 'Underlying Shares' into Investor Education and Protection Fund (IEPF) (in cases where unclaimed dividends have been transferred to IEPF for a consecutive period of seven years) :

In terms of Section 125(6) of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the shares in respect of which dividends have remained unclaimed for a period of 7 (seven) consecutive years to the IEPF Account established by the Central Government. As required under the said Rules, the Company has published a Notice in the newspaper inviting the Members attention to the aforesaid Rules. The Company has also sent out individual communication to the concerned Members whose shares are liable to be transferred to IEPF Account, pursuant to the said Rules to take immediate action in the matter.

### (xii) Share Transfer System

Share transfers are processed and share certificates duly endorsed are dispatched within a period of 15 days from the date of lodgment if the documents are complete in all respects. As per directives issued by the SEBI, it is compulsory to trade in the Company's equity shares in dematerialized form. The Company offers the facility of transfer cum dematerialization to its shareholders.

### (xiii) Distribution of Shareholding as on March 31, 2017

No. of Shares	No. of Shareholders	No. of Shares held	% of holding to total Shares
1-500	1,179	1,95,680	0.2899
501-1000	232	2,02,030	0.2993
1001-2000	156	2,52,225	0.3737
2001-3000	54	1,40,623	0.2083
3001-4000	41	1,49,287	0.2212
4001-5000	24	1,14,800	0.1701
5001-10000	45	3,21,617	0.4765
10001 and above	120	6,61,23,738	97.9611
<b>Total</b>	<b>1,851</b>	<b>6,75,00,000</b>	<b>100.00</b>

## Corporate Governance Report

### (xiv) Pattern of Shareholding as on March 31, 2017

Sl. No.	Category	No. of Shareholders	Total No. of Shares	Percentage of Shareholdings
1.	<b>Promoter Group</b>			
	Individuals / HUF (Indian)	6	4922265	7.2922
	Individuals (NRI/ Foreign Individuals)	2	15234759	22.5700
	Bodies Corporate (Indian)	3	5081320	7.5279
	<b>Total shareholding of promoter and promoter group</b>	<b>11</b>	<b>25238344</b>	<b>37.3901</b>
2.	<b>Non-Promoter Group</b>			
	Indian – Bodies Corporate	42	1176290	1.7427
	Indian – Individual holding nominal share capital up to ₹ 2 Lakhs	1736	3788669	5.6128
	Indian – Individual holding nominal share capital excess of ₹ 2 Lakhs	17	11043430	16.3606
	Foreign Institutional Investors	5	26202400	38.8184
	NBFCs registered with RBI	0	0	0.0000
	Non-Resident Individuals	14	13216	0.0196
	Clearing Member	26	37651	0.0558
	<b>Total Public Shareholding</b>	<b>1840</b>	<b>42261656</b>	<b>62.6099</b>

### (xv) Dematerialization of Shares

99.628% of the Company's total shares representing 67248620 shares were held in dematerialized form as on March 31, 2017 and the balance 0.372% representing 251380 shares were in physical form.

### (xvi) Demat ISIN Number in NSDL and CDSL

INE575C01027

### (xvii) Number of Employees

Location wise break-up of the number of employees of the Company as on March 31, 2017 :

Location	No. of employees
1) Corporate Office	15
2) Aurangabad Works	57
3) Falta Works and Registered Office	6
<b>Total</b>	<b>78</b>

### (xviii) Factory Locations

- M.I.D.C. Area, Chikalthana, Aurangabad – 431 006, Maharashtra (India).
- Falta SEZ, Sector-II, Near Pump House No. 3, Village and Mouza - Akalmegh, Dist.: 24 Parganas (S), West Bengal-743504.

## Corporate Governance Report

### (xix) Reconciliation of Share Capital and Audit Report

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted share capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital on quarterly basis. The report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The report thereon is submitted to the Stock Exchanges, and is also placed before the Board of Directors. The audit confirms that the total issued/paid-up capital is in agreement with total number of shares in physical forms and total number of dematerialized shares held with NSDL and CDSL.

### (xx) Service of documents through electronic mode

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

### (xxi) Outstanding GDR/ADR Warrants or Convertible Bonds

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

For any query on Annual Report etc. please contact:

**International Conveyors Limited**

10, Middleton Row,

Kolkata – 700 071

Telephone: 033- 2229 6033

Fax: 033-2217 2269

Designated e-mail ID for Investor Services: [investors@iclbelting.com](mailto:investors@iclbelting.com)

Website: [www.iclbelting.com](http://www.iclbelting.com)

For and on behalf of the Board of Directors

Place : Kolkata  
Date : August 28, 2017

**R. K. Dabriwala**  
Managing Director

**M. P. Jhunjhunwala**  
Director

## DECLARATION BY THE MANAGING DIRECTOR ON THE CODE OF CONDUCT

A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under the provisions of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the financial year ended March 31, 2017.

Place: Kolkata  
Date: August 28, 2017

For and on behalf of the Board of Directors  
**R. K. Dabriwala**  
Managing Director

## Corporate Governance Report

### AUDITORS CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Members of

**International Conveyors Limited**

1. We have examined the compliance of conditions of Corporate Governance by International Conveyors Limited ('the Company'), for the year ended on March 31, 2017, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

#### **Managements' Responsibility**

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

#### **Auditor's Responsibility**

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), to the extent relevant, the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### **Opinion**

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations during the year ended March 31, 2017.
8. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

#### **Restriction on use**

9. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Place: Kolkata

Date: August 28, 2017

For **Lodha & Co.**

*Chartered Accountants*

Firm's ICAI Registration No.: 301051E

**H. K. Verma**

*Partner*

Membership No: 055104

## Corporate Governance Report

### CEO/CFO CERTIFICATION

To,  
The Members of  
**International Conveyors Ltd.**

We, Rajendra Kumar Dabriwala, Managing Director and Ashok Kumar Gulgulia, Chief Financial Officer, hereby certify to the Board that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2017 and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2017 which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee that:
  - i. There have been no significant changes in internal control over financial reporting during the year;
  - ii. There have been no significant changes in accounting policies during the period;
  - iii. There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **International Conveyors Ltd.**

Place : Kolkata  
Date : August 28, 2017

**Rajendra Kumar Dabriwala**  
Managing Director

**Ashok Kumar Gulgulia**  
Chief Financial Officer



## Directors' Report

### ANNUAL REPORT ON CSR ACTIVITIES

(FOR THE FINANCIAL YEAR 2016-17)

During the year, Company constituted a Corporate Social Responsibility Committee (CSR) pursuant to provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided herein below :

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and project or programs.	The CSR Committee evolved a policy to spend the amount towards the activities mentioned in Clause i & ii of Schedule VII of the Companies Act, 2013.
<b>Web link- <a href="http://www.iclbelting.com/resources/reports/cgr/CorporateSocialResponsibilityPolicy.pdf">http://www.iclbelting.com/resources/reports/cgr/CorporateSocialResponsibilityPolicy.pdf</a></b>		
2.	The Composition of CSR Committee	Mr. R. K. Dabriwala - Chairman Mr. M. P. Jhunjhunwala - Member Mr. L. K. Tibrawalla - Member
3.	Average net profit of the Company for last three financial years.	Average net profit of ₹ 5,59,71,589.33
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above).	₹ 11,19,431.79
5.	Details of CSR spent during the financial year:	
	(a) Total amount to be spent for the financial year	₹ 11,19,431.79
	(b) Amount Unspent, if any	NIL

**(c) Manner in which the amount spent during the financial year is detailed below :**

1	2	3	4	5	6	7	8
Sl. No.	CSR Project or activity Identified	Sector in which the project is covered	Projects or programs- (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs (Sub-heads: 1- Direct expenditure on projects or programs 2- Overheads)	Cumulative exp-expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Education- Institutional Development	Promoting education, including special education and livelihood enhancement project	Hind Charity Trust, Chinchwadgaon, Pune, India	11,50,000	11,50,000	NA	Direct
			<b>TOTAL</b>	<b>11,50,000</b>	<b>11,50,000</b>	<b>11,50,000</b>	

## Directors' Report

- 6 In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.

NOT APPLICABLE

- 7 Responsibility Statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Place : Kolkata  
Date : August 28, 2017

**R. K. Dabriwala**  
*Managing Director*

**M. P. Jhunjhunwala**  
*Director*

# Independent Auditors' Report

## To the Members of International Conveyors Limited

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of International Conveyors Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, significant accounting policies and other notes for the year ended on that date.

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

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

### Auditors' Responsibility

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

We have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) In the case of the statement of Profit and Loss, of the Loss of the Company for the year ended on that date;
- 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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

## Independent Auditors' Report

As required by Section 143(3) of the Act, we report that :

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as 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, Statement of Profit and loss and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the Internal Financial Controls Over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. Pending litigations having material impact on the financial position of the Company have been disclosed in the financial statement as required in terms of the accounting standards and provisions of the Companies Act, 2013 – refer Note No. 29.1(i) and 29.1(i).1 of the financial statements;
  - ii. The Company does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in the Financial statement as to holdings as well as dealing in the Specified Bank Notes (Bank notes of denominations of five hundred and one thousand rupees existing on November 08, 2016) (SBN's) during the period from November 8, 2016 to December 30, 2016. Based on audit procedure and relying on the Management Representation we report that the disclosures are in accordance with books of accounts maintained by the Company and as produced to us by the Management – Refer Note No. 18.1

For **Lodha & Co.**

*Chartered Accountants*

Firm's ICAI Registration No.:301051E

**H. K. Verma**

*Partner*

Membership No: 055104

Place: Kolkata

Date: May 30, 2017

## Annexure “A” to the Independent Auditors’ Report

### “Annexure A” referred to in our report of even date

- i)
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The management during the year has physically verified all fixed assets. According to the information and explanations given to us, there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. As explained, no material discrepancies have been noticed on such verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) As explained to us, the inventories of the Company except materials lying with the third parties have been physically verified by the management at reasonable intervals during the year / at the year-end. In our opinion and according to the information and explanations given to us, the frequency of the verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material to the extent verified.
- iii) According to the information and explanations given to us, the Company has granted unsecured loans to companies which are covered in the register maintained under Section 189 of the Act.
  - (a) In our opinion and according to the informations and explanations given to us, the terms and conditions of the grant of loans are prima facie not prejudicial to the interest of the Company;
  - (b) In respect of the loans granted by the Company, there were no stipulations with respect to repayment of principal amounts. As such, we are unable to comment on the regularity or otherwise of repayment of such loans. However, the Company is regular in receiving the interest on such loans.
  - (c) As informed to us, having regard to the terms and conditions of the loans, there are no overdue amount outstanding in respect of such loans and interest thereon.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
- v) The Company has not accepted any deposits from public covered under Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder.
- vi) According to the information and explanations given to us, the maintenance of cost records under Section 148(1) of the Act has not been prescribed and as such, paragraph 3(vi) of the Order is not applicable to the Company.
- vii)
  - a. According to the information and explanations given to us, during the year, the Company has generally been regular in depositing to the appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of Customs, duty of excise, value added tax, cess and other statutory dues as applicable to it. However, according to the information and explanations given to us, there is no undisputed amounts payable in respect of these which were in arrears as on March 31, 2017 for a period of more than six months from the date they became payable.
  - b. According to the information and explanations given to us, the details of disputed dues of income tax, sales tax, service tax, duty of customs, duty of excise, and Value Added Tax, if any, as at March 31, 2017, not deposited on account of any dispute are as follows :

Name of the Statute	Nature of the Dues	Relating to the year	Amount (₹)	Forum where dispute is Pending
Income Tax Act,1961	Income Tax	2003-2004	1,99,833	Commissioner of Income Tax (Appeals) - 17
Income Tax Act,1961	Income Tax	2013-2014	5,15,877	Commissioner of Income Tax (Appeals) - 21

## Annexure “A” to the Independent Auditors’ Report

- viii) In our opinion and on the basis of information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks. There are no debenture holders.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- x) During the course of our examination of books of account carried out in accordance with generally accepted auditing practices in India, we have neither come across any incidence of fraud by the Company or on the Company by its officers or employees nor have we been informed of any such cases by the management.
- xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Lodha & Co.**

*Chartered Accountants*

Firm's ICAI Registration No.:301051E

**H. K. Verma**

*Partner*

Membership No: 055104

Place: Kolkata

Date: May 30, 2017

## **Annexure “B” to the Independent Auditors’ Report**

**“Annexure B” referred to in our report of even date**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of International Conveyors Limited (“the Company”) as at March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

## Annexure “B” to the Independent Auditors’ Report

projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Lodha & Co.**

*Chartered Accountants*

Firm's ICAI Registration No.:301051E

**H. K. Verma**

*Partner*

Membership No: 055104

Place: Kolkata

Date: May 30, 2017



## Balance Sheet as at March 31, 2017

(Amount in ₹)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Fund</b>			
(a) Share capital	2	6,75,00,250	6,75,00,250
(b) Reserves and surplus	3	72,99,58,971	74,29,49,860
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	4	5,73,756	21,23,336
(b) Other Long-term Liabilities	5	10,00,000	-
(c) Long-term provisions	6	16,53,644	16,63,347
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	7	40,11,02,222	55,47,11,494
(b) Trade payables	8		
Total Outstanding dues of micro enterprises and small enterprises	8.1	-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	8.2	5,14,01,041	7,54,55,532
(c) Other current liabilities	9	1,32,01,622	1,78,49,466
(d) Short-term provisions	10	79,63,135	84,13,093
<b>TOTAL</b>		<b>1,27,43,54,641</b>	<b>1,47,06,66,378</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	19,57,52,941	22,00,86,048
(ii) Intangible assets	11	9,11,273	13,42,711
(iii) Capital work-in-progress		1,20,94,362	1,29,69,865
(b) Non-current investments	12	52,59,22,927	52,77,74,523
(c) Deferred tax assets (net)	13	1,40,05,486	1,22,74,070
(d) Long-term loans and advances	14	1,82,67,144	1,79,97,455
(e) Other non-current assets	15	3,46,60,909	5,68,36,315
<b>(2) Current assets</b>			
(a) Inventories	16	11,37,91,071	12,33,53,834
(b) Trade receivables	17	14,97,17,760	31,88,59,012
(c) Cash and Bank balances	18	60,05,587	1,19,75,776
(d) Short-term loans and advances	19	19,61,32,690	16,56,93,490
(e) Other current assets	20	70,92,491	15,03,279
<b>TOTAL</b>		<b>1,27,43,54,641</b>	<b>1,47,06,66,378</b>

Summary of significant accounting policies

Notes to financial statements

The notes are an integral part of the Financial Statements

As per our report of even date

For **LODHA & CO.**

Chartered Accountants

**H. K. Verma**

Partner

Place : Kolkata

Date : May 30, 2017

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For & on behalf of the Board

**R. K. Dabriwala**  
Managing Director

**M.P.Jhunjunwala**  
Director

**A. K. Gulgulia**  
Chief Financial Officer

**Statement of Profit and Loss** for the year ended March 31, 2017

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>REVENUE</b>			
Revenue from Operations (Net)	21	47,17,10,048	75,56,17,851
Other Income	22	2,90,46,427	3,78,49,783
<b>Total Revenue</b>		<b>50,07,56,475</b>	<b>79,34,67,634</b>
<b>EXPENSES</b>			
Cost of Materials consumed	23	20,80,87,619	31,42,74,589
Purchase of Stock in Trade	24	2,74,93,395	9,58,64,790
Changes in Inventories of Finished Goods, Work in Progress & Stock in Trade	25	(5,01,176)	6,40,31,958
Employee Benefits Expense	26	7,84,29,072	8,77,12,874
Finance Costs	27	5,90,17,850	5,66,63,127
Depreciation and Amortization Expense	11	2,90,21,641	3,36,46,266
Other Expenses	28	11,37,30,547	16,22,13,862
<b>Total Expenses</b>		<b>51,52,78,948</b>	<b>81,44,07,466</b>
<b>Profit/(Loss) before tax</b>		<b>(1,45,22,473)</b>	<b>(2,09,39,832)</b>
<b>Tax Expense</b>			
Current		-	-
Tax for earlier year		1,99,833	4,13,309
Deferred Tax Charge/(Credit)		(17,31,416)	(85,11,455)
		<b>(15,31,583)</b>	<b>(80,98,146)</b>
<b>Profit/(Loss) after tax</b>		<b>(1,29,90,890)</b>	<b>(1,28,41,686)</b>
Earning per Equity Share			
- Basic		(0.19)	(0.19)
- Diluted		(0.19)	(0.19)

Summary of significant accounting policies  
 Notes to financial statements  
 The notes are an integral part of the Financial Statements

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 2-29

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

**H. K. Verma**  
 Partner

Place : Kolkata  
 Date : May 30, 2017

For & on behalf of the Board

**R. K. Dabriwala**  
 Managing Director

**M.P.Jhunjunwala**  
 Director

**A. K. Gulgulia**  
 Chief Financial Officer

## Cash Flow Statement for the year ended March 31, 2017

(Amount in ₹)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax	(1,45,22,473)	(2,09,39,832)
<b>Adjustment for</b>		
Depreciation	2,90,21,641	3,36,46,266
(Profit)/Loss on sale of Fixed Assets (Net)	39,069	(1,46,566)
(Profit)/Loss on sale of Long-Term Investment (Net)	(26,38,578)	(11,28,155)
Liquidated Damages / Rebate & discount	1,60,51,493	1,60,06,938
Dividend from Long Term Investment	(19,73,814)	(20,02,146)
Finance Costs	5,90,17,850	5,66,63,127
Interest Income	(1,56,78,971)	(2,05,30,208)
Liability/Provision for doubtful deposit written off/ (back) (Net)	(3,24,844)	(35,36,513)
<b>Operating profit/(loss) before working capital changes</b>	<b>6,89,91,373</b>	<b>5,80,32,911</b>
<b>Adjustment for</b>		
Trade and other receivables	11,26,84,890	8,19,12,475
Inventories	95,62,763	4,45,13,209
Trade and other payables	(1,89,89,238)	(5,07,34,060)
	<b>10,32,58,415</b>	<b>7,56,91,624</b>
<b>Cash generated from Operation</b>	<b>17,22,49,788</b>	<b>13,37,24,535</b>
Direct Taxes (Paid)/Refund received	(4,78,756)	(17,16,274)
<b>Net Cash from/(used in) Operating Activities</b>	<b>17,17,71,032</b>	<b>13,20,08,261</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(35,52,261)	(1,22,57,224)
Sale of Fixed Assets	1,56,599	12,91,623
(Purchase)/Sale of Investments	44,90,174	13,78,199
(Loans Given)/Recovery of loan given to bodies corporate	6,07,54,255	(3,08,04,364)
(Loans Given)/Recovery of loan given to Subsidiary	(5,95,73,833)	29,56,808
Dividend received	1,73,814	2,02,146
Deposits with bank (original maturity more than 3 months)	2,52,85,803	(1,19,69,824)
Interest received	1,89,09,241	1,50,89,095
<b>Net Cash from/(used in) Investing Activities</b>	<b>4,66,43,792</b>	<b>(3,41,13,541)</b>

## Cash Flow Statement for the year ended March 31, 2017

(Amount in ₹)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/ (Repayment) from Borrowings	(15,93,24,128)	(2,14,33,195)
Dividend Paid (Including Corporate Dividend Tax thereon)	(40,99,499)	(2,02,95,371)
Interest paid	(5,96,50,989)	(5,62,43,025)
<b>Net cash from/(used in) Financing Activities</b>	<b>(22,30,74,616)</b>	<b>(9,79,71,591)</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	(46,59,792)	(76,871)
Cash and Cash Equivalents at the beginning of the year	70,93,373	71,70,244
Cash and Cash Equivalents at the end of the year <b>(Refer Note 18)</b>	24,33,581	70,93,373

### Note :

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

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

**H. K. Verma**  
*Partner*

Place : Kolkata  
Date : May 30, 2017

For & on behalf of the Board

**R. K. Dabriwala**  
*Managing Director*

**M.P.Jhunjunwala**  
*Director*

**A. K. Gulgulia**  
*Chief Financial Officer*

# Notes Forming Part of the Financial Statements as at March 31, 2017

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 1.1. General

The financial statements have been prepared under the historical cost convention in accordance with the provision of the Companies Act, 2013 and mandatory Accounting Standards as prescribed under section 133 of the Companies Act, 2013, and other recognized accounting practices. Accounting policies unless specifically stated to be otherwise, are consistent and are in consonance with generally accepted accounting principle.

### 1.2. Use of Estimates

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

### 1.3. Changes in Accounting Policy

#### 1.3.1 Accounting for Proposed Dividend

As per the requirements of AS-4 (Revised with effective from April 1, 2016) on "Contingencies and events occurring after the Balance Sheet date" proposed final dividend including distribution tax are recognised as liability in the period in which they are approved by the shareholders in the General Meeting unlike requirement of recognising the same as liability in the period to which it relates. Had the Company continued with its current practice, surplus in the statement of Profit and Loss would have been lower by ₹ 40.62 lakh with a corresponding increase in the provision.

### 1.4. Fixed Assets, depreciation and amortization

#### 1.4.1 Tangible Assets

##### a) Gross Block

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

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

##### b) Depreciation is provided on written down value method as per Schedule II of the Companies Act, 2013 based on the useful life of the assets. In case of certain items of Plant and Equipments where useful life ranging from 10 to 30 years has been considered based on technical assessment, which is different from the useful life prescribed under Schedule II of the Companies Act, 2013. However assets costing ₹ 5,000/- or less are depreciated fully in the year of addition. Leasehold land is amortized over the period of lease.

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

#### 1.4.2 Intangible Assets

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

## Notes Forming Part of the Financial Statements as at March 31, 2017

### 1.5. Investments

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

### 1.6. Inventories

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

### 1.7. Impairments

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

### 1.8. Foreign Currency Transaction

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

### 1.9. Revenue Recognition

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

### 1.10. Sales

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

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

### 1.11. Expenses

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

## Notes Forming Part of the Financial Statements as at March 31, 2017

### 1.12. Employee Benefits

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

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

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

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

### 1.13. Grants

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

### 1.14. Borrowing Cost

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

### 1.15. Income Tax

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

### 1.16. Provisions, Contingent Liabilities and Contingent Assets

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

## Notes Forming Part of the Financial Statements as at March 31, 2017

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>2 SHARE CAPITAL</b>			
<b>Authorised Shares</b>			
98,000,000 (98,000,000) Equity Shares of ₹ 1/- each		9,80,00,000	9,80,00,000
20,000 (20,000) Preference Shares of ₹ 100/- each		20,00,000	20,00,000
		<b>10,00,00,000</b>	<b>10,00,00,000</b>
<b>Issued, Subscribed and Fully Paid-up Shares:</b>			
67,500,000 (67,500,000) Equity Shares of ₹ 1/- each		6,75,00,000	6,75,00,000
<b>Forfeited Shares</b>		250	250
		<b>6,75,00,250</b>	<b>6,75,00,250</b>

**2.1** Out of the above issued shares, the Company has only one class of equity shares having a par value of ₹ 1/- each. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion of their shareholding. The Board of Directors has approved dividend of ₹ 0.05 per share (5%), subject to approval of shareholders in the ensuing Annual General Meeting.

**2.2** There is no movement in the number of shares outstanding at the beginning and at the end of the reporting period.

**2.3** Details of the shareholders holding more than 5% shares of the total number of equity shares issued by the Company :

Name of the Shareholders	Reference Note No.	No. of Shares held as at March 31, 2017	No. of Shares held as at March 31, 2016
Surbhit Dabriwala		88,24,859	88,24,859
Yamini Dabriwala		64,09,900	64,09,900
Elara India Opportunities Fund Limited.		65,00,000	65,00,000
Cresta Fund Limited		65,00,000	65,00,000
Eriska Investment Fund Limited		65,00,000	65,00,000
Lotus Global Investments Limited		42,99,400	42,99,400

**2.4** Proposed dividends on Equity shares

	As at March 31, 2017	As at March 31, 2016
The Board proposed dividend on equity shares after the balance sheet		
Proposed dividend on equity shares for the year ended on March 31, 2017 : ₹ 0.05 per share (March 31 2016 : ₹ 0.05 per share)	33,75,000	33,75,000
Dividend Distribution Tax on proposed dividend	6,87,071	6,90,863
	<b>40,62,071</b>	<b>40,65,863</b>

For the period upto March 31, 2016 the Company was treating dividend proposed/declared after the Balance Sheet date as on adjusting event. However, from the financial year 2016-17 onwards, it is treated as non-adjusting event.



## Notes Forming Part of the Financial Statements as at March 31, 2017

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>3 RESERVES AND SURPLUS</b>			
<b>Capital Reserve</b>			
As per last Balance Sheet (Central Subsidy)		39,42,000	39,42,000
		<b>39,42,000</b>	<b>39,42,000</b>
<b>General Reserve</b>			
As per last Balance Sheet		55,04,57,861	55,23,77,480
Less : Transferred to Surplus		–	19,19,620
		<b>55,04,57,861</b>	<b>55,04,57,860</b>
<b>Securities Premium Account</b>			
As per last Balance Sheet		18,85,50,000	18,85,50,000
		<b>18,85,50,000</b>	<b>18,85,50,000</b>
<b>Surplus</b>			
As per last Balance Sheet		–	1,49,87,929
Add : Transferred from General Reserve		–	19,19,620
Add : Net Profit/(Loss) After Tax transferred from Statement of Profit and Loss		(1,29,90,890)	(1,28,41,686)
Amount available for appropriation		<b>(1,29,90,890)</b>	<b>40,65,863</b>
Less : Appropriations			
- Proposed Equity Dividend	2.4	–	33,75,000
- Tax on Equity Dividend	2.4	–	6,90,863
		–	<b>40,65,863</b>
Net Surplus/(Deficit)		<b>(1,29,90,890)</b>	–
<b>Total Reserves and Surplus</b>		<b>72,99,58,971</b>	<b>74,29,49,860</b>

Particulars	Reference Note No.	As at March 31, 2017		As at March 31, 2016	
		Non-Current	Current	Non-Current	Current
<b>4 LONG TERM BORROWINGS</b>					
<b>SECURED LOAN</b>					
<b>Term Loan</b>					
From bank	4.1	–	–	–	21,73,706
		–	–	–	<b>21,73,706</b>
<b>Vehicle Finance Loan</b>					
From banks	4.2	–	2,23,085	7,41,709	16,66,042
From others	4.3	2,27,413	2,74,184	5,01,597	5,83,105
		<b>2,27,413</b>	<b>4,97,269</b>	<b>12,43,306</b>	<b>22,49,147</b>
		<b>2,27,413</b>	<b>4,97,269</b>	<b>12,43,306</b>	<b>44,22,853</b>
<b>UNSECURED LOAN</b>					
Sales Tax Deferment Loan	4.4	3,46,343	5,33,687	8,80,030	7,73,379
		<b>3,46,343</b>	<b>5,33,687</b>	<b>8,80,030</b>	<b>7,73,379</b>
		<b>5,73,756</b>	<b>10,30,956</b>	<b>21,23,336</b>	<b>51,96,232</b>

## Notes Forming Part of the Financial Statements as at March 31, 2017

### 4.1 Term loan referred above to the extent of :

₹ Nil (Previous year ₹ 2,173,706) was secured by first charge on all fixed assets pertaining to Falta SEZ division of the Company, both present & future, second charge on entire current assets of the said division of the Company both present & future, and was also secured by personal guarantee of one of the directors and corporate guarantee and was repayable in 21 quarterly installment commencing from June,2011. Rate of interest at 2.65% above base rate.

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

(Amount in ₹)

Rate of Interest	2017-18
10.00%	2,23,085

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

(Amount in ₹)

Rate of Interest	2017-18	2018-19
10.14%	28,879	-
11.71%	2,45,305	2,27,413

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

Year	Amount in ₹
2017-18	5,33,687
2018-19	3,18,097
2019-20	28,246

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>5 OTHER LONG TERM LIABILITIES</b>			
Provision for decommissioning of assets		10,00,000	-
		<b>10,00,000</b>	-
<b>6 LONG TERM PROVISIONS</b>			
Provision for employee benefits		16,53,644	16,63,347
		<b>16,53,644</b>	<b>16,63,347</b>
<b>7 SHORT TERM BORROWINGS</b>			
<b>SECURED LOAN</b>			
<b>Working Capital Facility From Bank</b>	7.1		
Repayable on demand		12,64,68,695	20,78,08,789
Others		3,24,17,683	2,03,92,557
		<b>15,88,86,378</b>	<b>22,82,01,346</b>
<b>UNSECURED LOAN</b>			
Others		24,22,15,844	32,65,10,148
		<b>24,22,15,844</b>	<b>32,65,10,148</b>
		<b>40,11,02,222</b>	<b>55,47,11,494</b>

### 7.1 Working Capital facility from Bank are secured by hypothecation of Company's entire stock, book debts and other current assets both present and future and also secured by first charge on fixed assets of the Company including land and building (both units at Aurangabad and Falta). This is further secured by personal guarantee by one of the directors of the Company.

## Notes Forming Part of the Financial Statements as at March 31, 2017

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>8 TRADE PAYABLES</b>			
<b>8.1 Total Outstanding dues of micro enterprises and small enterprises</b>			
Disclosure of Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" (the Act). There are no delays in payment made to such suppliers. There is no amount outstanding as at the Balance Sheet date.			
<b>8.2 Trade Payable other than micro enterprises and small enterprises</b>			
Payables For Goods and Services	8.2.1	5,14,01,041	7,54,55,532
		<b>5,14,01,041</b>	<b>7,54,55,532</b>
<b>8.2.1 Payables For Goods and Services include</b>			
Acceptances		2,03,48,188	3,33,59,788
Creditors for raw materials, trading and stores purchases		66,25,562	1,33,12,404
<b>9 OTHER CURRENT LIABILITIES</b>			
Current Maturities of Long-term Term Loan	4	–	21,73,706
Current Maturities of Vehicle Finance Loan	4	4,97,269	22,49,147
Current Maturities of Sales Tax Deferment Loan	4	5,33,687	7,73,379
Interest accrued but not due on borrowings		1,50,499	87,876
Interest accrued and due on borrowings		7,37,023	3,27,776
Other Payables			
Forward Payable (Net)		–	21,64,276
Forward Deferred Premium		36,25,543	13,16,862
Unpaid Dividends	9.1	4,65,051	4,98,687
Other Payables	9.2	71,92,550	82,57,757
		<b>1,32,01,622</b>	<b>1,78,49,466</b>

**9.1** This is not due for payment to Investor Education and Protection Fund.

**9.2** Includes statutory dues (CST, PF, ESI, TDS etc.)

<b>10 SHORT TERM PROVISIONS</b>			
Provision for employee benefits		79,63,135	43,47,230
Proposed Dividend	10.1	–	33,75,000
Tax on Proposed Dividend	10.1	–	6,90,863
		<b>79,63,135</b>	<b>84,13,093</b>

**10.1** Refer Note 2.4



## Notes Forming Part of the Financial Statements as at March 31, 2017

PARTICULARS	GROSS BLOCK						DEPRECIATION / AMORTISATION				NET BLOCK	
	As on 01.04.2016	Additions	Adjustments/ Deduction	As on 31.03.2017	Upto 31.03.2016	For the Year	Adjustments/ Deduction	Upto 31.03.2017	As on 31.03.2017	As on 31.03.2016		
<b>TANGIBLE ASSETS</b>												
(a) Freehold Land	10,40,695	-	-	10,40,695	1,90,713	17,304	-	2,08,017	8,32,678	8,49,982		
(b) Leasehold Land	79,794	-	-	79,794	34,380	943	-	35,323	44,471	45,414		
(c) Buildings	6,66,94,121	-	-	6,66,94,121	2,67,21,335	38,51,228	-	3,05,72,563	3,61,21,558	3,99,72,786		
(d) Plant & Equipment	32,94,50,378	41,06,794	4,99,093	33,30,58,079	20,52,69,083	1,80,39,640	4,53,922	22,28,54,801	11,02,03,278	12,41,81,295		
(e) Wind Mill	26,71,43,526	-	-	26,71,43,526	22,05,71,056	39,58,163	-	22,45,35,219	4,26,08,307	4,65,66,470		
(f) Electrical Installation	65,36,741	-	-	65,36,741	46,67,928	5,19,854	-	51,87,782	13,48,959	18,68,813		
(g) Office Equipment	73,72,892	2,48,015	69,000	75,51,907	65,73,248	3,88,163	65,228	68,96,183	6,55,724	7,99,644		
(h) Furniture & Fixtures	78,08,303	36,361	-	78,44,664	65,20,640	3,82,533	-	69,03,173	9,41,491	12,87,663		
(i) Vehicles	1,03,35,717	-	6,64,721	96,70,996	58,21,736	13,70,781	5,17,996	66,74,521	29,96,475	45,13,981		
<b>TOTAL TANGIBLE ASSETS</b>	<b>69,64,62,167</b>	<b>43,91,170</b>	<b>12,32,814</b>	<b>69,96,20,523</b>	<b>47,63,76,119</b>	<b>2,85,28,609</b>	<b>10,37,146</b>	<b>50,38,67,582</b>	<b>19,57,52,941</b>	<b>22,00,86,048</b>		
Previous Year Tangible Assets	67,50,70,972	2,50,75,227	36,84,032	69,64,62,167	44,58,01,182	3,31,13,912	25,38,975	47,63,76,119	22,00,86,048	22,92,69,790		
<b>INTANGIBLE ASSETS</b>												
Computer Software	31,53,584	61,594	-	32,15,178	18,10,873	4,93,032	-	23,03,905	9,11,273	13,42,711		
<b>TOTAL INTANGIBLE ASSETS</b>	<b>31,53,584</b>	<b>61,594</b>	<b>-</b>	<b>32,15,178</b>	<b>18,10,873</b>	<b>4,93,032</b>	<b>-</b>	<b>23,03,905</b>	<b>9,11,273</b>	<b>13,42,711</b>		
Previous Year Intangible Assets	31,53,584	-	-	31,53,584	12,78,519	5,32,354	-	18,10,873	13,42,711	18,75,065		
<b>TOTAL</b>	<b>69,96,15,751</b>	<b>44,52,764</b>	<b>12,32,814</b>	<b>70,28,35,701</b>	<b>47,81,86,992</b>	<b>2,90,21,641</b>	<b>10,37,146</b>	<b>50,61,71,487</b>	<b>19,66,64,214</b>	<b>22,14,28,759</b>		
Previous Year	67,82,24,556	2,50,75,227	36,84,032	69,96,15,751	44,70,79,701	3,36,46,266	25,38,975	47,81,86,992	22,14,28,759	23,11,44,855		

11.1 Refer Note 4.1, 4.2, 4.3 & 7.1 in respect of charges created.

## Notes Forming Part of the Financial Statements as at March 31, 2017

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2017		As at March 31, 2016	
		No. of Shares	Value	No. of Shares	Value
<b>12 NON CURRENT INVESTMENTS</b> (Valued at cost unless stated otherwise)					
<b>Investment in Equity Instruments</b>					
(Fully paid-up unless otherwise stated)					
<b>Un-quoted:</b>					
<b>Trade</b>					
<b>In Equity Shares of subsidiary companies</b>					
International Belting Limited (Face Value of Share ₹10/- each)		7,50,000	7,29,00,000	7,50,000	7,29,00,000
Conveyor Holdings Pte Ltd. (Face Value of Share \$1/- each)		5,00,100	3,04,05,899	5,00,100	3,04,05,899
International Conveyors America Limited, INC (Face Value of Share \$.0001 each)		10,000	64	10,000	64
		<b>12,60,100</b>	<b>10,33,05,963</b>	<b>12,60,100</b>	<b>10,33,05,963</b>
<b>Others</b>					
<b>In Equity Shares of Other bodies corporate:</b>					
I G E (India) Private Limited (Face Value of Share ₹1/- each)		7,750	7,543	7,750	7,543
Pure Coke Ltd (Face Value of Share ₹10/- each)		1,54,560	17,67,989	1,54,560	17,67,989
Dabri Properties and Trading Company Limited (Face Value of Share ₹10/- each)		60	600	60	600
		<b>1,62,370</b>	<b>17,76,132</b>	<b>1,62,370</b>	<b>17,76,132</b>
<b>Quoted :</b>					
Uco Bank (Face Value of Share ₹10/- each)		-	-	200	2,400
Dunlop India Limited (Face Value of Share ₹10/- each)		25	631	25	631
Garware-Wall Ropes Limited (Face Value of Share ₹10/- each)		-	-	350	28,465
Radaan Media Works (I) Limited (Face Value of Share ₹2/- each)		63,190	7,04,296	73,190	8,15,753
Oil Country Tubular Limited (Face Value of Share ₹10/- each)		-	-	6,000	7,82,853
Tide Water Oil (India) Limited (Face Value of Share ₹5/- each)		795	9,93,926	1,536	19,20,347
Elpro International Limited (Face Value of Share ₹2/- each)		1,00,94,580	11,89,78,997	1,00,94,580	11,89,78,997
R.C.A.Limited (Face Value of Share ₹5/- each)	12.5	27,096	1,62,982	13,548	1,62,982
		<b>1,01,85,686</b>	<b>12,08,40,832</b>	<b>1,01,89,429</b>	<b>12,26,92,428</b>
<b>Others</b>					
<b>In 12 % Non-Convertible Preference Shares of Other body corporate:</b>					
Elpro International Limited (Face Value of Share ₹10/- each)	12.6	15,00,000	30,00,00,000	15,00,000	30,00,00,000
		<b>15,00,000</b>	<b>30,00,00,000</b>	<b>15,00,000</b>	<b>30,00,00,000</b>
			<b>52,59,22,927</b>		<b>52,77,74,523</b>
<b>12.1</b> Aggregate Market value of Quoted Investments			55,91,92,946		29,68,42,488
<b>12.2</b> Aggregate amount of Quoted Investments			12,08,40,832		12,26,92,428
<b>12.3</b> Aggregate amount of Un-Quoted Investments in Equity Shares			10,50,82,095		10,50,82,095
<b>12.4</b> Aggregate amount of Un-Quoted Investments in Preference Shares			30,00,00,000		30,00,00,000

**12.5** The face value of equity shares of R.C.A. Limited of ₹ 10/- each has been sub divided into the face value of ₹ 5/- per equity share during the year.

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

**12.7** Particulars of investments as required in terms of Section 186 (4) of the Companies Act, 2013, have been disclosed under note no.12 above.

**Notes Forming Part of the Financial Statements** as at March 31, 2017

(Amount in ₹)

Particulars	Opening as at April 1, 2016	Charge/ (Credit) during the year	As at March 31, 2017
<b>13 DEFERRED TAX ASSETS/ (LIABILITY) [Net]</b>			
<b>Deferred Tax Liability/(Assets) :</b>			
On account of depreciation difference as per Income tax and books of account.	(2,21,183)	19,03,966	16,82,783
<b>Gross Deferred Tax Liability</b>	<b>(2,21,183)</b>	<b>19,03,966</b>	<b>16,82,783</b>
<b>Deferred Tax Assets :</b>			
Employee Benefits	20,80,140	(12,48,034)	33,28,174
Unabsorbed Depreciation	90,26,784	(24,04,652)	1,14,31,436
Provision for doubtful debt and deposit	9,45,963	17,304	9,28,659
<b>Gross Deferred Tax Asset</b>	<b>1,20,52,887</b>	<b>(36,35,382)</b>	<b>1,56,88,269</b>
<b>Net Deferred Tax Assets/(Liability) / [Net]</b>	<b>1,22,74,070</b>	<b>(17,31,416)</b>	<b>1,40,05,486</b>

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>14 LONG TERM LOANS AND ADVANCES (Unsecured Considered Good)</b>			
Capital Advances		33,56,277	33,81,277
Security Deposits		31,15,990	36,18,990
Advance Income Tax( net of provision)		1,16,44,345	1,08,46,656
Advance Fringe Benefit Tax( net of provision)		1,25,532	1,25,532
Others		25,000	25,000
		<b>1,82,67,144</b>	<b>1,79,97,455</b>

<b>15 OTHER NON CURRENT ASSETS</b>			
Balance With Bank			
- In Fixed Deposits (having maturity more than 12 months)	15.1	2,74,60,909	5,14,36,315
Dividend Receivable		72,00,000	54,00,000
		<b>3,46,60,909</b>	<b>5,68,36,315</b>

**15.1** Kept as lien against Letter of Credit and Bank Guarantee.

## Notes Forming Part of the Financial Statements as at March 31, 2017

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>16 INVENTORIES</b> (Valued at lower of cost and net realisable value) (As valued, taken and certified by the management)			
Raw Materials		4,06,74,511	3,96,50,931
Raw Materials in Transit		20,25,308	1,10,78,508
Work-in-process		3,50,93,239	2,69,23,100
Finished Goods		2,15,20,971	3,26,57,840
Finished Goods in Transit		50,56,486	52,37,434
Stock in Trade		73,00,774	53,52,886
Stock in Trade in Transit		3,28,957	1,55,245
Stores and Spares		14,86,978	16,57,388
Loose Tools		3,03,847	6,40,502
	16.1	<b>11,37,91,071</b>	<b>12,33,53,834</b>

16.1 Refer Note 7.1

<b>17 TRADE RECEIVABLES</b>			
<b>Unsecured</b>			
Trade receivables outstanding for a period exceeding six months from the date they are due for payment :			
Considered Good		1,78,88,622	1,21,82,932
Considered Doubtful		12,13,845	12,13,845
Less: Provision for Doubtful debt		(12,13,845)	(12,13,845)
		<b>1,78,88,622</b>	<b>1,21,82,932</b>
<b>Others</b>			
Considered Good		13,18,29,138	30,66,76,080
	17.1	<b>14,97,17,760</b>	<b>31,88,59,012</b>

17.1 Provision as carried in the books are against doubtful debts and in the opinion of the Management the same is adequate and no further provision is required there against.

## Notes Forming Part of the Financial Statements as at March 31, 2017

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>18 CASH AND BANK BALANCES</b>			
<b>Cash and Cash Equivalents</b>			
<b>(i) Balances With Banks</b>			
In Current Accounts		6,74,279	57,93,478
In Unpaid Dividend Accounts	9.1	4,65,051	4,98,687
Fixed Deposit With Bank (With Original Maturity of less than 3 Months)	18.2	–	2,10,298
<b>(ii) Cash on Hand</b>		12,94,251	5,90,910
		<b>24,33,581</b>	<b>70,93,373</b>
<b>Other Bank Balances</b>			
Fixed Deposit With Bank (With Original Maturity of more than 3 Months but less than 12 months)	18.2	35,72,006	48,82,403
		<b>35,72,006</b>	<b>48,82,403</b>
		<b>60,05,587</b>	<b>1,19,75,776</b>

### 18.1 Disclosure on Specified Bank Notes

During the year, the Company had Specified Bank Notes (SBNs) and other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016 the SBNs and other notes as per the notification are as follows :

Particulars	SBNs	Other denomination notes	Total
Closing Cash in hand as on November 8, 2016	2,66,000	19,45,095	22,11,095
Add:- Permitted receipts	–	2,00,524	2,00,524
Less:- Permitted payments	44,500	2,99,484	3,43,984
Less:- Amount deposited in Banks	2,21,500	–	2,21,500
Closing cash in hand as on December 30,2016	–	18,46,135	18,46,135

For the purposes of this clause , the term 'Specified Bank Notes ' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 8, 2016.

### 18.2 Kept as lien against Letter of Credit and Bank Guarantee

19 SHORT TERM LOANS AND ADVANCES (Unsecured Considered Good)			
Loans and advances to related parties	19.1, 19.2 & 29.6	12,17,99,685	12,65,21,596
Loans and advances to other bodies corporate		3,50,00,000	–
Security Deposits		61,23,387	49,76,990
Income Tax (Refundable)		2,14,174	7,32,940
Balances with Government authorities		1,41,55,513	1,62,74,598
Advances for supply of goods and services		6,48,559	6,82,340
Others		1,81,91,372	1,65,05,026
		<b>19,61,32,690</b>	<b>16,56,93,490</b>
<b>(Unsecured Considered doubtful)</b>			
Deposit to other body corporate		14,69,521	15,19,521
Less: Provision for doubtful deposit		(14,69,521)	(15,19,521)
		–	–
		<b>19,61,32,690</b>	<b>16,56,93,490</b>



## Notes Forming Part of the Financial Statements as at March 31, 2017

19.1 Disclosure Pursuant to Regulation 34 (3) of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Amount in ₹)

	Amount Outstanding as at March 31, 2017	Maximum Amount outstanding during the year ended 2016-17	Amount Outstanding as at March 31, 2016	Maximum Amount outstanding during the year 2015-16
<b>Loans and Advances in the nature of Loans to Subsidiaries:</b>				
- International Belting Limited	–	5,00,000	–	87,28,543
- Conveyor Holdings Pte Limited	5,15,58,239	5,15,58,239	2,59,86,991	2,59,86,991
- International Conveyors America Limited, INC	4,49,82,207	4,49,82,207	1,09,79,622	1,09,79,622

19.2 Represents loan granted for their business purposes.

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>20 OTHER CURRENT ASSETS</b>			
Interest accrued on deposits with Bank and others		18,64,498	15,03,279
Forward Receivable		52,27,993	–
		<b>70,92,491</b>	<b>15,03,279</b>

## Notes Forming Part of The Financial Statements for the year ended March 31, 2017

Particulars	Reference Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>21 REVENUE FROM OPERATIONS</b>			
<b>Sale of Products</b>			
PVC Fire Resistant Antistatic Solid Woven Coal Conveyor Belting		42,00,66,729	64,66,22,969
Trading Goods	21.1	3,21,48,304	10,28,63,120
Wind Energy	21.2	2,41,96,774	2,71,72,005
<b>Other operating revenue</b>			
Miscellaneous Sales		9,28,384	9,54,409
Duty Credit Scrip Received		31,91,343	–
Duty Drawback received		24,14,398	–
Sundry Balances Written Back		2,74,844	35,36,513
<b>Revenue from Operations (Gross)</b>		<b>48,32,20,776</b>	<b>78,11,49,016</b>
Less : Excise Duty on Finished Goods		<b>1,15,10,728</b>	<b>2,55,31,165</b>
<b>Revenue from Operations (Net)</b>		<b>47,17,10,048</b>	<b>75,56,17,851</b>

## Notes Forming Part of the Financial Statements for the year ended March 31, 2017

### 21.1 Details of sale of Trading Goods

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
Ply & Steel Cord Conveyor Belting		76,72,822	6,93,48,294
Fittings and Accessories		2,44,75,482	2,56,71,063
Equipments		–	78,43,763
		<b>3,21,48,304</b>	<b>10,28,63,120</b>

### 21.2 Details of sales of Wind Energy

Total Numbers of units generated and sold* (In Kwh units)		65,73,828	75,19,643
Sales (in ₹)		2,41,96,774	2,71,72,005

\* Net of 14505 Units (Previous Year 16729 Units) being transmission loss

22	OTHER INCOME		
	Rent		29,760
	Interest on loans, deposits with bank, etc.		1,56,78,971
	Dividend on Long-Term Investments		19,73,814
	Profit on Sale of Fixed Assets (Net)		–
	Profit on Sale of Long-Term Investment		26,38,578
	Insurance Claim Recovery		–
	Other Receipts		8,19,177
	Commission on sales		1,55,088
	Foreign Exchange Gain (Net)		77,01,039
	Provision for Doubtful Deposit Written Back		50,000
			<b>2,90,46,427</b>
			<b>3,78,49,783</b>

23	COST OF MATERIALS CONSUMED		
	Cost of Materials Consumed	23.1	20,80,87,619
			<b>20,80,87,619</b>
			<b>31,42,74,589</b>

### 23.1 Details of Materials Consumed

(a)	Polyester Yarn		6,72,51,039	10,19,64,267
(b)	Spun Yarn		22,45,325	39,53,476
(c)	Cotton Yarn		1,64,59,681	2,39,24,008
(d)	Chemicals			
	(i) PVC Resin		4,29,80,882	6,64,01,528
	(ii) Phosphate Plasticizer		3,15,63,512	4,02,01,039
	(iii) Others		4,75,87,180	7,78,30,271
			<b>20,80,87,619</b>	<b>31,42,74,589</b>

## Notes Forming Part of the Financial Statements for the year ended March 31, 2017

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>24 PURCHASE OF STOCK IN TRADE</b>			
Purchase of Stock In Trade	24.1	2,74,93,395	9,58,64,790
		<b>2,74,93,395</b>	<b>9,58,64,790</b>

### 24.1 Details of Purchase of Stock In Trade

(a)	Ply & Steel Cord Conveyor Belting	69,47,496	6,67,53,635
(b)	Fittings and Accessories	2,05,45,899	2,15,63,155
(c)	Equipments	–	75,48,000
		<b>2,74,93,395</b>	<b>9,58,64,790</b>

### 25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

<b>Opening Stock</b>			
	Finished Goods (including in transit ₹ 52,37,434/-)	3,78,95,274	9,53,96,399
	Less : Excise Duty	40,08,804	4,78,303
		<b>3,38,86,470</b>	<b>9,49,18,096</b>
	Work-in-process	2,69,23,100	3,15,03,751
	Stock in Trade (including in transit ₹ 1,55,245/-)	55,08,131	39,27,812
		<b>6,63,17,701</b>	<b>13,03,49,659</b>
<b>Less : Closing Stock</b>			
	Finished Goods (including in transit ₹ 50,56,486/-)	2,65,77,457	3,78,95,274
	Less : Excise Duty	24,81,550	40,08,804
		<b>2,40,95,907</b>	<b>3,38,86,470</b>
	Work-in-process	3,50,93,239	2,69,23,100
	Stock in Trade (including in transit ₹ 3,28,957/-)	76,29,731	55,08,131
		<b>6,68,18,877</b>	<b>6,63,17,701</b>
		<b>(5,01,176)</b>	<b>6,40,31,958</b>

### 26 EMPLOYEE BENEFITS EXPENSE

	Salaries and Wages	6,82,36,975	7,71,94,054
	Contribution to Provident, Gratuity and other Funds	65,61,192	63,84,126
	Staff Welfare Expenses	36,30,905	41,34,694
		<b>7,84,29,072</b>	<b>8,77,12,874</b>

### 27 FINANCE COSTS

	Interest Expenses	5,67,10,743	5,16,93,999
	Other Borrowing costs	19,82,857	7,20,364
	Applicable loss on foreign currency transaction and translation	3,24,250	42,48,764
		<b>5,90,17,850</b>	<b>5,66,63,127</b>

## Notes Forming Part of the Financial Statements for the year ended March 31, 2017

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>28 OTHER EXPENSES</b>			
Consumption of Stores and Spare Parts		14,38,559	27,14,191
Power and Fuel		1,41,73,511	2,18,64,562
Rent	28.1	10,74,597	10,48,775
Repairs			
Buildings		15,92,303	24,47,851
Machinery		18,80,489	35,38,192
Others		61,95,462	69,50,549
Insurance Charges		16,17,502	34,47,857
Rates and Taxes		10,02,158	2,94,900
Travelling and Conveyance		78,56,942	68,69,940
Directors Fees		5,45,325	6,55,791
Auditors Remuneration :			
Audit Fees		1,70,000	1,70,000
Tax Audit Fees		40,000	40,000
Other Services		4,34,900	1,70,475
Transport, Packing and Forwarding		3,63,46,322	5,45,73,458
Commission on Sales		96,89,684	1,47,75,177
Legal and Professional Fees		78,38,609	1,13,97,209
Subscription and Donation	28.2	12,92,905	24,26,085
Loss on Sale of Fixed Assets (Net)		39,069	–
Miscellaneous Expenses		2,05,02,210	2,88,28,850
		<b>11,37,30,547</b>	<b>16,22,13,862</b>

**28.1** The Company has certain cancellable operating lease arrangements for office/ residential accommodation and for use of machineries with a lease period of one to five years which can be further extended after mutual consent and agreement. The lease agreement can be terminated after giving a notice as per the terms of the lease by either of the party. Expenditure incurred on account of operating lease rentals during the year and recognised in the Statement of Profit and Loss amounts to ₹10,43,397/- (Previous Year ₹ 10,17,575/-).

**28.2** Subscription and Donation includes expenses incurred on account of Corporate Social Responsibility (CSR) ₹ 11,51,000/- (Previous year ₹ 22,50,000/-)

## Notes Forming Part of the Financial Statements as at March 31, 2017

NOTE: 29	2016-17	2015-16
<b>29.1 Contingent liabilities and commitments (to the extent not provided for) in respect of :</b>		
<b>29.1(i) Contingent liabilities</b>		
<b>a) Claims against the company not acknowledged as debt :</b>		
(i) Entry Tax Payable	–	1,35,314
(ii) Income Tax matter under Appeal	32,62,402	18,74,613
<b>b) Guarantees :</b>		
(i) Guarantees given by bank on behalf of the Company	8,46,49,546	7,88,88,764
(ii) Corporate Guarantees given by the Company (Refer Note 29.1(i).2)	14,50,00,000	17,21,28,543

## Notes Forming Part of the Financial Statements as at March 31, 2017

(Amount in ₹)

**29.1(i).1** The Company's pending litigation comprises of claim against the Company and proceeding pending tax/statutory/ Government authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, and disclosed the contingent liabilities, where applicable, in its Financial Statements. The Company does not expects the outcome of these proceedings to have a material impact on its financial position. Future cash outflows in respect of [a (i) & (ii)] above are dependent upon the outcome of judgments / decisions.

**29.1(i).2** Disclosure pursuant to Section 186(4) of the Companies Act, 2013

On behalf of	Purpose	Date of Guarantee	2016-17	2015-16
Elpro International Limited	Rent Securitization Loan	March 25,2013	14,50,00,000	14,50,00,000
International Conveyors Australia Pty Limited	Credit Limit	October 1, 2015	–	2,71,28,543
	<b>Total</b>		<b>14,50,00,000</b>	<b>17,21,28,543</b>

29.1(ii) Estimated amount of contracts remaining to be executed on account and not provided for :	2016-17	2015-16
a) On capital account	–	2,75,780
<b>29.2 Employee Benefits:</b>		
a) Contributions to Defined Contribution Plan recognized as expenses for the year are as under:		
Employer's Contribution to Provident Fund	6,60,766	7,95,502
Employer's Contribution to Pension Fund	9,63,604	10,20,004
Employer's Contribution to Employees State Insurance Scheme	1,39,936	1,76,436

- b) The disclosure as per the Accounting Standard 15 (AS-15) "Employee Benefits" are given below :
- The Company operates post retirement benefit plans as following:  
 Funded: Gratuity.  
 Non Funded: Leave Encashment

### Disclosures for defined benefit plans based on actuarial reports as on March 31, 2017

	Gratuity (Funded)	
	2016-17	2015-16
<b>A. Change in Defined Benefit Obligations :</b>		
Present Value of Defined Benefit Obligations as at the beginning of the year	2,10,31,580	1,84,97,353
Current Service Cost	7,82,106	11,54,615
Past Service Cost	–	–
Interest Cost	15,48,589	13,11,700
Benefits Paid	(23,55,745)	(33,61,381)
Actuarial (Gains)/ Losses	39,78,632	34,29,293
<b>Present Value of Defined Benefit Obligations as at the end of the year</b>	<b>2,49,85,162</b>	<b>2,10,31,580</b>
<b>B. Change in the Fair Value of Assets :</b>		
Fair Value of Plan Assets at the beginning of the year	1,78,68,439	1,84,02,832
Expected Return on Plan Assets	14,37,401	14,85,132
Contributions by the Employer	14,64,948	15,00,000
Mortality Charges and Taxes	(13,446)	–
Benefits paid	(23,55,745)	(33,61,381)
Actuarial Gains/ (Losses)	(51,450)	(1,58,144)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>1,83,50,147</b>	<b>1,78,68,439</b>

**Notes Forming Part of the Financial Statements** as at March 31, 2017

(Amount in ₹)

	Gratuity (Funded)	
	2016-17	2015-16
<b>C. Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets:</b>		
Present Value of Defined Benefit Obligations as at the end of the year	2,49,85,162	2,10,31,580
Fair Value of Plan Assets at the end of the year	1,83,50,147	1,78,68,439
<b>Liability /(Assets) recognized in the Balance Sheet</b>	<b>66,35,015</b>	<b>31,63,141</b>
<b>D. Expenses recognized in the Statement of Profit and Loss :</b>		
Current Service Cost	7,82,106	11,54,615
Past Service Cost	–	–
Interest Cost	15,48,589	13,11,700
Expected Return on Plan Assets	(14,37,401)	(14,85,132)
Net Actuarial (Gain)/ Loss	40,30,082	35,87,437
<b>Total Expenses recognized in the Statement of Profit and Loss *</b>	<b>49,23,376</b>	<b>45,68,620</b>
<b>E. Principal Actuarial Assumptions used :</b>		
Discounted Rate (per annum) Compound	6.90%	7.80%
Expected Rate of return on Plan Assets	8.25%	8.50%
Rate of Salary increase (per annum)	7.00%	7.00%

	2016-17	2015-16	2014-15	2013-14	2012-13
<b>F. Experience History :</b>					
<b>Net Assets/(Liability) recognized in Balance Sheet (including experience adjustment impact)</b>					
Present Value of Defined Benefit Obligations	2,49,85,162	2,10,31,580	1,84,97,353	1,26,74,715	1,26,46,379
Fair Value of Plan Assets	1,83,50,147	1,78,68,439	1,84,02,832	1,68,64,488	1,54,37,863
Status [Surplus/(Deficit)]	(66,35,015)	(31,63,141)	(94,521)	41,89,773	27,91,484
Experience Adjustment of obligation [(Gain)/Loss]	39,78,632	34,29,293	25,89,103	2,63,349	3,55,596
Experience Adjustment of Plan Assets [(Gain)/Loss]	7,893	70,783	2,16,810	(27,313)	(1,14,587)

**Disclosures for defined benefit plans based on actuarial reports as on March 31, 2017**

	Leave Encashment (Non Funded)	
	2016-17	2015-16
<b>A. Change in Defined Benefit Obligations :</b>		
Present Value of Defined Benefit Obligations as at the beginning of the year	28,47,436	27,33,998
Current Service Cost	3,37,955	3,85,493
Interest Cost	2,06,544	1,98,686
Benefits Paid	(3,98,884)	(3,73,496)
Actuarial (Gains)/ Losses	(11,287)	(97,245)
<b>Present Value of Defined Benefit Obligations as at the end of the year</b>	<b>29,81,764</b>	<b>28,47,436</b>

## Notes Forming Part of the Financial Statements for the year ended March 31, 2017

(Amount in ₹)

	Leave Encashment (Non Funded)	
	2016-17	2015-16
<b>B. Change in the Fair Value of Assets :</b>		
Fair Value of Plan Assets at the beginning of the year	–	–
Expected Return on Plan Assets	–	–
Contributions by the Employer	–	–
Benefits paid	–	–
Actuarial Gains/ (Losses)	–	–
<b>Fair Value of Plan Assets at the end of the year</b>	–	–
<b>C. Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets:</b>		
Present Value of Defined Benefit Obligations as at the end of the year	29,81,764	28,47,436
Fair Value of Plan Assets at the end of the year	–	–
<b>Liability /(Assets) recognized in the Balance Sheet</b>	<b>29,81,764</b>	<b>28,47,436</b>
<b>D. Expenses recognized in the Statement of Profit and Loss :</b>		
Current Service Cost	3,37,955	3,85,493
Interest Cost	2,06,544	1,98,686
Expected Return on Plan Assets	–	–
Net Actuarial (Gain)/ Loss	(11,287)	(97,245)
<b>Total Expenses recognized in the Statement of Profit and Loss *</b>	<b>5,33,212</b>	<b>4,86,934</b>
<b>E. Principal Actuarial Assumptions used :</b>		
Discounted Rate (per annum) Compound	6.90%	7.80%
Expected Rate of return on Plan Assets	–	–
Rate of Salary increase (per annum)	7.00%	7.00%

<b>F. Experience History :</b>	2016-17	2015-16	2014-15	2013-14	2012-13
<b>Net Assets/(Liability) recognized in Balance Sheet (including experience adjustment impact)</b>					
Present Value of Defined Benefit Obligations	29,81,764	28,47,436	27,33,998	20,42,361	19,69,909
Fair Value of Plan Assets	–	–	–	–	–
Status [Surplus/(Deficit)]	(29,81,764)	(28,47,436)	(27,33,998)	(20,42,361)	(19,69,909)
Experience Adjustment of Plan Assets [(Gain)/Loss]	–	–	–	–	–
Experience Adjustment of obligation [(Gain)/Loss]	(11,287)	(97,245)	1,42,880	2,77,500	2,50,532

\*Included in "Salaries, Wages and Bonus" and "Contribution to Provident Fund, Gratuity and Other Funds" under "EMPLOYEE BENEFITS EXPENSE" on Note 26.

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

The contributions expected to be made by the Company for the year 2017-18 is not ascertained.

## Notes Forming Part of the Financial Statements for the year ended March 31, 2017

(Amount in ₹)

### 29.3 Unhedged Foreign Currency exposures as on March 31, 2017 are as follows :-

Nature	Currency	Current year amount in Foreign Currency	Previous year amount in Foreign Currency
Amount receivable on account of sale of goods, loans and advances, interest, etc.	USD	11,35,392.72	9,28,408.49
	SGD	5,19,951.39	–
	CDN	–	24,75,308.88
	AUD	16,03,397.18	12,78,135.94
Amount payable on account of purchase of goods and services, loans and advances, interest, etc.	USD	1,98,405.00	5,96,659.39
	GBP	–	29,786.32
	CDN	52,670.87	1,23,765.41

29.4 Earning Per Share (EPS) :	Year ended 31.03.2017	Year ended 31.03.2016
(a) Profit / (Loss) attributable to Shareholders (₹)	(1,29,90,890)	(1,28,41,686)
(b) Weighted average number of Equity Shares	6,75,00,000	6,75,00,000
(c) Nominal Value of Equity Share (₹)	1	1
(d) Basic and Diluted EPS (₹)	(0.19)	(0.19)



## Notes Forming Part of the Financial Statements as at March 31, 2017

### 29.5 Segment information for the year ended March 31, 2017

#### (i) Information about primary business segments :

(Amount in ₹)

Particulars	Conveyor Belting		Wind Energy		Trading Goods		Unallocated Corporate		Total Amount	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
<b>a Segment Revenue</b>										
Sale and Services to External customers	420066729	646622969	24196774	27172005	32148304	102863120	-	-	476411807	776658094
Other operating revenue	-	-	-	-	-	-	6808969	4490922	6808969	4490922
<b>Gross Turnover</b>	<b>420066729</b>	<b>646622969</b>	<b>24196774</b>	<b>27172005</b>	<b>32148304</b>	<b>102863120</b>	<b>6808969</b>	<b>4490922</b>	<b>483220776</b>	<b>781149016</b>
Less : Excise Duty / Service tax recovered	11510728	25531165	-	-	-	-	-	-	11510728	25531165
<b>Net Turnover</b>	<b>408556001</b>	<b>621091804</b>	<b>24196774</b>	<b>27172005</b>	<b>32148304</b>	<b>102863120</b>	<b>6808969</b>	<b>4490922</b>	<b>471710048</b>	<b>755617851</b>
<b>b Segment Results</b>	<b>23370250</b>	<b>13755240</b>	<b>13758402</b>	<b>11214327</b>	<b>5539589</b>	<b>4693106</b>	-	-	<b>42668241</b>	<b>29662673</b>
Unallocated Corporate Expenses	-	-	-	-	-	-	(16490413)	(15597741)	(16490413)	(15597741)
	23370250	13755240	13758402	11214327	5539589	4693106	(16490413)	(15597741)	26177828	14064932
Interest Expenses	-	-	-	(111573)	-	-	(59017850)	(56551554)	(59017850)	(56663127)
Interest Income	-	-	-	-	-	-	15678971	20530208	15678971	20530208
Profit/(Loss) from investment	-	-	-	-	-	-	2638578	1128155	2638578	1128155
<b>Profit/(Loss) before Tax and Exceptional Items</b>	<b>23370250</b>	<b>13755240</b>	<b>13758402</b>	<b>11102754</b>	<b>5539589</b>	<b>4693106</b>	<b>(57190714)</b>	<b>(50490932)</b>	<b>(14522473)</b>	<b>(20939832)</b>
Exceptional Items	-	-	-	-	-	-	-	-	-	-
<b>Profit / (Loss) Before Tax</b>	<b>23370250</b>	<b>13755240</b>	<b>13758402</b>	<b>11102754</b>	<b>5539589</b>	<b>4693106</b>	<b>(57190714)</b>	<b>(50490932)</b>	<b>(14522473)</b>	<b>(20939832)</b>
Income Taxes	-	-	-	-	-	-	1531583	8098146	1531583	8098146
<b>Profit After Tax</b>	<b>23370250</b>	<b>13755240</b>	<b>13758402</b>	<b>11102754</b>	<b>5539589</b>	<b>4693106</b>	<b>(55659131)</b>	<b>(42392786)</b>	<b>(12990890)</b>	<b>(12841686)</b>
<b>c Segment Assets</b>	<b>439909379</b>	<b>638634553</b>	<b>48181080</b>	<b>53936289</b>	<b>13393733</b>	<b>10124510</b>	-	-	<b>501484192</b>	<b>702695352</b>
Unallocated Corporate Assets	-	-	-	-	-	-	772870449	767971026	772870449	767971026
<b>Total Assets</b>	<b>439909379</b>	<b>638634553</b>	<b>48181080</b>	<b>53936289</b>	<b>13393733</b>	<b>10124510</b>	<b>772870449</b>	<b>767971026</b>	<b>1274354641</b>	<b>1470666378</b>
<b>d Segment liabilities</b>	<b>(101496035)</b>	<b>(116863409)</b>	<b>(2564875)</b>	<b>(686919)</b>	<b>(2340000)</b>	-	-	-	<b>(106400910)</b>	<b>(117550328)</b>
Unallocated Corporate Liabilities	-	-	-	-	-	-	(370494510)	(542665940)	(370494510)	(542665940)
<b>Total Liabilities</b>	<b>(101496035)</b>	<b>(116863409)</b>	<b>(2564875)</b>	<b>(686919)</b>	<b>(2340000)</b>	-	<b>(370494510)</b>	<b>(542665940)</b>	<b>(476895420)</b>	<b>(660216268)</b>
e Cost incurred during the period to acquire segment fixed assets	4414964	19049647	-	-	-	-	37800	6025580	4452764	25075227
f Depreciation / Amortisation	23538485	26975113	3958163	4382105	-	-	1524993	2289048	29021641	33646266
g Non cash expenses other than Amortisation	-	-	-	-	-	-	-	-	-	-

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

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

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

## Notes Forming Part of the Financial Statements as at March 31, 2017

### 29.5 (ii) Information about secondary Business Segments

Particulars	2016-17	2015-16
<b>Revenue by geographical market</b>		
<b>Sale of products</b>		
Domestic	14,66,47,576	28,33,75,243
Export	32,97,64,231	49,32,82,851
<b>Total</b>	<b>47,64,11,807</b>	<b>77,66,58,094</b>
<b>Assets</b>		
Trade Receivables (Net of Provision for Doubtful debt)		
Within India	5,75,01,209	2,34,29,880
Outside India	9,22,16,551	29,54,29,132
<b>Total</b>	<b>14,97,17,760</b>	<b>31,88,59,012</b>

### 29.6 Related Party Disclosure as required by Accounting Standard 18 "Related Party Disclosures" are as follows :

- (a) Associates:
  - 1) None
- (b) Subsidiaries :
  - 1) International Belting Limited
  - 2) Conveyor Holdings Pte Limited, Singapore
  - 3) International Conveyors America Limited, INC
  - 4) International Conveyors Australia Pty Limited (Australia) (100% subsidiary of Conveyor Holdings Pte Limited, Singapore)
- (c) Key Management Personnel :
 

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

## Notes Forming Part of the Financial Statements as at March 31, 2017

### 29.6 Details of transaction made with Related Parties during the year : (Amount in ₹)

Nature of transaction	International Belling Limited		Conveyor Holdings Private Limited		International Conveyors Australia Pty Limited		International Conveyors America Ltd., Inc		R.C.A. Limited		Pure Coke Limited		I.S.E. (India) Private Limited		Eipro International Limited		Key Management		
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17
Director Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Loan (Net)	4,096	-	34,38,729	23,62,454	-	-	22,55,724	9,98,147	-	-	38,48,855	1,23,38,440	-	-	19,05,874	-	-	-	-
Received	-	-	-	-	-	-	-	-	66,575	-	-	-	-	2,00,739	-	16,17,918	-	-	-
Paid	-	7,05,000	-	-	-	-	-	29,760	29,760	-	-	-	-	-	-	-	-	-	-
Rent Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend Income	-	-	-	-	-	-	-	-	27,096	27,096	-	-	-	-	18,00,000	-	-	-	-
On Preferential Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
On Equity Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inter Corporate Deposit :	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Given	6,60,000	16,00,000	2,40,73,750	-	-	-	3,34,40,000	-	1,90,00,000	-	22,46,29,983	21,33,40,000	18,29,345	-	27,65,79,920	2,60,00,000	-	-	-
Repayment of Loan	6,60,000	1,02,28,543	-	-	-	-	-	-	1,90,00,000	-	20,45,50,000	17,70,50,000	18,29,345	-	27,65,79,920	3,49,97,588	-	-	-
Loan Taken	14,00,000	2,51,71,457	-	-	-	-	-	-	-	-	-	-	-	-	8,47,36,064	81,06,676	-	-	-
Loan Repaid	14,00,000	2,51,71,457	-	-	-	-	-	-	-	-	-	-	3,31,70,655	17,00,00,000	5,60,60,676	-	-	-	-
Reimbursement of Expenses (Net)	2,350	1,081	-	-	41,63,247	87,92,315	-	64,98,464	-	-	-	-	1,34,298	10,01,927	-	-	-	-	-
Recovery of Expenses (Net)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commission on Export Sales	-	-	-	-	-	-	87,76,039	62,12,027	-	-	-	-	-	-	7,293	28,669	-	-	-
Purchase of Materials/Services	-	-	-	-	-	6,15,900	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Materials/Services	-	-	-	-	10,66,81,317	16,10,76,469	3,54,92,974	8,21,80,820	-	-	-	-	-	-	-	-	-	-	-
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Given	-	-	5,15,58,239	2,59,86,991	-	-	4,49,82,207	1,09,79,622	-	-	2,35,43,952	8,95,54,983	-	3,31,70,655	17,15,287	-	-	-	-
Loan Taken	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,61,84,016	-	-	-
Sale of Materials/Services	-	-	-	-	8,18,92,807	12,35,55,064	95,60,515	4,60,61,317	-	-	-	-	-	-	-	-	-	-	-
Export Sales Commission Payable	-	-	-	-	-	-	25,97,726	62,12,027	-	-	-	-	-	-	-	-	-	-	-
Dividend Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of Expenses	-	-	-	-	-	-	-	-	-	-	-	-	21,726	-	72,00,000	54,00,000	-	-	-
Recovery of Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28,669
Corporate Guarantee given and outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,50,00,000	14,50,00,000	-	-	-

## Notes Forming Part of the Financial Statements as at March 31, 2017

### 29.7 Value and Percentage of Imported and Indigenous Raw Materials, Stores and Loose Tools Consumed :

Particulars	2016-17		2015-16	
	₹	%	₹	%
<b>(a) Raw Materials:</b>				
Imported	11,64,96,783	56	18,09,80,127	58
Indigenous	9,15,90,836	44	13,32,94,462	42
<b>Total</b>	<b>20,80,87,619</b>	<b>100</b>	<b>31,42,74,589</b>	<b>100</b>
<b>(b) Stores, Spares &amp; Components:</b>				
Imported	–	–	5,14,500	19
Indigenous	14,38,559	100	21,99,691	81
<b>Total</b>	<b>14,38,559</b>	<b>100</b>	<b>27,14,191</b>	<b>100</b>

### 29.8 C.I.F Value of Imports :

Particulars	2016-17	2015-16
(a) Raw Materials	10,49,59,334	18,33,39,441
(b) Trading Goods	1,68,91,519	2,84,75,274
(c) Capital Goods	–	26,38,016
<b>Total</b>	<b>12,18,50,853</b>	<b>21,44,52,731</b>

### 29.9 Expenditure in Foreign Currency :

Travelling Expenses	6,80,418	12,16,385
Postage & Telegram	1,36,758	53,287
Salary	1,04,95,946	70,95,335
Commission	87,76,039	1,32,94,383
Freight Expenses	–	60,19,783
Interest on PCFC & FCNRB DL Loan	–	8,81,378
Interest on LC- Buyers Credit	3,63,241	7,20,615
Development & Testing Expenses	19,97,065	15,96,346
Other Expenses	1,59,65,241	2,14,37,112
Claims Etc.	49,55,408	52,54,383
<b>Total</b>	<b>4,33,70,116</b>	<b>5,75,69,007</b>

### 29.10 Earning in Foreign Currency:

Export of Beltings at F.O.B. Value	32,12,26,978	48,15,77,767
<b>Total</b>	<b>32,12,26,978</b>	<b>48,15,77,767</b>

29.11 In the opinion of the Board of Directors, current assets and loans and advances have the value at which these are stated in the Balance Sheet, unless otherwise stated and adequate provisions for all known liabilities have been made and are not in excess of the amount reasonably required.

29.12 Previous year's figures have been re-arranged/re-grouped wherever necessary.

Note 1 to 29.12 forms an integral part of the Financial Statements.

As per our report of even date

For **LODHA & CO.**

Chartered Accountants

**H. K. Verma**

Partner

Place : Kolkata

Date : May 30, 2017

For & on behalf of the Board

**R. K. Dabriwala**  
Managing Director

**M.P.Jhunjunwala**  
Director

**A. K. Gulgulia**  
Chief Financial Officer

# Notes Forming Part of the Financial Statements as at March 31, 2017

## Form No. AOC-1 Statement pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies

S.No	Name of the Subsidiary Company	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Shareholding
1.	International Belting Limited	INR	1	75,00,000	9,25,78,848	10,38,61,625	37,82,777	24,000	2,40,12,808	97,83,136	30,00,000	67,83,136	-	100
2.	Conveyor Holdings PTE Limited *	USD	65.60	3,28,06,560	(10,32,64,174)	7,85,37,238	14,89,94,853	-	20,60,31,429	(12,86,547)	-	(12,86,547)	-	100
3.	International Conveyors America Limited, INC.	USD	65.60	65.60	(2,63,41,286)	2,95,33,120	5,58,74,341	-	3,64,77,077	(62,14,288)	-	(62,14,288)	-	100

### Notes :

- Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on 31.03.2017
- \* Includes information of its wholly owned subsidiary International Conveyors Australia Pty Limited.

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

**H. K. Verma**  
Partner

Place : Kolkata

Date : May 30, 2017

For & on behalf of the Board

**R. K. Dabriwala**  
Managing Director

**M.P.Jhunjhunwala**  
Director

**A. K. Gulgulia**  
Chief Financial Officer

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# CONSOLIDATED FINANCIAL STATEMENTS

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# Independent Auditors' Report

## To the Members of International Conveyors Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of International Conveyors Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

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

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

### Auditors' Responsibility

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

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

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2017, their consolidated Profit and their consolidated Cash Flows for the year ended on that date.

### Other Matters

We did not audit the financial statements / consolidated financial statements / financial information of two subsidiaries, whose financial statements / consolidated financial statements/ financial information reflect total assets of ₹ 9,57,95,873 as at March 31, 2017, total revenues of ₹ 26,17,32,839 and net cash flows amounting to ₹ 73,53,536 for the year ended on that date, as considered in the consolidated financial statements. These financial statements / consolidated financial statements/financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements / consolidated financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / consolidated financial statements/ financial information are not material to

## Independent Auditors' Report

the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements certified by the management.

### Report on Other Legal and Regulatory Requirements

#### As required by Section 143(3) of the Act, we report that :

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors of the Holding Company and the subsidiary company incorporated in India, as on March 31, 2017, taken on record by the Board of Directors of the Company and the subsidiary company incorporated in India, none of the directors of the company and its subsidiary company incorporated in India is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act.
- f) With respect to the adequacy of the Internal Financial Controls Over Financial Reporting of the holding Company and the Subsidiary Company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. Pending litigations (Other than those already recognised in the consolidated accounts) having material impact on the financial position of the Group have been disclosed in the consolidated financial statement as required in terms of the accounting standards and provisions of the Companies Act, 2013 – refer Note 29.1(i) and 29.1(i).1 of the consolidated financial statements;
  - ii. The Group does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. Further, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company incorporated in India.
  - iv. The Holding Company and its subsidiary incorporated in India has provided requisite disclosures in the consolidated financial statements as to holdings as well as dealings in Specified Bank Notes (Bank notes of denominations of five hundred and one thousand rupees existing on November 08, 2016) (SBN's) during the period from November 08, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosure are in accordance with books of account maintained by the Company and as produced to us by the management. Refer Note No. 18.1 of the consolidated financial statement.

For **Lodha & Co.**  
Chartered Accountants  
Firm's ICAI Registration No.:301051E

**H. K. Verma**  
Partner  
Membership No: 055104

Place : Kolkata  
Date : May 30, 2017



## **Annexure to the Independent Auditors' Report**

**"Annexure A" referred to in our report of even date**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of International Conveyors Limited (herein referred to as "the Holding Company") and Subsidiary Company incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the holding company and Subsidiary Company incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that

## Annexure to the Independent Auditors' Report

the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Holding Company and its Subsidiary Company incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Lodha & Co.**  
Chartered Accountants  
Firm's ICAI Registration No.:301051E

**H. K. Verma**  
Partner  
Membership No: 055104

Place : Kolkata  
Date : May 30, 2017

## Consolidated Balance Sheet as at March 31, 2017

(Amount in ₹)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Fund</b>			
(a) Share capital	2	6,75,00,250	6,75,00,250
(b) Reserves and surplus	3	63,26,74,599	62,20,71,466
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	4	5,73,756	1,94,48,305
(b) Other Long-term Liabilities	5	10,00,000	–
(c) Long-term provisions	6	16,53,644	16,63,347
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	7	40,12,37,973	55,47,11,494
(b) Trade payables	8		
Total Outstanding dues of micro enterprises and small enterprises	8.1	–	–
Total Outstanding dues of creditors other than micro enterprises and small enterprises	8.2	5,28,52,685	7,58,17,286
(c) Other current liabilities	9	2,06,64,879	2,58,23,102
(d) Short-term provisions	10	92,53,594	1,00,22,739
<b>TOTAL</b>		<b>1,18,74,11,380</b>	<b>1,37,70,57,989</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Goodwill on consolidation		1,01,13,526	1,01,13,526
(b) Fixed assets			
(i) Tangible assets	11	19,71,83,288	22,17,00,283
(ii) Intangible assets	11	9,11,273	13,42,711
(iii) Capital work-in-progress		1,20,94,362	1,29,69,865
(c) Non-current investments	12	42,26,40,964	42,44,92,560
(d) Deferred tax assets (Net)	13	1,40,05,486	1,22,74,070
(e) Long-term loans and advances	14	1,72,62,739	1,96,26,723
(f) Other non-current assets	15	3,46,60,909	5,68,36,315
<b>(2) Current assets</b>			
(a) Inventories	16	15,39,76,188	18,99,60,481
(b) Trade receivables	17	7,95,84,326	15,96,72,010
(c) Cash and Bank balances	18	2,49,79,946	3,66,85,523
(d) Short-term loans and advances	19	20,42,14,215	22,58,78,520
(e) Other current assets	20	1,57,84,158	55,05,402
<b>TOTAL</b>		<b>1,18,74,11,380</b>	<b>1,37,70,57,989</b>

Summary of significant accounting policies

Notes to financial statements

The notes are an integral part of the Financial Statements

As per our report of even date

For **LODHA & CO.**

Chartered Accountants

**H. K. Verma**

Partner

Place : Kolkata

Date : May 30, 2017

1

2–29

For & on behalf of the Board

**R. K. Dabriwala**  
Managing Director

**M.P.Jhunjunwala**  
Director

**A. K. Gulgulia**  
Chief Financial Officer

## Consolidated Statement of Profit and Loss for the year ended March 31, 2017

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>REVENUE</b>			
Revenue from Operations (Net)	21	59,91,62,594	84,26,06,979
Other Income	22	4,27,91,690	5,69,25,260
<b>Total Revenue</b>		<b>64,19,54,284</b>	<b>89,95,32,239</b>
<b>EXPENSES</b>			
Cost of Materials consumed	23	22,46,34,614	35,03,51,500
Purchase of Stock in Trade	24	5,25,68,318	12,34,99,125
Changes in Inventories of Finished Goods, Work in Progress & Stock in Trade	25	2,59,20,354	6,59,74,419
Employee Benefits Expense	26	11,30,17,402	12,97,56,314
Finance Costs	27	5,95,38,117	5,71,32,638
Depreciation and Amortization Expense	11	2,92,57,909	3,39,19,257
Other Expenses	28	13,16,44,847	18,99,24,285
<b>Total Expenses</b>		<b>63,65,81,561</b>	<b>95,05,57,538</b>
<b>Profit/(Loss) before tax</b>		<b>53,72,723</b>	<b>(5,10,25,299)</b>
<b>Tax Expense</b>			
Current		30,00,000	31,03,916
Tax for earlier year		1,99,833	4,13,309
Less : Mat Credit Entitlement		-	(14,90,268)
Deferred Tax Charge/(Credit)		(17,31,416)	(85,11,455)
		<b>14,68,417</b>	<b>(64,84,498)</b>
<b>Profit/(Loss) after tax</b>		<b>39,04,306</b>	<b>(4,45,40,801)</b>
Earning per Equity Share			
- Basic		0.06	(0.66)
- Diluted		0.06	(0.66)

Summary of significant accounting policies 1  
 Notes to consolidated financial statements 2-29  
 The notes are an integral part of the consolidated Financial Statements

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

**H. K. Verma**  
 Partner

Place : Kolkata  
 Date : May 30, 2017

For & on behalf of the Board

**R. K. Dabriwala**  
 Managing Director

**M.P.Jhunjunwala**  
 Director

**A. K. Gulgulia**  
 Chief Financial Officer

## Consolidated Cash Flow Statement for the year ended March 31, 2017

(Amount in ₹)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax	53,72,723	(5,10,25,299)
<b>Adjustment for</b>		
Depreciation	2,92,57,909	3,39,19,257
Provision for Bad and Doubtful Debts	–	–
(Profit)/Loss on sale of Fixed Assets (Net)	39,069	(1,46,566)
(Profit)/Loss on sale of Long-Term Investment (Net)	(26,38,578)	(11,28,155)
Liquidated Damages / Rebate & discount	1,60,51,493	1,60,06,938
Dividend from Long Term Investment	(19,73,814)	(20,02,146)
Finance Costs	5,95,38,117	5,71,32,638
Interest Income	(2,28,73,863)	(2,97,76,735)
Foreign Exchange (Gain) / Loss on foreign currency cash and cash equivalents	39,933	1,17,140
Liability/Provision for doubtful deposit written off/(back) (Net)	(3,24,844)	(35,36,513)
<b>Operating profit before working capital changes</b>	<b>8,24,88,145</b>	<b>1,95,60,559</b>
<b>Adjustment for</b>		
Trade and other receivables	5,79,62,090	17,76,66,890
Inventories	3,59,84,293	4,64,55,670
Trade and other payables	(1,95,66,173)	(11,63,61,034)
	<b>7,43,80,210</b>	<b>10,77,61,526</b>
<b>Cash generated from Operation</b>	<b>15,68,68,355</b>	<b>12,73,22,085</b>
Direct Taxes (Paid)/Refund received	8,33,087	(57,21,261)
<b>Net Cash from/(used in) Operating Activities</b>	<b>15,77,01,442</b>	<b>12,16,00,824</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(36,04,641)	(1,25,09,637)
Sale of Fixed Assets	1,56,599	12,91,623
(Purchase)/Sale of Investments	44,90,174	13,78,199
(Loans Given)/Recovery of loan given to bodies corporate	2,28,75,760	(3,95,70,363)
Dividend received	1,73,814	2,02,146
Deposits with bank (original maturity more than 3 months)	2,52,85,803	(1,19,69,824)
Interest received	2,25,12,644	3,19,28,266
<b>Net Cash from/(used in) Investing Activities</b>	<b>7,18,90,153</b>	<b>(2,92,49,590)</b>

## Consolidated Cash Flow Statement for the year ended March 31, 2017

(Amount in ₹)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/ (Repayments) from Borrowings	(17,67,81,096)	(41,08,226)
Dividend Paid (Including Corporate Dividend Tax thereon)	(40,99,499)	(2,03,10,353)
Interest paid	(5,90,66,247)	(5,79,25,153)
<b>Net cash from/(used in) Financing Activities</b>	<b>(23,99,46,842)</b>	<b>(8,23,43,732)</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,03,55,247)	1,00,07,502
Cash and Cash Equivalents at the beginning of the year	3,18,03,120	2,19,12,758
Exchange difference on translation of foreign currency cash and cash equivalents	(39,933)	(1,17,140)
<b>Cash and Cash Equivalents at the end of the year (Refer Note 18)</b>	<b>2,14,07,940</b>	<b>3,18,03,120</b>

**Note :**

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

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

**H. K. Verma**  
*Partner*

Place : Kolkata  
Date : May 30, 2017

For & on behalf of the Board

**R. K. Dabriwala**  
*Managing Director*

**M.P.Jhunjunwala**  
*Director*

**A. K. Gulgulia**  
*Chief Financial Officer*

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES OF CONSOLIDATED ACCOUNTS

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

Name of the subsidiaries	Country of Incorporation	Proportion of ownership interest
International Belting Limited	India	100%
Conveyor Holdings Pte Limited	Singapore	100%
International Conveyors Australia Pty Limited (acquired 100% share through wholly owned subsidiary Conveyor Holdings Pte Limited)	Australia	
International Conveyors America Limited, INC	United State of America	100%

### 1.3 CONSOLIDATION PROCEDURE:

- i. The financial statements of the parent company and its subsidiaries have been prepared based on a line-by-line consolidation by adding together the book value of like items of assets and liabilities, revenue and expenses as per the respective financial statements. Intra group balances, intra group transactions and the unrealised profits on stocks arising out of intra group transaction have been eliminated.
- ii. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for similar material transactions and other events in similar circumstances otherwise as stated elsewhere.
- iii. The difference between the cost of investments in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
- iv. In terms of AS-11 on “The effects of changes in Foreign Exchange Rates”, foreign subsidiaries of the company are not integral to the operations of the company. Financial statements of these subsidiaries have been translated at following exchange rates :
  - a) Revenue and Expenses : At the date of transaction or at rates that closely approximate the rate at the date of the transaction.
  - b) All assets and Liabilities : At the closing exchange rates prevailing at the year end.
  - c) All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

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

### 1.5 Other significant accounting policies :

#### 1.5.1 General

The consolidated financial statements have been prepared under the historical cost convention in accordance with the provision of the Companies Act, 2013 and mandatory Accounting Standards as prescribed under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices. Accounting policies unless specifically stated to be otherwise, are consistent and are in consonance with Generally Accepted Accounting Principle.

#### 1.5.2 Use of Estimates

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

#### 1.5.3 Changes in Accounting Policy

##### 1.5.3. (i) Accounting for Proposed Dividend

As per the requirements of AS-4 (Revised with effective from April 1, 2016) on “Contingencies and events occurring after the Balance Sheet date” proposed final dividend including distribution tax are recognised as liability in the period in which

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017

they are approved by the shareholders in the General Meeting unlike requirement of recognising the same as liability in the period to which it relates. Had the Company continued with its current practice, surplus in the statement of Profit and Loss would have been lower by 40.62 lakh with a corresponding increase in the provision.

### 1.5.4 Fixed Assets, Depreciation and Amortization

#### 1.5.4. (i) Tangible Assets

##### a) Gross Block

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

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

- b) Depreciation is provided on written down value method as per Schedule II of the Companies Act, 2013 based on the useful life of the assets. In case of certain items of Plant and Equipments where useful life ranging from 10 to 30 years has been considered based on technical assessment, which is different from the useful life prescribed under Schedule II of the Companies Act, 2013. However assets costing ₹ 5,000/- or less are depreciated fully in the year of addition. Leasehold land is amortized over the period of lease.

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

#### 1.5.4. (ii) Intangible Assets

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

### 1.5.5 Investments

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

### 1.5.6 Inventories

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

### 1.5.7 Impairments

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

### 1.5.8 Foreign Currency Transaction

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



## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017

### 1.5.9 Revenue Recognition

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

### 1.5.10 Sales

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

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

### 1.5.11 Expenses

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

### 1.5.12 Employee Benefits

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

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

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

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

### 1.5.13 Grants

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

### 1.5.14 Borrowing Cost

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

### 1.5.15 Income Tax

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

### 1.5.16 Provisions, Contingent Liabilities and Contingent Assets

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

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>2 SHARE CAPITAL</b>			
<b>Authorised Shares</b>			
98,000,000 (98,000,000) Equity Shares of ₹ 1/- each		9,80,00,000	9,80,00,000
20,000 (20,000) Preference Shares of ₹ 100/- each		20,00,000	20,00,000
		<b>10,00,00,000</b>	<b>10,00,00,000</b>
<b>Issued, Subscribed and Fully Paid-up Shares:</b>			
67,500,000 (67,500,000) Equity Shares of ₹ 1/- each		6,75,00,000	6,75,00,000
Forfeited Shares		250	250
		<b>6,75,00,250</b>	<b>6,75,00,250</b>

- 2.1** Out of the above issued shares, the company has only one class of equity shares having a par value of ₹ 1/- each. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion of their shareholding. The Board of Directors has approved dividend of ₹ 0.05 per share (5%), subject to approval of shareholders in the ensuing Annual General Meeting.
- 2.2** There is no movement in the number of shares outstanding at the beginning and at the end of the reporting period.
- 2.3** Details of the shareholders holding more than 5% shares of the total number of equity shares issued by the Company:

Name of the Shareholder	Reference Note No.	No. of Shares held as at March 31, 2017	No. of Shares held as at March 31, 2016
Surbhit Dabriwala		88,24,859	88,24,859
Yamini Dabriwala		64,09,900	64,09,900
Elara India Opportunities Fund Limited.		65,00,000	65,00,000
Cresta Fund Limited		65,00,000	65,00,000
Eriska Investment Fund Limited		65,00,000	65,00,000
Lotus Global Investments Limited		42,99,400	42,99,400

### 2.4 Proposed dividends on Equity shares

	As at March 31, 2017	As at March 31, 2016
The Board proposed dividend on equity shares after the balance sheet		
Proposed dividend on equity shares for the year ended on March 31, 2017 : ₹ 0.05 per share (March 31 2016 : ₹ 0.05 per share)	33,75,000	33,75,000
Dividend Distribution Tax on proposed dividend	6,87,071	6,90,863
	<b>40,62,071</b>	<b>40,65,863</b>

For the period upto March 31, 2016 the Company was treating dividend proposed/declared after the Balance Sheet date as on adjusting event. However, from the financial year 2016-17 onwards, it is treated as non-adjusting event.

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>3 RESERVES AND SURPLUS</b>			
<b>Capital Reserve</b>			
As per last Balance Sheet (Central Subsidy)		39,42,000	39,42,000
		<b>39,42,000</b>	<b>39,42,000</b>
<b>General Reserve</b>			
As per last Balance Sheet		55,04,57,367	55,23,76,987
Less : Transferred to Surplus		–	19,19,620
		<b>55,04,57,367</b>	<b>55,04,57,367</b>
<b>Securities Premium Account</b>			
As per last Balance Sheet		18,85,50,000	18,85,50,000
		<b>18,85,50,000</b>	<b>18,85,50,000</b>
<b>Surplus / (Deficit)</b>			
As per last Balance Sheet		(13,92,79,902)	(9,25,92,858)
Add : Transferred from General Reserve		–	19,19,620
Add : Net Profit/(Loss) After Tax transferred from Statement of Profit and Loss		39,04,306	(4,45,40,801)
Amount available for appropriation		<b>(13,53,75,596)</b>	<b>(13,52,14,039)</b>
Less : Appropriations			
- Proposed Equity Dividend	2.4	–	33,75,000
- Tax on Equity Dividend	2.4	–	6,90,863
		–	<b>40,65,863</b>
Net Surplus/(Deficit)		<b>(13,53,75,596)</b>	<b>(13,92,79,902)</b>
Foreign Currency Translation Reserves		2,51,00,828	1,84,02,001
<b>Total Reserves and Surplus</b>		<b>63,26,74,599</b>	<b>62,20,71,466</b>

Particulars	Reference Note No.	As at March 31, 2017		As at March 31, 2016	
		Non-Current	Current	Non-Current	Current
<b>4 LONG TERM BORROWINGS</b>					
<b>SECURED LOAN</b>					
<b>Term Loan</b>					
From bank	4.1	–	–	–	21,73,706
		–	–	–	<b>21,73,706</b>
<b>Vehicle Finance Loan</b>					
From banks	4.2	–	2,23,085	7,41,709	16,66,042
From others	4.3	2,27,413	2,74,184	5,01,597	5,83,105
		<b>2,27,413</b>	<b>4,97,269</b>	<b>12,43,306</b>	<b>22,49,147</b>
		<b>2,27,413</b>	<b>4,97,269</b>	<b>12,43,306</b>	<b>44,22,853</b>
<b>UNSECURED LOAN</b>					
Sales Tax Deferment Loan	4.4	3,46,343	5,33,687	8,80,030	7,73,379
From bank	4.5	–	–	1,67,89,470	–
Finance Lease Obligation	4.6	–	–	5,35,499	2,67,750
		<b>3,46,343</b>	<b>5,33,687</b>	<b>1,82,04,999</b>	<b>10,41,129</b>
		<b>5,73,756</b>	<b>10,30,956</b>	<b>1,94,48,305</b>	<b>54,63,982</b>

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017

### 4.1 Term loan referred above to the extent of:

₹ Nil (Previous year ₹ 2,173,706) was secured by first charge on all fixed assets pertaining to Falta SEZ division of the Company, both present & future, second charge on entire current assets of the said division of the Company both present & future, and was also secured by personal guarantee of one of the directors and corporate guarantee and was repayable in 21 quarterly installment commencing from June, 2011. Rate of interest at 2.65% above base rate.

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

(Amount in ₹)

Rate of Interest	2017-18
10.00%	2,23,085

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

(Amount in ₹)

Rate of Interest	2017-18	2018-19
10.14%	28,879	–
11.71%	2,45,305	2,27,413

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

Year	Amount in ₹
2017-18	5,33,687
2018-19	3,18,097
2019-20	28,246

### 4.5 The bank loan taken by one of the subsidiary is unsecured and bears interest at NIL (Previous year : 5.7%)

### 4.6 The finance lease obligation is entered for the purchase of motor vehicle by one of the subsidiary. The finance lease obligation is fully paid during the year.

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>5 OTHER LONG TERM LIABILITIES</b>			
Provision for decommissioning of assets		10,00,000	–
		<b>10,00,000</b>	–
<b>6 LONG TERM PROVISIONS</b>			
Provision for employee benefits		16,53,644	16,63,347
		<b>16,53,644</b>	<b>16,63,347</b>
<b>7 SHORT TERM BORROWINGS</b>			
<b>SECURED LOAN</b>			
<b>Working Capital Facility From Bank</b>	7.1		
Repayable on demand		12,64,78,937	20,78,08,789
Others		3,25,43,192	2,03,92,557
		<b>15,90,22,129</b>	<b>22,82,01,346</b>
<b>UNSECURED LOAN</b>			
Others		24,22,15,844	32,65,10,148
		<b>24,22,15,844</b>	<b>32,65,10,148</b>
		<b>40,12,37,973</b>	<b>55,47,11,494</b>

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017

(Amount in ₹)

- 7.1 Working Capital facility from Bank are secured by hypothecation of Holding Company's entire stock, book debts and other current assets both present and future and also secured by first charge on fixed assets of the Holding Company including land and building (both units at Aurangabad and Falta). This is further secured by personal guarantee by one of the directors of the Holding Company.

### 8 TRADE PAYABLES

#### 8.1 Total Outstanding dues of micro enterprises and small enterprises

Disclosure of Trade Payables is based on the information available with the group regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" (the Act). There are no delays in payment made to such suppliers. There is no amount outstanding as at the Balance Sheet date.

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>8.2 Trade Payable other than micro enterprises and small enterprises</b>			
Payables For Goods and Services	8.2.1	5,28,52,685	7,58,17,286
		<b>5,28,52,685</b>	<b>7,58,17,286</b>
<b>8.2.1 Payables For Goods and Services include</b>			
Acceptances		2,03,48,214	3,33,59,788
Creditors for raw materials/stores purchases		84,02,127	1,33,12,404

### 9 OTHER CURRENT LIABILITIES

Current Maturities of Long-term Term Loan	4	–	21,73,706
Current Maturities of Vehicle Finance Loan	4	4,97,269	22,49,147
Current Maturities of Sales Tax Deferment Loan	4	5,33,687	7,73,379
Current Maturities of Finance Lease Obligation	4	–	2,67,750
Interest accrued but not due on borrowings		1,50,499	87,876
Interest accrued and due on borrowings		7,37,023	3,27,776
Book Overdraft		–	5,728
Other Payables			
Forward Payable		–	21,64,276
Forward Deferred Premium		36,25,543	13,16,862
Unpaid Dividends	9.1	4,65,051	4,98,687
Other Payables	9.2 & 9.3	1,46,55,807	1,59,57,915
		<b>2,06,64,879</b>	<b>2,58,23,102</b>

- 9.1 This is not due for payment to Investor Education And Protection Fund.

- 9.2 Includes statutory dues (CST, PF, ESI, TDS etc.)

- 9.3 Includes ₹ 7,449,710/- (Previous year ₹ 7,693,858/-) being trade related in nature payable by one of the Subsidiary Company.

### 10 SHORT TERM PROVISIONS

Provision for employee benefits		92,53,594	43,47,230
Proposed Dividend	10.1	–	33,75,000
Tax on Proposed Dividend	10.1	–	6,90,863
Provision for Others		–	16,09,646
		<b>92,53,594</b>	<b>1,00,22,739</b>

- 10.1 Refer Note 2.4



## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As on 01.04.2016	Additions	Adjustments/ Deduction	As on 31.03.2017	Upto 31.03.2016	For the Year	Adjustments/ Deduction	Upto 31.03.2017	As on 31.03.2017	As on 31.03.2016
<b>TANGIBLE ASSETS</b>										
(a) Freehold Land	10,40,695	-	-	10,40,695	1,90,713	17,304	-	2,08,017	8,32,678	8,49,982
(b) Leasehold Land	79,794	-	-	79,794	34,380	943	-	35,323	44,471	45,414
(c) Buildings	6,66,94,121	-	-	6,66,94,121	2,67,21,335	38,51,228	-	3,05,72,563	3,61,21,558	3,99,72,786
(d) Plant & Equipment	32,99,38,974	41,06,794	4,99,093	33,35,46,675	20,56,67,362	1,80,39,640	4,53,922	22,32,53,080	11,02,93,595	12,42,71,612
(e) Wind Mill	26,71,43,526	-	-	26,71,43,526	22,05,77,056	39,58,163	-	22,45,35,219	4,26,08,307	4,65,66,470
(f) Electrical Installation	65,36,741	-	-	65,36,741	46,67,928	5,19,854	-	51,87,782	13,48,959	18,68,813
(g) Office Equipment	77,87,192	3,00,395	69,000	80,18,587	67,91,606	4,49,912	65,228	71,76,290	8,42,297	9,95,586
(h) Furniture & Fixtures	79,11,580	36,361	-	79,47,941	66,15,825	3,85,002	-	70,00,827	9,47,114	12,95,755
(i) Vehicles	1,19,97,255	-	6,64,721	1,13,32,534	61,63,390	15,42,831	5,17,996	71,88,225	41,44,309	58,33,865
<b>TOTAL TANGIBLE ASSETS</b>	<b>69,91,29,878</b>	<b>44,43,550</b>	<b>12,32,814</b>	<b>70,23,40,614</b>	<b>47,74,29,595</b>	<b>2,87,64,877</b>	<b>10,37,146</b>	<b>50,51,57,326</b>	<b>19,71,83,288</b>	<b>22,17,00,283</b>
Previous Year Tangible Assets	67,74,86,270	2,53,27,640	36,84,032	69,91,29,878	44,65,81,667	3,33,86,903	25,38,975	47,74,29,595	22,17,00,283	23,09,04,603
<b>INTANGIBLE ASSETS</b>										
Computer Software	31,53,584	61,594	-	32,15,178	18,10,873	4,93,032	-	23,03,905	9,11,273	13,42,711
<b>TOTAL INTANGIBLE ASSETS</b>	<b>31,53,584</b>	<b>61,594</b>	<b>-</b>	<b>32,15,178</b>	<b>18,10,873</b>	<b>4,93,032</b>	<b>-</b>	<b>23,03,905</b>	<b>9,11,273</b>	<b>13,42,711</b>
Previous Year Intangible Assets	31,53,584	-	-	31,53,584	12,78,519	5,32,354	-	18,10,873	13,42,711	18,75,065
<b>TOTAL</b>	<b>70,22,83,462</b>	<b>45,05,144</b>	<b>12,32,814</b>	<b>70,55,55,792</b>	<b>47,92,40,468</b>	<b>2,92,57,909</b>	<b>10,37,146</b>	<b>50,74,61,231</b>	<b>19,80,94,561</b>	<b>22,30,42,994</b>
Previous Year	68,06,39,854	2,53,27,640	36,84,032	70,22,83,462	44,78,60,186	3,39,19,257	25,38,975	47,92,40,468	22,30,42,994	23,27,79,668

11.1 Refer Note 4.1, 4.2, 4.3, 4.6 & 7.1

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017 (Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2017		As at March 31, 2016	
		No. of Shares	Value	No. of Shares	Value
<b>12 NON CURRENT INVESTMENTS</b> (Valued at cost unless stated otherwise)					
<b>Investment in Equity Instruments</b>					
(Fully paid-up unless otherwise stated)					
<b>Trade</b>					
<b>Others</b>					
<b>In Equity Shares of Other bodies corporate:</b>					
<b>Un-quoted:</b>					
I G E (India) Private Limited (Face Value of Share ₹ 1/- each)		29,750	29,543	29,750	29,543
Pure Coke Limited (Face Value of Share ₹ 10/- each)		1,54,560	17,67,989	1,54,560	17,67,989
Dabri Properties and Trading Company Limited (Face Value of Share ₹ 10/- each)		60	600	60	600
Elpro Estates Limited (Face Value of Share ₹ 10/- each)		200	2,000	200	2,000
		<b>1,84,570</b>	<b>18,00,132</b>	<b>1,84,570</b>	<b>18,00,132</b>
<b>(Quoted) :</b>					
Uco Bank (Face Value of Share ₹ 10/- each)		–	–	200	2,400
Dunlop India Limited (Face Value of Share ₹ 10/- each)		25	631	25	631
Garware-Wall Ropes Limited (Face Value of Share ₹ 10/- each)		–	–	350	28,465
Radaan Media Works (I) Limited (Face Value of Share ₹ 2/- each)		63,190	7,04,296	73,190	8,15,753
Oil Country Tubular Limited (Face Value of Share ₹ 10/- each)		–	–	6,000	7,82,853
Tide Water Oil (India) Limited (Face Value of Share ₹ 5/- each)		795	9,93,926	1,536	19,20,347
Elpro International Limited (Face Value of Share ₹ 2/- each)		1,00,94,580	11,89,78,997	1,00,94,580	11,89,78,997
R.C.A.Limited (Face Value of Share ₹ 5/- each)	12.5	27,096	1,62,982	13,548	1,62,982
		<b>1,01,85,686</b>	<b>12,08,40,832</b>	<b>1,01,89,429</b>	<b>12,26,92,428</b>
<b>Others</b>					
<b>In 12 % Non-Convertible Preference Shares of Other body corporate:</b>					
Elpro International Limited (Face Value of Share ₹ 10/- each)	12.6	15,00,000	30,00,00,000	15,00,000	30,00,00,000
		<b>15,00,000</b>	<b>30,00,00,000</b>	<b>15,00,000</b>	<b>30,00,00,000</b>
			<b>42,26,40,964</b>		<b>42,44,92,560</b>

<b>12.1</b> Aggregate Market value of Quoted Investments		55,91,92,946	29,68,42,488
<b>12.2</b> Aggregate amount of Quoted Investments		12,08,40,832	12,26,92,428
<b>12.3</b> Aggregate amount of Un-Quoted Investments in Equity Shares		18,00,132	18,00,132
<b>12.4</b> Aggregate amount of Un-Quoted Investments in Preference Shares		30,00,00,000	30,00,00,000

**12.5** The face value of equity shares of R.C.A. Limited of ₹ 10/- each has been sub divided into the face value of ₹ 5/- per equity share during the year.

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

**12.7** Particulars of investments as required in terms of Section 186 (4) of the Companies Act, 2013, have been disclosed under note no.12 above.

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017 (Amount in ₹)

Particulars	Opening as at April 1, 2016	Charge/ (Credit) during the year	As at March 31, 2017
<b>13 DEFERRED TAX ASSETS/ (LIABILITY) [NET]</b>			
<b>Deferred Tax Liability/(Assets):</b>			
On account of depreciation difference as per Income tax and books of account.	(2,21,183)	19,03,966	16,82,783
<b>Gross Deferred Tax Liability</b>	<b>(2,21,183)</b>	<b>19,03,966</b>	<b>16,82,783</b>
<b>Deferred Tax Assets:</b>			
Employee Benefits	20,80,140	(12,48,034)	33,28,174
Unabsorbed Depreciation	90,26,784	(24,04,652)	1,14,31,436
Provision for doubtful debt and deposit	9,45,963	17,304	9,28,659
<b>Gross Deferred Tax Asset</b>	<b>1,20,52,887</b>	<b>(36,35,382)</b>	<b>1,56,88,269</b>
<b>Net Deferred Tax Assets/(Liability) / [Net]</b>	<b>1,22,74,070</b>	<b>(17,31,416)</b>	<b>1,40,05,486</b>

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>14 LONG TERM LOANS AND ADVANCES (Unsecured Considered Good)</b>			
Capital Advances		33,56,277	33,81,277
Security Deposits		32,54,990	37,57,990
Advance Income Tax (net of provision)		90,10,672	1,08,46,656
Mat Credit Entitlement		14,90,268	14,90,268
Advance Fringe Benefit Tax (net of provision)		1,25,532	1,25,532
Others		25,000	25,000
		<b>1,72,62,739</b>	<b>1,96,26,723</b>

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>15 OTHER NON CURRENT ASSETS</b>			
Balance With Bank			
- In Fixed Deposits (having maturity more than 12 months)	15.1	2,74,60,909	5,14,36,315
Dividend Receivable		72,00,000	54,00,000
		<b>3,46,60,909</b>	<b>5,68,36,315</b>

15.1 Kept as lien against Letter of Credit and Bank Guarantee.



## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017 (Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>16 INVENTORIES</b> (Valued at lower of cost and net realisable value) (As valued, taken and certified by the management)			
Raw Materials		4,06,74,511	3,96,50,931
Raw Materials in Transit		20,25,308	1,10,78,508
Work-in-process		3,50,93,239	2,69,23,100
Finished Goods		6,17,06,088	9,92,64,487
Finished Goods in Transit		50,56,486	52,37,434
Stock in Trade		73,00,774	53,52,886
Stock in Trade in Transit		3,28,957	1,55,245
Stores and Spares		14,86,978	16,57,388
Loose Tools		3,03,847	6,40,502
		<b>15,39,76,188</b>	<b>18,99,60,481</b>

16.1 Refer Note 7.1

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>17 TRADE RECEIVABLES</b>			
<b>Unsecured</b>			
Trade receivables outstanding for a period exceeding six months from the date they are due for payment :			
Considered Good		1,78,88,622	1,83,94,958
Considered Doubtful		12,13,845	12,13,845
Less: Provision for Doubtful debt		(12,13,845)	(12,13,845)
		<b>1,78,88,622</b>	<b>1,83,94,958</b>
<b>Others</b>			
Considered Good		6,16,95,704	14,12,77,052
	17.1	<b>7,95,84,326</b>	<b>15,96,72,010</b>

17.1 Provision as carried in the books are against doubtful debts and in the opinion of the Management the same is adequate and no further provision is required there against.

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>18 CASH AND BANK BALANCES</b>			
<b>Cash and Cash Equivalents</b>			
<b>(i) Balances With Banks</b>			
In Current Accounts		1,77,00,777	3,04,55,233
In Unpaid Dividend Accounts	9.1	4,65,051	4,98,687
Fixed Deposit With Bank (With Original Maturity of less than 3 Months)	18.2	–	2,10,298
<b>(ii) Cash on Hand</b>		32,42,112	6,38,902
		<b>2,14,07,940</b>	<b>3,18,03,120</b>
<b>Other Bank Balances</b>			
Fixed Deposit With Bank (With Original Maturity of more than 3 Months but less than 12 months)	18.2	35,72,006	48,82,403
		<b>35,72,006</b>	<b>48,82,403</b>
		<b>2,49,79,946</b>	<b>3,66,85,523</b>

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017

(Amount in ₹)

### 18.1 Disclosure on Specified Bank Notes

During the year, the Company and its subsidiary incorporated in India had Specified Bank Notes (SBNs) and other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016 the SBNs and other notes as per the notification are as follows :

Particulars	SBNs	Other denomination notes	Total
Closing Cash in hand as on November 8, 2016	2,66,000	38,92,956	41,58,956
Add:- Permitted receipts	–	2,00,524	2,00,524
Less:- Permitted payments	44,500	2,99,484	3,43,984
Less:- Amount deposited in Banks	2,21,500	–	2,21,500
Closing cash in hand as on December 30, 2016	–	37,93,996	37,93,996

For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 8, 2016.

### 18.2 Kept as lien against Letter of Credit and Bank Guarantee

(Amount in ₹)

Particulars	Reference Note No.	As at March 31, 2017	As at March 31, 2016
<b>19 SHORT TERM LOANS AND ADVANCES (Unsecured Considered Good)</b>			
Loans and advances to related parties	19.1 & 29.6	12,54,02,316	18,32,28,076
Deposit to other bodies corporate		3,50,00,000	–
Security Deposits		1,01,98,184	49,76,990
Income Tax (Refundable)		2,14,174	24,11,110
Balance with Government authorities		1,41,88,248	1,64,76,063
Advances for supply of goods and services		6,48,559	6,82,340
Others		1,85,62,734	1,81,03,941
		<b>20,42,14,215</b>	<b>22,58,78,520</b>
<b>(Unsecured Considered doubtful)</b>			
Deposit to other bodies corporate		14,69,521	15,19,521
Less: Provision for doubtful deposit		(14,69,521)	(15,19,521)
		–	–
		<b>20,42,14,215</b>	<b>22,58,78,520</b>

### 19.1 Represents loan granted for their business purposes.

20 OTHER CURRENT ASSETS		
Interest accrued on deposits with Bank and others		18,64,498
Forward Receivable		52,27,993
Others Receivable		86,91,667
		<b>1,57,84,158</b>
		<b>55,05,402</b>

**Notes Forming Part of the Consolidated Financial Statements** for the year ended March 31, 2017  
(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>21 REVENUE FROM OPERATIONS</b>			
<b>Sale of Products</b>			
PVC Fire Resistant Antistatic Solid Woven Coal Conveyor Belting		52,35,06,467	70,86,17,417
Trading Goods	21.1	5,61,61,112	12,78,57,800
Wind Energy	21.2	2,41,96,774	2,71,72,005
<b>Other operating revenue</b>			
Miscellaneous Sales		9,28,384	9,54,409
Duty Credit Scrip Received		31,91,343	–
Duty Drawback received		24,14,398	–
Sundry Balances Written Back		2,74,844	35,36,513
<b>Revenue from Operations (Gross)</b>		<b>61,06,73,322</b>	<b>86,81,38,144</b>
Less : Excise Duty on Finished Goods		1,15,10,728	2,55,31,165
<b>Revenue from Operations (Net)</b>		<b>59,91,62,594</b>	<b>84,26,06,979</b>

**21.1 Details of sale of Trading Goods**

Ply & Steel Cord Conveyor Belting		76,72,822	6,93,48,294
Fittings and Accessories		2,44,75,482	2,56,71,063
Equipments		–	78,43,763
Fabric		2,40,12,808	2,49,94,680
		<b>5,61,61,112</b>	<b>12,78,57,800</b>

**21.2 Details of sales of Wind Energy**

Total Numbers of units generated and sold. *		65,73,828	75,19,643
(In Kwh units)			
Sales (in ₹)		2,41,96,774	2,71,72,005

\* Net of 14505 Units (Previous Year 16729 Units) being transmission loss

<b>22 OTHER INCOME</b>			
Rent		29,760	29,760
Interest on loans, deposits with bank , etc.		2,28,73,863	2,97,76,735
Dividend on long-term investments		19,73,814	20,02,146
Profit on Sale of Fixed Assets (Net)		–	1,46,566
Profit on Sale of Long Term Investment		26,38,578	11,28,155
Insurance Claim Recovery		–	50,00,000
Other Receipt		75,89,443	1,02,52,609
Commision on sales		1,55,088	–
Foreign Exchange Gain (Net)		74,81,144	85,89,289
Provision for Doubtful Deposit Written Back		50,000	–
		<b>4,27,91,690</b>	<b>5,69,25,260</b>

## Notes Forming Part of the Consolidated Financial Statements for the year ended March 31, 2017

(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>23 COST OF MATERIALS CONSUMED</b>			
Cost of Materials Consumed	23.1	22,46,34,614	35,03,51,500
		<b>22,46,34,614</b>	<b>35,03,51,500</b>

### 23.1 Details of Materials Consumed

(a) Polyester Yarn		7,25,98,799	11,36,69,177
(b) Spun Yarn		24,23,872	44,07,312
(c) Cotton Yarn		1,77,68,544	2,66,70,346
(d) Chemicals			
(i) PVC Resin		4,63,98,694	7,40,24,041
(ii) Phosphate Plasticizer		3,40,73,422	4,48,15,887
(iii) Others		5,13,71,283	8,67,64,737
		<b>22,46,34,614</b>	<b>35,03,51,500</b>

### 24 PURCHASE OF STOCK IN TRADE

Purchase of Stock In Trade	24.1	5,25,68,318	12,34,99,125
		<b>5,25,68,318</b>	<b>12,34,99,125</b>

### 24.1 Details of Purchase of Stock In Trade

(a) Ply & Steel Cord Conveyor Belting		69,47,496	6,67,53,635
(b) Fittings and Accessories		2,05,45,899	2,15,63,155
(c) Equipments		-	75,48,000
(d) Fabric		2,50,74,923	2,76,34,335
		<b>5,25,68,318</b>	<b>12,34,99,125</b>

### 25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

<b>Opening Stock</b>			
Finished Goods (including in transit ₹ 5,237,434/-)		10,45,01,921	16,39,45,507
Less : Excise Duty		40,08,804	4,78,303
		<b>10,04,93,117</b>	<b>16,34,67,204</b>
Work-in-process		2,69,23,100	3,15,03,751
Stock in Trade (including in transit ₹ 155,245/-)		55,08,131	39,27,812
		<b>13,29,24,348</b>	<b>19,88,98,767</b>
<b>Less : Closing Stock</b>			
Finished Goods (including in transit ₹ 5,056,486/-)		6,67,62,574	10,45,01,921
Less : Excise Duty		24,81,550	40,08,804
		<b>6,42,81,024</b>	<b>10,04,93,117</b>
Work-in-process		3,50,93,239	2,69,23,100
Stock in Trade (including in transit ₹ 328,957/-)		76,29,731	55,08,131
		<b>10,70,03,994</b>	<b>13,29,24,348</b>
		<b>2,59,20,354</b>	<b>6,59,74,419</b>

**Notes Forming Part of the Consolidated Financial Statements** for the year ended March 31, 2017  
(Amount in ₹)

Particulars	Reference Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>26 EMPLOYEE BENEFITS EXPENSE</b>			
Salaries and Wages		10,18,33,310	11,86,15,089
Contribution to Provident, Gratuity and other Funds		70,52,134	70,06,531
Staff Welfare Expenses		41,31,958	41,34,694
		<b>11,30,17,402</b>	<b>12,97,56,314</b>
<b>27 FINANCE COSTS</b>			
Interest Expenses		5,72,31,010	5,21,63,510
Other Borrowing costs		19,82,857	7,20,364
Applicable loss on foreign currency transaction and translation		3,24,250	42,48,764
		<b>5,95,38,117</b>	<b>5,71,32,638</b>
<b>28 OTHER EXPENSES</b>			
Consumption of Stores and Spare Parts		14,38,559	27,14,191
Power and Fuel		1,41,73,511	2,18,64,562
Rent	28.1	30,45,081	45,84,109
Repairs :			
Buildings		15,92,303	24,47,851
Machinery		18,80,489	35,38,192
Others		61,95,462	69,50,549
Insurance Charges		40,33,538	57,58,591
Rates and Taxes		11,75,288	3,76,312
Travelling and Conveyance		1,34,86,587	1,19,95,432
Directors Fees		5,45,325	6,55,791
Auditors Remuneration :	28.2		
Audit Fees		10,91,349	7,48,109
Tax Audit Fees		51,500	51,450
Other Services		4,46,450	1,82,039
Transport, Packing and Forwarding		3,63,59,619	5,45,73,458
Commission on Sales		2,23,420	85,63,150
Legal and Professional Fees		78,41,568	2,44,00,600
Subscription and Donation	28.3	14,34,284	24,26,085
Provision for bad and doubtful Debts		–	–
Loss on Sale of Fixed Assets (Net)		39,069	–
Foreign Exchange Loss (Net)		–	–
Miscellaneous Expenses		3,65,91,445	3,80,93,814
		<b>13,16,44,847</b>	<b>18,99,24,285</b>

## Notes Forming Part of the Consolidated Financial Statements for the year ended March 31, 2017

**28.1** The group has certain cancellable operating lease arrangements for office/ residential accommodation and for use of machineries with a lease period of one to five years which can be further extended after mutual consent and agreement. The lease agreement can be terminated after giving a notice as per the terms of the lease by either of the party. Expenditure incurred on account of operating lease rentals during the year and recognised in the Statement of Profit and Loss amounts to ₹ 3,013,881/- (Previous Year ₹ 4,584,109/-).

**28.2** Auditors Remuneration Includes Service Tax as follows :

(Amount in ₹)

	2016-17	2015-16
Audit Fees	4,500	4,350
Tax Audit Fees	1,500	1,450
Other Services	1,550	1,564

**28.2** Subscription and Donation includes expenses incurred on account of Corporate Social Responsibility (CSR) ₹ 1,151,000/- (Previous year ₹ 2,250,000/-)

NOTE: 29	2016-17	2015-16
<b>29.1 Contingent liabilities and commitments (to the extent not provided for) in respect of :</b>		
<b>29.1(i) Contingent liabilities</b>		
<b>a) Claims against the company not acknowledged as debt :</b>		
(i) Entry Tax Payable	-	1,35,314
(ii) Income Tax matter under Appeal	32,62,402	18,74,613
<b>b) Guarantees :</b>		
(i) Guarantees given by bank on behalf of the Company	8,46,49,546	7,88,88,764
(ii) Corporate Guarantees given by the Company (Refer Note 29.1(i).2)	14,50,00,000	17,21,28,543

**29.1(i).1** The Group's pending litigation comprises of claim against the group and proceeding pending tax/statutory/Government authorities. The Group has reviewed all its pending litigations and proceedings and has made adequate provisions, and disclosed the contingent liabilities, where applicable, in its consolidated Financial Statements. The Group does not expects the outcome of these proceedings to have a material impact on its financial position. Future cash outflows in respect of [a (i) & (ii)] above are dependent upon the outcome of judgments / decisions.

**29.1(i).2** Disclosure pursuant to Section 186(4) of the Companies Act, 2013

On behalf of	Purpose	Date of Guarantee	2016-17	2015-16
Elpro International Limited	Rent Securitization Loan	March 25,2013	14,50,00,000	14,50,00,000
International Conveyors Australia Pty Limited	Credit Limit	October 1, 2015	-	2,71,28,543
	<b>Total</b>		<b>14,50,00,000</b>	<b>17,21,28,543</b>

29.1(ii) Estimated amount of contracts remaining to be executed on account and not provided for :	2016-17	2015-16
a) On capital account	-	2,75,780
<b>29.2 Employee Benefits:</b>		
a) Contributions to Defined Contribution Plan recognized as expenses for the year are as under:		
Employer's Contribution to Provident Fund	6,60,766	7,95,502
Employer's Contribution to Pension Fund	9,63,604	10,20,004
Employer's Contribution to Employees State Insurance Scheme	1,39,936	1,76,436

## Notes Forming Part of the Consolidated Financial Statements for the year ended March 31, 2017

b) The disclosure as per the Accounting Standard 15 (AS-15) "Employee Benefits" are given below:

The Company operates post retirement benefit plans as following:

Funded: Gratuity.

Non Funded: Leave Encashment

### Disclosures for defined benefit plans based on actuarial reports as on March 31, 2017

(Amount in ₹)

Particulars	Gratuity (Funded)	
	2016-17	2015-16
<b>A. Change in Defined Benefit Obligations :</b>		
Present Value of Defined Benefit Obligations as at the beginning of the year	2,10,31,580	1,84,97,353
Current Service Cost	7,82,106	11,54,615
Past Service Cost	–	–
Interest Cost	15,48,589	13,11,700
Benefits Paid	(23,55,745)	(33,61,381)
Actuarial (Gains)/ Losses	39,78,632	34,29,293
<b>Present Value of Defined Benefit Obligations as at the end of the year</b>	<b>2,49,85,162</b>	<b>2,10,31,580</b>
<b>B. Change in the Fair Value of Assets:</b>		
Fair Value of Plan Assets at the beginning of the year	1,78,68,439	1,84,02,832
Expected Return on Plan Assets	14,37,401	14,85,132
Contributions by the Employer	14,64,948	15,00,000
Mortality Charges and Taxes	(13,446)	–
Benefits paid	(23,55,745)	(33,61,381)
Actuarial Gains/ (Losses)	(51,450)	(1,58,144)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>1,83,50,147</b>	<b>1,78,68,439</b>
<b>C. Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets:</b>		
Present Value of Defined Benefit Obligations as at the end of the year	2,49,85,162	2,10,31,580
Fair Value of Plan Assets at the end of the year	1,83,50,147	1,78,68,439
<b>Liability /(Assets) recognized in the Balance Sheet</b>	<b>66,35,015</b>	<b>31,63,141</b>
<b>D. Expenses recognized in the Statement of Profit and Loss :</b>		
Current Service Cost	7,82,106	11,54,615
Past Service Cost	–	–
Interest Cost	15,48,589	13,11,700
Expected Return on Plan Assets	(14,37,401)	(14,85,132)
Net Actuarial (Gain)/ Loss	40,30,082	35,87,437
<b>Total Expenses recognized in the Statement of Profit and Loss *</b>	<b>49,23,376</b>	<b>45,68,620</b>
<b>E. Principal Actuarial Assumptions used :</b>		
Discounted Rate (per annum) Compound	6.90%	7.80%
Expected Rate of return on Plan Assets	8.25%	8.50%
Rate of Salary increase (per annum)	7.00%	7.00%

## Notes Forming Part of the Consolidated Financial Statements for the year ended March 31, 2017

(Amount in ₹)

	2016-17	2015-16	2014-15	2013-14	2012-13
<b>F. Experience History :</b>					
<b>Net Assets/(Liability) recognized in Balance Sheet (including experience adjustment impact)</b>					
Present Value of Defined Benefit Obligations	2,49,85,162	2,10,31,580	1,84,97,353	1,26,74,715	1,26,46,379
Fair Value of Plan Assets	1,83,50,147	1,78,68,439	1,84,02,832	1,68,64,488	1,54,37,863
Status [Surplus/(Deficit)]	(66,35,015)	(31,63,141)	(94,521)	41,89,773	27,91,484
Experience Adjustment of obligation [(Gain)/Loss]	39,78,632	34,29,293	25,89,103	2,63,349	3,55,596
Experience Adjustment of Plan Assets [(Gain)/Loss]	7,893	70,783	2,16,810	(27,313)	(1,14,587)

### Disclosures for defined benefit plans based on actuarial reports as on March 31, 2017

Particulars	Leave Encashment (Non Funded)	
	2016-17	2015-16
<b>A. Change in Defined Benefit Obligations :</b>		
Present Value of Defined Benefit Obligations as at the beginning of the year	28,47,436	27,33,998
Current Service Cost	3,37,955	3,85,493
Interest Cost	2,06,544	1,98,686
Benefits Paid	(3,98,884)	(3,73,496)
Actuarial (Gains)/ Losses	(11,287)	(97,245)
<b>Present Value of Defined Benefit Obligations as at the end of the year</b>	<b>29,81,764</b>	<b>28,47,436</b>
<b>B. Change in the Fair Value of Assets:</b>		
Fair Value of Plan Assets at the beginning of the year	–	–
Expected Return on Plan Assets	–	–
Contributions by the Employer	–	–
Benefits paid	–	–
Actuarial Gains/ (Losses)	–	–
<b>Fair Value of Plan Assets at the end of the year</b>	<b>–</b>	<b>–</b>
<b>C. Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets:</b>		
Present Value of Defined Benefit Obligations as at the end of the year	29,81,764	28,47,436
Fair Value of Plan Assets at the end of the year	–	–
<b>Liability /(Assets) recognized in the Balance Sheet</b>	<b>29,81,764</b>	<b>28,47,436</b>
<b>D. Expenses recognized in the Statement of Profit and Loss :</b>		
Current Service Cost	3,37,955	3,85,493
Interest Cost	2,06,544	1,98,686
Expected Return on Plan Assets	–	–
Net Actuarial (Gain)/ Loss	(11,287)	(97,245)
<b>Total Expenses recognized in the Statement of Profit and Loss *</b>	<b>5,33,212</b>	<b>4,86,934</b>
<b>E. Principal Actuarial Assumptions used :</b>		
Discounted Rate (per annum) Compound	6.90%	7.80%
Expected Rate of return on Plan Assets	–	–
Rate of Salary increase (per annum)	7.00%	7.00%



## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017

(Amount in ₹)

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
<b>F. Experience History :</b>					
<b>Net Assets/(Liability) recognized in Balance Sheet (including experience adjustment impact)</b>					
Present Value of Defined Benefit Obligations	29,81,764	28,47,436	27,33,998	20,42,361	19,69,909
Fair Value of Plan Assets	-	-	-	-	-
Status [Surplus/(Deficit)]	(29,81,764)	(28,47,436)	(27,33,998)	(20,42,361)	(19,69,909)
Experience Adjustment of Plan Assets [(Gain)/Loss]	-	-	-	-	-
Experience Adjustment of obligation [(Gain)/Loss]	(11,287)	(97,245)	1,42,880	2,77,500	2,50,532

\*Included in "Salaries, Wages and Bonus" and "Contribution to Provident Fund, Gratuity and Other Funds" under "EMPLOYEE BENEFITS EXPENSE" on Note 26.

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

The contributions expected to be made by the Company for the year 2017-18 is not ascertained.

### 29.3 Unhedged Foreign Currency exposures as on March 31, 2017 are as follows :-

Nature	Currency	Current year amount in Foreign Currency	Previous year amount in Foreign Currency
Amount receivable on account of sale of goods, loans and advances, interest, etc.	USD	11,35,392.72	9,28,408.49
	SGD	5,19,951.39	-
	CDN	-	24,75,308.88
	AUD	16,03,397.18	12,78,135.94
Amount payable on account of purchase of goods and services, loans and advances, interest, etc.	USD	1,98,405.00	5,96,659.39
	GBP	-	29,786.32
	CDN	52,670.87	1,23,765.41

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
<b>29.4 Earning Per Share (EPS) :</b>		
(a) Profit / (Loss) attributable to Shareholders (₹)	39,04,306	(4,45,40,801)
(b) Weighted average number of Equity Shares	6,75,00,000	6,75,00,000
(c) Nominal Value of Equity Share (₹)	1	1
(d) Basic and Diluted EPS (₹)	0.06	(0.66)

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017

### 29.5 Segment information for the year ended March 31, 2017

#### (i) Information about primary business segments :

(Amount in ₹)

Particulars	Conveyor Belting		Wind Energy		Trading Goods		Unallocated Corporate		Total Amount	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
<b>a Segment Revenue</b>										
Sale and Services to External customers	523506467	708617417	24196774	27172005	56161112	127857800	-	-	603864353	863647222
Other operating revenue	-	-	-	-	-	-	6808969	4490922	6808969	4490922
<b>Gross Turnover</b>	<b>523506467</b>	<b>708617417</b>	<b>24196774</b>	<b>27172005</b>	<b>56161112</b>	<b>127857800</b>	<b>6808969</b>	<b>4490922</b>	<b>610673322</b>	<b>868138144</b>
Less : Excise Duty / Service tax recovered	11510728	25531165	-	-	-	-	-	-	11510728	25531165
<b>Net Turnover</b>	<b>511995739</b>	<b>683086252</b>	<b>24196774</b>	<b>27172005</b>	<b>56161112</b>	<b>127857800</b>	<b>6808969</b>	<b>4490922</b>	<b>599162594</b>	<b>842606979</b>
<b>b Segment Results</b>	<b>34002578</b>	<b>(25791450)</b>	<b>13758402</b>	<b>11214327</b>	<b>4423360</b>	<b>2053451</b>	<b>-</b>	<b>-</b>	<b>52184340</b>	<b>(12523672)</b>
Unallocated Corporate Expenses	-	-	-	-	-	-	(12785941)	(12273879)	(12785941)	(12273879)
	34002578	(25791450)	13758402	11214327	4423360	2053451	(12785941)	(12273879)	39398399	(24797551)
Interest Expenses	(520161)	(469511)	-	(111573)	-	-	(59017956)	(56551554)	(59538117)	(57132638)
Interest Income	-	-	-	-	-	-	22873863	29776735	22873863	29776735
Profit/(Loss) from investment	-	-	-	-	-	-	2638578	1128155	2638578	1128155
<b>Profit/(Loss) before Tax and Exceptional Items</b>	<b>33482417</b>	<b>(26260961)</b>	<b>13758402</b>	<b>11102754</b>	<b>4423360</b>	<b>2053451</b>	<b>(46291456)</b>	<b>(37920543)</b>	<b>5372723</b>	<b>(51025299)</b>
Exceptional Items	-	-	-	-	-	-	-	-	-	-
<b>Profit / (Loss) Before Tax</b>	<b>33482417</b>	<b>(26260961)</b>	<b>13758402</b>	<b>11102754</b>	<b>4423360</b>	<b>2053451</b>	<b>(46291456)</b>	<b>(37920543)</b>	<b>5372723</b>	<b>(51025299)</b>
Income Taxes	-	-	-	-	-	-	(1468417)	6484498	(1468417)	6484498
<b>Profit After Tax</b>	<b>33482417</b>	<b>(26260961)</b>	<b>13758402</b>	<b>11102754</b>	<b>4423360</b>	<b>2053451</b>	<b>(47759873)</b>	<b>(31436045)</b>	<b>3904306</b>	<b>(44540801)</b>
<b>c Segment Assets</b>	<b>249104494</b>	<b>517521430</b>	<b>48181080</b>	<b>53936289</b>	<b>13393733</b>	<b>10124510</b>	<b>-</b>	<b>-</b>	<b>310679307</b>	<b>581582229</b>
Unallocated Corporate Assets	-	-	-	-	-	-	876732073	795475760	876732073	795475760
<b>Total Assets</b>	<b>249104494</b>	<b>517521430</b>	<b>48181080</b>	<b>53936289</b>	<b>13393733</b>	<b>10124510</b>	<b>876732073</b>	<b>795475760</b>	<b>1187411380</b>	<b>1377057989</b>
<b>d Segment liabilities</b>	<b>(108040822)</b>	<b>(139424392)</b>	<b>(2564875)</b>	<b>(686919)</b>	<b>(3489104)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(114094801)</b>	<b>(140111311)</b>
Unallocated Corporate Liabilities	-	-	-	-	-	-	(373141730)	(547374962)	(373141730)	(547374962)
<b>Total Liabilities</b>	<b>(108040822)</b>	<b>(139424392)</b>	<b>(2564875)</b>	<b>(686919)</b>	<b>(3489104)</b>	<b>-</b>	<b>(373141730)</b>	<b>(547374962)</b>	<b>(487236531)</b>	<b>(687486273)</b>
<b>e Cost incurred during the period to acquire segment fixed assets</b>	<b>4467344</b>	<b>19302060</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37800</b>	<b>6025580</b>	<b>4505144</b>	<b>25327640</b>
<b>f Depreciation / Amortisation</b>	<b>23772284</b>	<b>27248104</b>	<b>3958163</b>	<b>4382105</b>	<b>-</b>	<b>-</b>	<b>1527462</b>	<b>2289048</b>	<b>29257909</b>	<b>33919257</b>
<b>g Non cash expenses other than Amortisation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

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

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

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017

### 29.5 (ii) Information about secondary Business Segments

(Amount in ₹)

Particulars	2016-17	2015-16
<b>Revenue by geographical market</b>		
<b>Sale of products</b>		
Domestic	17,06,60,384	30,83,69,923
Export	43,32,03,969	55,52,77,299
<b>Total</b>	<b>60,38,64,353</b>	<b>86,36,47,222</b>
<b>Assets</b>		
Trade Receivables (Net of Provision for Doubtful debt)		
Within India	5,75,14,017	2,38,24,560
Outside India	2,20,70,309	13,58,47,450
<b>Total</b>	<b>7,95,84,326</b>	<b>15,96,72,010</b>

29.6 Related Party Disclosure as required by Accounting Standard 18 "Related Party Disclosures" are as follows :

(a) Key Management Personnel :

Mr. R. K. Dabriwala – Managing Director

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

- 1) R.C.A. Limited
- 2) Pure Coke Limited
- 3) Elpro International Limited
- 4) I G E (India) Private Limited

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017

### 29.6 Details of transaction made with Related Parties during the year :

(Amount in ₹)

Nature of transaction	R.C.A. Limited		Pure Coke Limited		I.G.E. (India) Private Limited		Elpro International Limited		Key Management	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Director Remuneration	-	-	-	-	-	-	-	-	98,81,501	79,08,533
<b>Interest on Loan (Net)</b>										
Received	-	-	1,66,48,836	2,33,84,411	-	-	19,05,874	13,05,158	-	-
Paid	66,575	-	-	-	2,00,739	35,22,951	-	16,17,918	-	-
Rent Received	29,760	29,760	-	-	-	-	-	-	-	-
<b>Dividend Income</b>										
On Preferential Shares	-	-	-	-	-	-	18,00,000	18,00,000	-	-
On Equity Shares	27,096	27,096	-	-	-	-	-	-	-	-
Inter Corporate Deposit :										
Loan Given	1,90,00,000	-	22,46,29,983	26,11,90,000	18,29,345	-	27,65,79,920	2,60,00,000	-	-
Repayment of Loan	1,90,00,000	-	20,45,50,000	17,80,50,000	18,29,345	-	27,65,79,920	9,06,15,606	-	-
Loan Taken	-	-	-	-	-	20,00,00,000	8,47,36,064	9,79,42,658	-	-
Loan Repaid	-	-	-	-	3,31,70,655	17,00,00,000	11,09,20,080	7,29,42,658	-	-
Reimbursement of Expenses (Net)	-	-	-	-	1,34,298	10,01,927	-	-	-	-
Recovery of Expenses (Net)	-	-	-	-	-	-	7,293	28,689	-	-
Purchase of Materials/ Services	-	-	-	-	-	10,783	-	-	-	-
Sale of Materials/ Services	-	-	-	-	-	-	-	-	-	-
<b>Outstanding</b>										
Loan Given	-	-	12,36,87,028	18,32,28,076	-	3,31,70,655	17,15,287	-	-	-
Loan Taken	-	-	-	-	-	-	-	2,61,84,016	-	-
Dividend Receivable	-	-	-	-	-	-	72,00,000	54,00,000	-	-
Reimbursement of Expenses	-	-	-	-	21,726	60,250	-	-	-	-
Recovery of Expenses	-	-	-	-	-	-	-	28,689	-	-
Corporate Guarantee given and outstanding	-	-	-	-	-	-	14,50,00,000	14,50,00,000	-	-

**29.7** The Financial statements of Conveyor Holdings Pte Limited (Refer Note 29.7.1) and Financial Statement of International Conveyors America Limited, INC for the year ended March 31, 2017 has not been subjected to audit by the auditors.

**29.7.1** Includes information of its wholly owned subsidiary International Conveyors Australia Pty Limited

**29.8 Value and percentage of Imported and Indigenous Raw Materials, stores and Loose Tools consumed.**

Particulars	2016-17		2015-16	
	₹	%	₹	%
<b>(a) Raw Materials:</b>				
Imported	13,30,43,778	59	21,70,57,038	62
Indigenous	9,15,90,836	41	13,32,94,462	38
<b>Total</b>	<b>22,46,34,614</b>	<b>100</b>	<b>35,03,51,500</b>	<b>100</b>
<b>(b) Stores, Spares &amp; Components:</b>				
Imported	-	-	5,14,500	19
Indigenous	14,38,559	100	21,99,691	81
<b>Total</b>	<b>14,38,559</b>	<b>100</b>	<b>27,14,191</b>	<b>100</b>

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017

### 29.9 C.I.F. Value of Imports

(Amount in ₹)

Particulars	2016-17	2015-16
<b>C.I.F Value of Imports :</b>		
(a) Raw Materials	10,49,59,334	18,33,39,441
(b) Trading Goods	1,68,91,519	2,84,75,274
(c) Capital Goods	–	26,38,016
	<b>12,18,50,853</b>	<b>21,44,52,731</b>

### 29.10 Expenditure in Foreign Currency :

Travelling Expenses	6,80,418	12,16,385
Postage & Telegram	1,36,758	53,287
Salary	1,04,95,946	70,95,335
Commission	87,76,039	1,32,94,383
Freight Expenses	–	60,19,783
Interest on PCFC & FCNRB DL Loan	–	8,81,378
Interest on LC- Buyers Credit	3,63,241	7,20,615
Development & Testing Expenses	19,97,065	15,96,346
Other Expenses	1,59,65,241	2,14,37,112
Claims Etc.	49,55,408	52,54,383
Finance Costs	5,16,065	4,69,511
Employee benefit expenses	3,32,47,410	4,18,51,440
Other operating expenses	1,73,07,161	2,71,63,728
<b>Total</b>	<b>9,44,40,752</b>	<b>12,70,53,686</b>

### 29.11 Earning in Foreign Currency :

Export of Beltings at F.O.B. Value	32,12,26,978	48,15,77,767
<b>Total</b>	<b>32,12,26,978</b>	<b>48,15,77,767</b>

**29.12** In the opinion of the Board of Directors, current assets and loans and advances have the value at which these are stated in the Balance Sheet, unless otherwise stated and adequate provisions for all known liabilities have been made and are not in excess of the amount reasonably required.

**29.13** In respect of unrealised profits resulting from intragroup transactions that are included in the carrying amount of inventory are eliminated in full. The aforesaid inventory is as certified by the respective management.

## Notes Forming Part of the Consolidated Financial Statements as at March 31, 2017

**29.14** Additional Information, as required under Schedule III of companies Act, 2013, of enterprises consolidated as Subsidiary.

Name of Enterprises	Net Assets, ie., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ )	As % of consolidated net assets	Amount (₹ )
<b>Parent</b>	113.89	79,74,59,221	(332.73)	(1,29,90,890)
International Conveyors Limited				
<b>Subsidiaries</b>				
<b>Indian</b>				
International Belting Limited	14.29	10,00,78,848	173.73	67,83,136
<b>Foreign</b>	(11.26)	(7,88,06,205)	435.63	1,70,08,305
Conveyor Holdings Pte Limited, Singapore*	(3.62)	(2,53,64,579)	(176.63)	(68,96,245)
International Conveyors America Limited, INC				

\* Includes information of its wholly owned subsidiary International Conveyors Australia Pty Limited

**29.14.1** Figures given herein above are as per the Financial Statements of the respective companies and hence effect of inter company and other adjustment carried out on consolidation has not been considered for the purpose of above disclosure.

**29.15** Figures pertaining to the subsidiary companies have been reclassified, wherever necessary to bring them in line with the parents company's financial statements.

**29.16** Previous year's figures have been re-arranged/re-grouped wherever necessary.

Note 1 to 29.16 forms an integral part of the Financial Statements.

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

**H. K. Verma**  
Partner

Place : Kolkata  
Date : May 30, 2017

For & on behalf of the Board

**R. K. Dabriwala**  
Managing Director

**M.P.Jhunjunwala**  
Director

**A. K. Gulgulia**  
Chief Financial Officer



## FINANCIAL HIGHLIGHTS 2013-2017

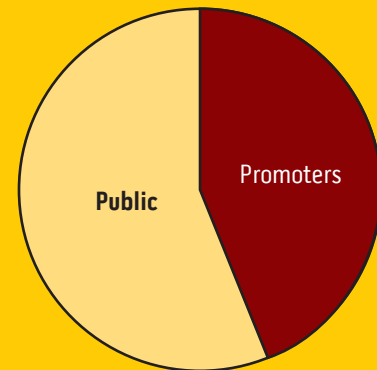
₹ in lakhs

	2013	2014	2015	2016	2017
<b>TURNOVER</b>	12015.80	13860.01	10044.41	7766.58	4764.12
<b>OPERATING PROFIT</b>	1931.05	1864.28	1099.90	127.06	144.99
<b>DEPRECIATION</b>	482.91	600.32	480.05	336.46	290.22
<b>PROFIT/(LOSS) BEFORE TAX</b>	1448.14	1263.96	619.85	(209.40)	(145.22)
<b>TAX</b>	424.93	426.75	192.25	(80.98)	(15.32)
<b>PROFIT/(LOSS) AFTER TAX</b>	1023.21	837.20	427.60	(128.42)	(129.91)
<b>DIVIDEND PAYOUT *</b>	197.43	197.43	203.10	40.66	0.00
<b>RETAINED EARNINGS</b>	825.78	639.77	224.49	(169.08)	(129.91)
<b>SHAREHOLDERS' FUNDS</b>	7485.53	8125.31	8273.58	8104.50	7974.59
<b>BORROWINGS</b>	4436.32	5472.73	5834.64	5620.31	4027.07
<b>GROSS FIXED ASSETS</b>	4793.04	6755.13	6782.25	6996.16	7028.36
<b>DEBT EQUITY RATIO</b>	1:1.69	1:1.48	1:1.42	1:1.44	1:1.98
<b>EARNING PER SHARE (₹)</b>	1.52	1.24	0.63	(0.19)	(0.19)
<b>DIVIDEND PER SHARE (₹)</b>	0.25	0.25	0.25	0.05	0.05
<b>NET WORTH PER SHARE (₹)</b>	11.09	12.04	12.26	12.01	11.81

### SHARE DATA (As on 31.03.2017)

NO. OF SHARES ISSUED	:	67500000
MARKET CAPITALISATION (₹)	:	1282500000
NO. OF SHAREHOLDERS	:	1851
LISTING AT	:	Kolkata & Mumbai

Share Holding pattern	
Promoters	■ 37.39%
Public	■ 62.61%



\* Refer Note No.2.4





**International Conveyors Limited**

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