ISC UDYOG LTD.

(Formerly Heruk Agro Foods Ltd.)
Corporate Office: ISC Compound,Janta Market,
LBS Marg,Bhandup (west) Mumbai- 400 078.
Tel.Fax No. 022 25940553 Email Id-info@iscudyog.com

NOTICE

Notice is hereby given that the Annual General Meeting of the members of ISC Udyog Ltd (Formerly Heruk Agro Foods Ltd) will be held on Friday, the 30th September,2011 at 11.00 a.m. at the Registered office of the Company situated at 127/10/1,Manicktalla Main Road, Kolkata- 700054 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended on that date alongwith the Reports of the Auditors and Board of Directors thereon.

2. To appoint director in place of Mrs.Shimla Devi Singh, who retires by rotation and being eligible, offers herself for reappointment.

3. To appoint Auditors and to authorize the Board of Directors to fix their remuneration. In this connection, to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s Jaipuriar & Co., Chartered Accountants, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration as may be decided by the Board of Directors in consultation with the said Auditors."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following as an ordinary resolution

"RESOLVED THAT in accordance with the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof, Mr. Jitendra Singh, who was appointed as an Additional director w.e.f. 01-01-2011, pursuant to the provisions of Section 260 of the Companies Act, 1956, be and hereby appointed as a Director of the Company liable to retire by rotation"

5. To consider and if thought fit, to pass with or without modification(s), the following as an ordinary resolution

"RESOLVED THAT in accordance with the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof, Mr. Ajay Roy, who was appointed as an Additional director w.e.f. 14-02-2011, pursuant to the provisions of Section 260 of

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the Companies Act, 1956, be and hereby appointed as a Director of the Company liable to retire by rotation"

By Order of the Board

Dated: **15th May, 2011.**
Corporate Office:
ISC Compound, Janta Market,
LBS Marg,Bhandup (W) Mumbai-400 078

Lokendra Singh
Director

NOTES:

1) An explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in relation to the Special Business of the Meeting is annexed hereto and forms part of this Notice.
2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3) The Register of Members and Share Transfer Books of the Company will remain closed from September 20, 2011 to September 30, 2011 (both days inclusive).
4) Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company at the Company's registered office at least 10 days before the Annual General Meeting so that the same can be suitably replied.

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

ITEM NO. 4

The Board of Directors of the Company at its meeting held on 1st January 2011 appointed Jitendra Singh as an additional Director of the Company pursuant to Section 260 of the Companies Act, 1956. In terms of the provisions of the Section 260 of the Act, Mr. Jitendra Singh will hold office upto the date of the ensuing AGM. Mr. Jitendra Singh is proposed to be appointed as a Director of the Company. The board recommends the resolution for approval of the Members.

ITEM NO. 5

The Board of Directors of the Company at its meeting held on 14th February 2011 appointed Ajay Roy as an additional Director of the Company pursuant to Section 260 of the Companies Act, 1956. In terms of the provisions of the Section 260 of the Act, Mr. Ajay Roy will hold office upto the date of the ensuing AGM. Mr. Ajay Roy is proposed to be appointed as a Director of the Company. The board recommends the resolution for approval of the Members.

For **ISC Udyog Ltd**
(Formerly Heruk Agro Foods Ltd)

Lokendra Singh
Director

ISC UDYOG LTD.

(Formerly Heruk Agro Foods Ltd.)
127/10/1, Manicktalla Main Road,
Kolkata - 700 054.

DIRECTOR'S REPORT

To,
The Members
ISC Udyog Ltd

Your Directors have Pleasure in Presenting the Annual Report together with audited statement of accounts for the year ended 31st March, 2011

WORKIING RESULTS **(Rs in Lakhs)**

Particulars	31-3-2010	31-03-2011
Total Income	12.23	16.80
Depreciation	2.72	1.94
Profit(Loss) before Tax	0.72	5.60
Provision for Tax-FBT	0.22	0.41
Profit (loss) after Tax	0.50	5.01
Prior Period Adjustments		
Balance brought forward	3.83	4.32
Balance carried to Balance Sheet	4.32	9.33

OPERATIONS AND FUTURE PLANS

The operations for the year under review show a profit (Before Tax) of Rs. 5.60 lakhs.

The Company has not been active for the past seven years due to a severe financial crisis.Your Directors are glad to report that during the year under review the company is a debt free company. It is sincere intention of the Directors to bring value to the Shareholders. But the current economic environment being what it is we will have to choose our path with care and caution.

Your Directors are pleased to report that a study for the revival of the company is already commissioned and is underway. The assignment has been entrusted to a reputed consultancy organization who will examine the feasibility including the strategy. It is expected that the launch could be sometime during the financial year 2012-2013.

Your Directors are also looking and examining other business options including acquisition of running businesses as well as other good viable opportunities where some value and synergies can be perceived. We would like to see that Company is en route to generating a healthy top line and bottom line from 2013 onwards.

DIVIDEND:

The Company in order to conserve its profits, the Board of Directors have not proposed any dividend for the year 2010-2011.

DIRECTORS

Mrs.Shimla Devi Singh retire at the ensuring Annual General Meeting, and being eligible offers themselves for reappointment. Mr. Jitendra Singh and Mr.Ajoy Roy were appointed as additional directors of the Company on 01.01.2011 and 14.02.2011 respectively and hold office till the date of Annual General Meeting. Notices are received for their re-appointment at the Annual General Meeting. Mr.Arabindra Singh Resigned from the Board with effect from 01.01.2011

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors State:

i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departure;

ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that ate reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit of the Company for the period;

iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) That the Directors had prepared the annual accounts o a going concern basis.

FIXED DEPOSITS

Your company has neither invited nor accepted any Fixed Deposits from the public during the financial year under review.

CORPORATE GOVERNANCE AND COMPLIANCE CERTIFICATE:

Separate notes on Corporate Governance and Management Discussion and Analysis Report are set out as Annexure "A" and "B" respectively. A Certificate from the Auditor of the Company certifying compliance conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

LISTING AGREEMENTS REQUIREMENTS:

The securities of your company are listed at Bombay & Kolkata Exchanges. Trading in company's securities remain suspended at Stock Exchanges for various reasons including non-submission of documents and all possible steps are being taken by the management to get shares traded at the floor of the Exchange.

PARTICULARS OF THE EMPLOYEES:

None of the employees employed during the year was in receipt of remuneration in excess of the Prescribed limit specified in section 217 (2A) of the Companies Act, 1956 Hence, furnishing of particulars under the Companies (Particulars of Employees) 1975 does not arise.

AUDITORS

M/s Jaipuriar & Co.,Auditors of the Company retire at the ensuing Annual General Meeting. They have expressed their willingness for their reappointment.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

During the year under review, there were no activities, which required heavy consumption of energy. However adequate measures have been taken to make sure that there is no wastage of energy. Since the requisite information with regard to the conservation of energy, technology absorption (Disclosures of Particulars in the report of Board of Directors) Rules is irrelevant/not applicable to the company during the year under review, the same are not reported.

ACKNOWLDGEMENTS

The Board of Directors wish to place on record their appreciation for the co-operation and support of the Company's Bankers, its valued customers, employees and all other intermediaries concerned with the company's business.

Your directors sincerely thank all members for supporting us during the difficult days. We look forward to your continued support and reiterate that we are determined to ensure that the plans are successfully implemented.

Place: Mumbai
Date: 15th May 2011.

For ISC Udyog Ltd

Sd/-
Directors

ISC UDYOG LTD. MUMBAI

CORPORATE GOVERNANCE: **Annexure - A**

COMPANY'S PHILSOPHY ON CODE OF GOVERNANCE:

The company aims at ensuring high ethical standards in all areas of its business operations to enhance its stake holder's value

In accordance with Clause 49 of the Listing agreement with the Stock Exchanges, the details of governance including compliances by the company with the provisions of Clause 49 are as under:

1. **BOARD OF DIRECTORS**:

As on 31.03.2011, The Company's Board consisted of 4 Promoter Director and 2 non-executive/independent directors, who have rich experience in their fields. Mr.Jitendra Singh and Mr.Ajoy Roy were appointed as additional Director (Non-Executive) with effect from 01.01.2011 and 14.02.2011 Mr. Arabindra Singh resigned from the Board on 01.01.2011.

The Board of the Company met 5 times during the last financial year on the following dates: -- 30.04.2010, 28.05.2010, 30.07.2010, 23.10.2010, and 25.01.2011.

Code of conduct:

The Company has already implemented a Code of Conduct for all Board Members and Senior Managements of the company in compliance with Clause 49 (1) of the Listing Agreement. But, since the operations of the Company were not much, the application of the code of conduct was limited to that extent

The constitution of the Board (as on 31.03.2011) and the attendance of the Directors are given below:

Name of the Director	Category of the Director	No. of other Diretorship (*)	No. of Board meetings Attended	Attendance at Last AGM
Mr.Arabindra Singh	Promoter	NIL	3	Yes
Mrs.Shimla Devi Singh	Promoter	NIL	4	Yes
Mrs.Pratima Devi Singh	Promoter	NIL	3	Yes
Mr Lokendra Singh	Promoter	NIL	4	Yes
Mr.M.B.S.Menon	Independent	NIL	4	Yes
Mr.Jitendra Singh	Promoter	NIL	1	N.A
Mr. Ajoy Roy	Independent	NIL	NIL	N.A

- Excludes Directorship in Indian Private Limited Companies, Foreign Companies, Companies u/s 25 of the Companies act, 1956

Detailed Agenda is circulated/ sent to the members of the Board in advance The Board discuss/ deliberate and decides on all the topics/ matters including those suggested in the Listing Agreement, as and when the requirement arises.

Risk Mitigation Plan: The Company has already adopted a risk mitigation plan, suitable to the Company. During the year there were no activities that required the assessment of risk.

2. AUDIT COMMITTEE:

The total strength of the Audit Committee is three. The said committee was constituted to exercise powers and discharge function as stipulated in Clause 49 of the Listing Agreement, and other relevant statutory and regulatory provisions. The Chairman of the audit committee is an independent/non executive director, and of the other two members one is executive director and the other is non-executive / independent director.

During the relevant financial year, 5 Audit Committee Meetings were held on 30.04.2010, 28.05.2010, 30.07.201, 23.10.2010, 25.01.2011.

The constitution of the Committee (as on 31.03.2011) and the attendance of each member of the Committee is given below

Name of the Member	Category	No. of Meetings	Attendance (No)
M.B.S. Menon	Independent	5	5
Arabindra Singh	Promoter	5	5
Ajay Roy	Independent	-	-

3. SHARE HOLDERS GRIEVANCE/ SHARE TRANSFER COMMITTEE:

During the year no Share Holders Grievance Committee was held.

The data for the year is as follows: No of Complaints received from share holders/ Exchange during the year is NIL unresolved complaints (including pertaining to the previous year(s): is NIL.

Mr. Lokendra Singh, Director is the Compliance Officer of the Company.

4. OTHER DETAILS/INFORMATIONS

The details of Annual General Meeting held in last 3 years are as under:

Year Ended	Venue	Date	Time
31.03.2008	Registered Office At Kolkata	30-09-2008	11.00 am
31.03.2009	Registered Office At Kolkata	30-09-2009	11.00 am
31.03.2010	Registered Office At Kolkata	30-09-2010	11.00 am

The Company has neither used Postal Ballot nor passed any special resolutions during these years, and there was no Extra Ordinary General Meetings of the members of the Company during the relevant period.

- **Means of communication**:

The Company has filed the entire quarterly / half yearly / annual results of the company with the Stock Exchanges and press release are made in English and Hindi as stipulated in the Listing Agreement. The company does not have a web site. It also has not displayed in official news release and no presentations were made to institutional investors or to the analysts. We do not send half yearly financial reports to the share holders. The management Discussion and Analysis is a part of the Annual Report

- **Compliance of Insider Trading Norms:**

Company has adopted the code of internal procedures and thus complies with the insider trading norms.

- **General Shareholder's information**

a) AGM, date, time, and venue

Venue	Date	Time
Registered Office, Kolkata	30.09.2011	11.00 am

b) Financial year ending 31.03.2011.
c) Book closure date 20.09.2011 to 30.09.2011, (both the days inclusive)
d) Listing on stock exchanges. Bombay and Kolkata.

All the dues regarding the Listing Fee have been paid

e) Distribution schedule as on 31st March 2011

Category	Number of Shareholders	% (percentage)	Number of Shares Held	% (Percentage)
Upto – 500	99	26.7570	48,000	0.9140
501 – 1000	112	30.2700	1,10,000	2.0950
1001 – 2000	25	6.7570	44,300	0.8440
2001 - 3000	6	1.6220	15,800	0.3010
3001 – 4000	8	2.1620	30,500	0.5810
4001 – 5000	32	8.6490	1,44,100	2.7450
5001 - 10000	39	10.5410	3,53,000	6.7240
10001 and above	49	13.2430	45,04,300	85.7960
Total	**370**	**100**	**52,50,000**	

f) **Share price movements:**

There was no trading of the scripts at the Stock Exchange(s) during the year. The data regarding the price movements are not available, and the management is unable to provide the statement showing the monthly high and low price of the script of the Company as required in the Listing Agreement.

g) Stock Code – 531961 (Bombay Stock Exchange)

h) Dematerialization of shares & liquidity: Entire shares are in physical mode, as given below:

Sr. No	Particulars	No. of share holders	No. of shares	Percentage
1	Physical Shares	370	52,50000	100
2	Electronic Shares	-	-	-
	Total	**370**	**52,50,000**	**100**

i) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, Conversion date and likely impact on equity is NIL

j) Conversion date and likely impact on Equity Shares: is NIL

k) The details of related parties' viz.; Promoters. Directors or the Management, their Subsidiaries or relatives conflicting with Company's interest: N.A.

l) Penalties or structures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the period under review: N.A

m) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.- N.A.

n) Whistle Blower Policy: N.A

o) Training of Board Members: The Board comprises of qualified Directors and therefore not applicabale.

p) Mechanism for evaluating non-executive Board Members: N.A

q) SHARE HOLDING PATTERN AS ON 31.03.2011

Category	No. of shares	% of equity
Promoter Group	13,02,900	24.82%
Resident Body Corporate	24,22,500	46.14%
Indian Public	15,24,600	29.04%
Banks/FI/FII/MF/Trust	NIL	NIL
NRI/OCB	NIL	NIL

Share holdings of Independent Directors (name)	No. of Shares
M.B.S Menon	NIL
Ajoy Roy	NIL

r) Additional information: NIL

a) Director retiring by rotation / reappointment:

b) The ISIN for the dematerialized share of the company is N.A Since the shares are yet to be dematerialised.

c) Share transfer system:- Share transfer Committee meets as and when required.

d) The Company has not proposed / declared any dividend from inception.

e) Financial Year: 1st April to 31st March

For the current financial year, following is the calendar (tentative and subject to change)

Financial reporting for 2011-2012

- 1st Quarter before 31.07.2011
- 2nd Quarter before 30.10.2011
- 3rd Quarter before 30.01.2012
- 4th Quarter – before 30.05.2012

s) Plant Location: N.A

t) Address for correspondence

- Regd Office:- 127/10/1, Manicktala Main road, Kolkata – 700 054
- E-mail id of the Company:- info@iscudyog.com
- E-mail id of the Compliance officer: - info@iscudyog.com
- Telephone No:- 033-23208431
- Fax: - 033-23202088

Management Discussion And Analysis

Since the company has not commenced any concrete business as such. We are unable to comment upon the Opportunities and Threat, Segment wise Performance, Out Look etc at present.

Financial performance with respect to operational performance

Particulars	31-03-2010	(Amount in Rs.) 31-03-2011
Total Income	12.23	16.80
Depreciation	2.72	1.94
Profit (Loss) before Tax	0.72	5.60
Provision for Tax - FBT	0.22	0.41
Profit (loss) after Tax	0.50	5.01
Prior Period Adjustments		

Jaipuriar & Co.
Chartered Accountants

N. Jaipuriar, Bcom (Hons), F.CA
Sunil Kumar, BCom, F.CA

Head Office
11, Eastern Chamber
Poona Street, Mumbai 400009
Tel. 022-23770327 Fax 022-56346600
E mail : navneetjaipuriar@rediffmail.com

Branch Office
71, J.M. Road, Ashivara Bhavan
4th Floor, Bangalore 560002
Tel. 080-37972166

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
ISC UDYOG LTD.
Kolkata

We have examined the compliance of the conditions of Corporate Governance by ISC UDYOG LTD. for the year 2010-2011 as stipulated in clause 49 of the Listing Agreement with the Stock Exchanges.

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

In our opinion and to the best of our information, and according to the explanations given to us, we certify, that the Company has partly complied with the conditions of
The Corporate Governance as stipulated in the above mentioned listing agreement.

We state that majority of the investor grievances were attended within one month as per maintained by the company.

We further state that such compliance is neither as 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.

Place: Mumbai

Date: 15-5-2011

For Jaipuriar & Co.
Chartered Accountants

N. Jaipuriar
Partner
M No. 74669

CEO & CFO CERTIFICATION

The Board of Directors
ISC Udyog Limited
Kolkata

This is to certify that

1. We have reviewed financial statements of ISC UDYOG LIMITED for the year ended 31st March 2011 and that to the best of our knowledge and belief

   i. These statements do not contain any materially untrue statements or omit any material fact or contains 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 existing accounting standards, applicable laws and regulations.

2. There are to the best of my knowledge and belief, no transaction entered into by the company during the year ended 31.03.2011 which are fraudulent, illegal or violative of the Company's code of conduct.

3. I accept responsibility for establishing and maintaining internal controls for financial reporting, I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies.

4. I further certify that:

(a) There have been no significant changes in the international control over financial reporting during this year.

(b) There have been no significant changes in accounting policies during this year and that the same have been disclosed in the noted to the financial statements.

(c) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

Jitendra Singh
Chairman

ISC UDYOG LTD. MUMBAI

Place: Kolkata
Date: 15-5-2011

DECLARATION – COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with clause 49 of the Listing Agreement with the Stock Exchanges, I affirm that that the Board Members and senior Management Personnel have affirmed compliance with the said Code of Conduct, as mentioned in this report, for the year ended 31st March 2011

Place: Kolkata

Date: 15/05/2011

For ISC UDYOG LIMITED

Jitendra Singh

Chairman & Executive Director

Jaipuriar & Co.

Chartered Accountants

N. Jaipuriar, B.Com (Hons),F.C.A
Sunil Kumar, B.Com., F.C.A.

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11, Eastern Chamber,
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E-mail : navneetjaipuriar@rediffmail.com
Website : www.jaipuriarco.com

AUDITORS' REPORT

To:
THE MEMBERS OF ISC UDYOG LTD.

1. We have audited the attached Balance Sheet of ISC UDYOG LTD. as at March 31, 2011 and also the Profit and Loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain responsible assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on the test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion

3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Company Law Board under Section 227 (4A) of the Companies Act, 1956, We enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to above, we report that:
   i. We have obtained all the information and explanations, which to the best of our knowledge and behalf were necessary for the purpose of our audit.

   ii. 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.

   iii. The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of account.

   iv. In our opinion, the Balance Sheet and Profit and Loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.

   v. On the basis of written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

   vi. In our opinion and to the best of our information and according to the explanation given to us, the said the accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity principles generally accepted in India;

   (a) in the case of Balance Sheet, of the state of affairs of the company as at March 31, 2011;
   (b) in the case of Profit and Loss account, of the profit for the year ended on the date; and
   (c) In the case of Cash Flow Statement, of the cash flow for the year ended on that date.

for **JAPURIAR & CO.**
Chartered Accountants

(N.JAIPURIAR)
PARTNER
Place: MUMBAI
Date: 15.05.2011
M No 074669
F R.No 121805W

Branch Office: 1. 605, Mayuresh Cosmos, Sector 11, Plot no.37, CBD Belapur, Navi Mumbai - 400 614, Tel.: 022 67210518/19, Fax : 022 67210519
2. Bldg. No. 33/2, 1st Floor, Sanjeev Appa Lane, Avenue Cross Road, Banglore - 560002, Tel. No. 080 41241668 / 41497138

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

Re: ISC Udyog Ltd.

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. The Physical verification of fixed assets is performed by the management in accordance with a rotational plan, which is intended to cover all the fixed assets of the company over a period of two years. We are informed that no material discrepancies were noted, during the course of such verification. In our opinion, the frequency of such verification is reasonable. There was no substantial disposal of fixed assets during the year.

2. The management has conducted physical verification of inventory at reasonable intervals during the year. The procedures of physical verification of inventory (except for goods in bond and transit) followed by the management are reasonable and adequate i relation to the size of the Company and the nature of its business. The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

3. There are no parties that require to be listed in the register maintained under section 301 of the Act, accordingly, clauses (iii), (v) and (xviii) of the Companies (Auditors Report) Order, 2003 are not applicable.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for th sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls in respect o these areas.

5. In our opinion and according to the information and explanation given to us there are no parties listed in the register maintained under section 301 of the Companies Act 1956and hence no transactions in pursuance of contracts or arrangement that need to be entered into the register maintained under section 301 of the Companies Act 1956 have taken place in this regard.

6. The Company has not accepted any deposits from the public during the year. In our opinion the provision of Section 58Aand 58A/ of the Act and rules framed there under with regard to the deposits accepted from public are not applicable. No Order has been issued by the Company Law Board in this respect.

7. In our opinion, the Company has an internal audit system, commensurate with the size of the Company and the nature of its business.

8. The Central Government has not prescribed maintenance of cost records by the Company under section 209(1)(d) of the Act.

9. According to the records of the Company, the Company is regular in depositing undisputed statutory dues including withholding t taxes, provident fund, employees state insurance, income tax, sales tax, wealth tax, customs duty and other statutory dues applicat to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable respect of income tax, wealth tax, sales tax, customs duty and excise duty were outstanding, at the year end for a period of more than six months from the date they become payable.

10. The company does not have accumulated losses the end of the financial year and it has not incurred any cash losses of in the current financial year and immediately preceding financial year.

11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayments of loan to financial institution, bank or debenture. The Company does not have borrowings from bank , financial institutions and not by way of debentures.

12. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provisions of clause 4(xiii the Companies (Auditor's Report) Order, 2003 are not applicable to the Company

14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clauses 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

16. Based on information and explanations given to us by the management, the company has not taken term loan from banks or finantial institutions during the year.

17. According to the information and explanations given to us and on overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment and no long-term funds have been used to finance short-term assets (excludes permanent working capital).

18. The Company has not issued debentures during the year so this clause is not applicable.

19. The Company has not issued any shares to the public and so this clause is not applicable.

20. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during course of our audit.

For, JAIPURIAR & CO.
Chartered Accountants

(N.JAIPURIAR)
PARTNER

MUMBAI
DATE: 15.05.2011
M.No. 074669
F.R.No. 121805W

ISC UDYOG LTD
BALANCE SHEET AS AT 31st MARCH, 2011

	SCHEDULE	AS AT 31.03.11	AS AT 31.03.10
SOURCE OF FUND			
1. SHARE HOLDERS FUND			
PAID UP SHARE CAPITAL	'A'	31106500.00	31106500.00
RESERVES & SURPLUS		933269.57	432429.22
		32039769.57	31538929.22
APPLICATION OF FUNDS			
1. FIXED ASSETS	'B'		
Gross Block		17897208.50	17897208.50
LESS DEPRECIATION		1213151.27	1018557.48
Net Block		16684057.23	16878651.02
2. INVESTMENTS		7619700.00	7648700.00
3. CURRENT ASSETS, LOANS & ADVANCES			
A. CURRENT ASSETS			
CLOSING STOCK		15650.00	45260.00
SUNDRY DEBTORS		1550349.00	271308.00
LOANS & ADVANCES	"C"	221681.00	198226.00
CASH & BANK BALANCE	"D"	808152.23	1643302.83
DEFERRED TAX ASSETS	'A(1)'	21810.98	40137.14
		2617643.21	2198233.97
Less :			
4. CURRENT LIABILITIES	'E'	2958642.87	3263667.77
NET CURRENT ASSETS		-340999.66	-1065433.80
5. MISCELLANEOUS EXPENDITURE	'F'	8077012.00	8077012.00
		32039769.57	31538929.22

As per our report of even date annexed

For JAIPURIAR & CO
CHARTERED ACCOUNTANTS

(N. JAIPURIAR)
PARTNER
M.No. 074669
Firm Reg No.: 121805W

Place : Mumbai
Date : 15.05.2011

JITENDRA SINGH
DIRECTOR

LOKENDRA SINGH
DIRECTOR

ISC UDYOG LTD
PROFIT AND LOSS ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2011

		YEAR ENDED 31.03.11		YEAR ENDED 31.03.10
INCOME				
Interest on FDR		30315.00		118480.00
Other Income		11200.00		100500.00
Rent/location/makepup room		1232600.00		483700.00
Sales of Electrical Panel and spares		233550.00		285545.00
Course Fees		172000.00		234450.00
Liabilities No Longer required		0.00		113.00
		1679665.00		**1222788.00**
EXPENDITURE				
Direct Expenses				
Opening Stock	45260.00		26305.00	
Purchase of Spares	58400.00		198120.00	
Less Closing Stock	15650.00	88010.00	45260.00	179165.00
Labour charges		49965.00		88360.00
Indirect Expenses:				
Filing Fees		11000.00		7000.00
Professional Charges		43050.00		25773.00
Postage & Telegram		0.00		254.00
Director Remuneration		180000.00		0.00
Salary		300000.00		246000.00
Bank Charges		1943.30		8669.46
Professional Tax		2500.00		2500.00
Auditors Remuneration		11030.00		11030.00
Rent for Works		108000.00		108000.00
General Charges		4998.50		6979.28
Transport Charges		500.00		400.00
Listing Fees		0.00		34302.50
Conveyance Charges		3271.00		1606.00
Rent		42000.00		42000.00
octroi Charges		550.00		25742.00
License Fees		47711.00		90501.00
Depreciation		194593.29		272387.52
Data Processing Charges		30000.00		0.00
		1119122.09		**1150669.76**
Profit/Loss during the year		**560542.91**		72118.24
Provision for Income Tax		41376.40		22261.00
Deferred Tax Asset / Liability		18326.16		22.86
Profit / Loss after Tax		**500840.35**		**49834.38**
Balance Brought forward from last year		432429.22		382594.84
		933269.57		**432429.22**

As per our report of even date annexed

For **JAIPURIAR & CO.**
CHARTERED ACCOUNTANTS

(N. JAIPURIAR)
PARTNER
M.No. 074669
Firm Reg No.: 12805W

JITENDRA SINGH
DIRECTOR

LOKENDRA SINGH
DIRECTOR

Schedules No. A to G annexed to and forming part of the Balance Sheet as at 31st March 2011 and the Profit & Loss Account for the year ended on that date.

			AS AT 31-03-11		AS AT 31-03-10
Schedule 'A' - Share Capital					
Authorised :					
Authorised Capital 6000000 Equity Shares of Rs.10/- each (Previous Year 6000000 Eq. Shares of rs. 10/- each)			60000000.00		60000000.00
Issued Subscribed & Paidup					
5250000 Equity Shares of Rs.10 each (Previous year 5250000 Eq. Shares of Rs.10/- each)			52500000.00		52500000.00
Less :					
Calls in Arrears			21393500.00		21393500.00
			31106500.00		31106500.00
Schedule 'A (1)' Deferred Tax Assets					
Deferred Tax on opening Depreciation:			40137.14		5826.00
Current year Depreciation					
Depreciation as per P&L A/c.	752539.99			125665.46	
Depreciation as per IT Act	813626.98			226678.59	
	-61086.99		18326.16	101013.13	34334.00
			21810.98		40160.00

For JAIPURIAR & CO.
CHARTERED ACCOUNTANTS

(N. JAIPURIAR)
PARTNER

JITENDRA SINGH
DIRECTOR

LOKENDRA SINGH
DIRECTOR

Place : Mumbai
Date : 15.05.2011
M. No. 074669
F R. No. 121805W

	AS AT 31-03-11	AS AT 31-03-10
Schedule 'C' - Loans & Advances		
Self Assessment Tax (A.Y.10-11)	7405.00	0.00
TDS (AY.2011-12)	16050.00	0.00
Telephone Deposit (Sundry Deposit)	11000.00	11000.00
Rent Deposit	30000.00	30000.00
FBT 07-08	200.00	200.00
T.D.S.(A.Y. 08-09)	1128.00	1128.00
Adv. Income Tax (05-06)	4000.00	4000.00
Advance Income Tax (08-09)	15000.00	15000.00
Advance Income Tax (06-07)	5000.00	5000.00
Assessnent Income Tax (05-06)	4200.00	4200.00
Self Assessment Tax (06-07)	2500.00	2500.00
Self Assessment F.B.T (06-07)	2000.00	2000.00
Adv. Income Tax (07-08)	10000.00	10000.00
TDS (AY.2009-10)	68342.00	68342.00
Assessnent Income Tax (09-10)	30000.00	30000.00
AS TDS (AY 2010 -11)	14856.00	14856.00
	221681.00	**198226.00**

Schedule 'D' - Current Assets		
Cash in Hand	294189.54	248252.04
Cash at Bank:	0.00	0.00
Balance with Scheduled Banks	72906.69	38610.79
FDR	441056.00	1356440.00
	808152.23	**1643302.83**

For JAIPURIAR & CO.
CHARTERED ACCOUNTANTS

(N. JAIPURIAR)
PARTNER

Place : Mumbai
Date : 15.05.2011
M. No. 074669
F R. No. 121805 W

JITENDRA SINGH
DIRECTOR

LOKENDRA SINGH
DIRECTOR

	AS AT 31-03-11	AS AT 31-03-10
Schedule 'E' - Current Liabilities		
Auditors Remuneration	27104.00	22060.00
Retention Money	191000.00	191000.00
Sundry Creditors	2121149.18	2618326.98
Provisions for Income Tax (06-07)	7179.00	7179.00
Provision for Income Tax (AY 05-06)	7394.00	7394.00
Provision for Income Tax (AY 09-10)	95361.00	95361.00
Others Liabilities	409500.00	272055.00
Prov for Income Tax(AY10-11)	22261.00	22261.00
Provision for FBT(AY 09-10)	9613.00	9613.00
Provisions for Income Tax (07-08)	2194.00	2194.00
Provision for Fringe benefit Tax (07-08)	14206.79	
Provision for Tax (08-09)	1657.00	14206.79
Provision for FBT (08-09)	0.00	1657.00
Provision for Income Tax (11-12)	41376.40	
Provision for FBT (09-10)	360.00	360.00
Sales Tax	8287.50	
	2958642.87	3263667.77

Schedule 'F' - Miscellaneous Expenditure		
Techinical Knowhow	624549.00	624549.00
Preoperative Expenses	7270963.00	7270963.00
Preliminary Expenses	181500.00	181500.00
	8077012.00	8077012.00

For JAIPURIAR & CO.
CHARTERED ACCOUNTANTS

(N. JAIPURIAR)
PARTNER

Place : Mumbai
Date :15.05.2011
M.No 074669
F.R. No. 121805W

JITENDRA SINGH
DIRECTOR

LOKENDRA SINGH
DIRECTOR

Schedule 'B' - Fixed Assets	31.3.2011	31.3.2010
Fixed Assets (1)		
Leasehold Land	3760000.00	4320000.00
Green house under construction	3193074.00	3193074.00
Furniture & Fixture	9688.00	9688.00
Borewell	51720.00	51720.00
Electrical Fittings	184140.00	184140.00
Technical Books	4656.00	4656.00
Building under Construction	4222392.00	4222392.00
Land Development in progress	2989609.00	2989609.00
	14415279.00	**14975279.00**

Fixed Assets (2)

PARTICULARS	Gross Block: Cost as at 01/04/10	Gross Block: Addition During the year	Gross Block: Total Asset as on 31/03/11	DEPRICIATION: Dep. Up to 31/03/10	DEPRICIATION: Dep. For the year	DEPRICIATION: Dep. Up to 31/03/11	Net. Block: WDV as at 31/03/11	Net. Block: WDV at 31/03/10
1) Air conditioner 13.91%	68150.00	0.00	68150.00	51238.46	2352.40	53590.86	14559.14	16911.54
2) Computer Hardware 40%	427102.00	0.00	427102.00	423194.92	1563.03	424757.95	2344.05	3907.08
3) Computer Software 40%	6150.00	0.00	6150.00	6105.36	17.86	6123.22	26.78	44.64
4) Electrical instalation 13.91%	5003.00	0.00	5003.00	3814.20	165.36	3979.56	1023.44	1188.80
5) Furniture & Fixture 18.10%	195428.00	0.00	195428.00	164620.62	5576.14	170196.76	25231.24	30807.38
	701833.00	**0.00**	**701833.00**	**648973.56**	**9674.79**	**658648.35**	**43184.65**	**52859.44**
Pre Year Figure	**701833.00**	**0.00**	**701833.00**	**636606.05**	**12367.51**	**648973.56**	**52859.44**	**65226.95**
Angel Soft: Fixed Assets (3)								
Furniture	28000.00	0.00	28000.00	8461.66	3536.00	11997.66	16002.34	19538.34
Sound Proofing	1023793.50	0.00	1023793.50	171132.91	85266.00	256398.91	767394.59	852660.59
Studio - Permanent Structure	958723.00	0.00	958723.00	189989.85	76877.00	266866.85	691856.15	768733.15
Studio- Temp. Structure	769580.00	0.00	769580.00	0	19239.50	19239.50	750340.50	0.00
	2780096.50	**0.00**	**2780096.50**	**369584.42**	**184918.50**	**554502.92**	**2225593.58**	**1640932.08**
Pre Year Figure	2721034.00	59062.50	2780096.50	109534.41	260020.01	369584.42	2410512.08	2611499.59

	31-03-11	31-03-10
Fixed Assets (1)	14415279.00	14415279.00
Fixed Assets (2)	701833.00	701833.00
d Assets (3)	2780096.50	2780096.50
	17897208.50	17897208.50
Less Depreciation	1213151.27	1018557.48
Net Assets	16684057.23	16878651.02
	16684057.23	**16878651.02**

For **JAIPURIAR & CO.**
CHARTERED ACCOUNTANTS

(N. JAIPURIAR)
PARTNER

JITENDRA SINGH
DIRECTOR

LOKENDRA SINGH
DIRECTOR

Place : Mumbai
Date : 15.05.2011
M. No. 074669
F R No 121805W