

41st

Annual Report

2016-2017



IST LIMITED

(Formerly : Indo Swiss Time Limited)



IST LIMITED

41st Annual Report 2016-2017

BOARD OF DIRECTORS

AIR MARSHAL D. KEELOR (RETD.), CHAIRMAN
SHRIS.C. JAIN, EXECUTIVE DIRECTOR
LT. COL. N.L. KHITHA (RETD.) , DIRECTOR (TECH.)
MRS. SARLA GUPTA, DIRECTOR
SHRIMAYUR GUPTA, DIRECTOR
SHRIGAURAV GUPTAA, DIRECTOR
BRIG. G.S. SAWHNEY (RETD.), DIRECTOR
SHRISUBHASH CHANDER JAIN, DIRECTOR

CHIEF FINANCIAL OFFICER

SHRID.N. TULSHYAN

COMPANY SECRETARY

SHRI BHUPINDER KUMAR

AUDITORS

M/s. O.P. DADU & CO.
CHARTERED ACCOUNTANTS, NEW DELHI

BANKERS

STATE BANK OF INDIA
HDFC BANK LIMITED

REGISTERED OFFICE & WORKS

DHARUHERA INDUSTRIAL COMPLEX,
DELHI JAIPUR HIGHWAY NO. 8,
KAPRIWAS, DHARUHERA,
REWARI – 123106 (HARYANA)
TEL: (01274) 267346-48;
FAX: (01274) 267444;
Website: www.istindia.com;
CIN: L33301HR1976PLC008316

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Registered Office : Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari – 123106 (Haryana)
CIN: L33301HR1976PLC008316; Tel: (01274) 267346-48; Fax : (01274) 267444; Website: www.istindia.com;

NOTICE

Notice is hereby given that the 41st Annual General Meeting of the Company, will be held on Friday, the 29th September, 2017 at 3.30 P.M. at the Registered Office of the Company at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari – 123106 (Haryana), to transact the following business:

1. To consider and adopt the Audited Financial Statement (including Audited Consolidated Financial Statement) for the financial year ended 31st March 2017 and Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Shri Mayur Gupta (DIN: 00131376), who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a director in place of Mr. Gaurav Gupta (DIN: 00047372), who retires by rotation and being eligible offers herself for reappointment.
4. To appoint M/s., Chartered Accountants, as Statutory Auditors of the Company, to hold office for a term of 5 year from the conclusion of this 41st Annual General Meeting until the conclusion of the 46th Annual General Meeting and to fix their remuneration and pass the following resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed there under and as recommended by the Audit Committee of Directors, M/s. Gupta Vigg & Co. Chartered Accountants, (FR No. 001393N), from whom certificate pursuant to section 139 of the Companies Act has been received, be and are hereby appointed as Statutory auditors of the Company in place of retiring auditors M/s. O.P. Dadu & Co., Chartered Accountants, to hold office for a term of 5 years from the conclusion of 41st Annual General Meeting until the conclusion of the 46th Annual General Meeting to be held in the calendar year 2022, subject to re-appointment at every subsequent Annual General Meeting to be held during their tenure, if so required, on such remuneration as may be fixed by the Board of Directors in consultation with the Auditors.”

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, approval of the shareholders be and is hereby accorded to re-appoint Lt. Col. N.L. Khitha (Retd.) (DIN: 01128275) as Whole Time Director, designated as Director (Technical) of the Company for a period of 2 years with effect from 01st June, 2017 to 31st May, 2019 and to pay him remuneration, as per details given below:

Basic Pay	30,000/-
Dearness Allowance	18,400/-
House Rent Allowance	20,000/-
Special Allowance	19,600/-
Total	<u>88,000/-</u>

PERQUISITES

PART-A

- a) Reimbursement of actual expenses incurred by the Director (Technical) on use of telephone / mobile phone for official work.

PART-B

- a) **Earned Leave** – One month's leave as per rules of the Company for every 11 months of service. Leave accumulated and not availed off during his tenure as Director (Technical) will be allowed to be encashed as per rules of the Company.
- b) **Reimbursement of Expenses** – Director (Technical) shall also be entitled to reimbursement of expenses actually and properly incurred for the purpose of business and business development of the Company.

OTHER CONDITIONS:

If during the currency of tenure as Director (Technical), the Company has no profits or its profits are inadequate in any financial year, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule –V of the Companies Act, 2013.



IST LIMITED

FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable, to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek approval of statutory authority, if any, as may be required in this regard;

FURTHER RESOLVED THAT the Board of Directors of the Company and /or the Remuneration

Committee be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Lt. Col. N.L. Khitha (Retd.);

FURTHER RESOLVED THAT Mr. S.C. Jain, Executive Director and /or Mr. Gaurav Gupta, Director be and are hereby severally authorized on behalf of the Company to take action as may be expedient, to give effect to the above resolution."

By Order of the Board

Place : New Delhi
Date : 28.08.2017

(Bhupinder Kumar)
(Company Secretary)

Notes :

- A Member entitled to attend and vote at the Meeting is entitled to appoint another person as a Proxy to attend and vote on a Poll on his/her behalf. A Proxy need not be a Member of the Company. However, proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the Annual General Meeting.** A person can act as a proxy on behalf of members holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- The Instrument of Proxy in Form MGT 11 (Proxy Form) prescribed under Companies (Management and Administration) Rules, 2014 pursuant to Section 105(6) of the Companies Act, 2013 is given separately in the Annual Report.
- Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- The Register of Members and Share Transfer Books of the Company will remain closed from 23.09.2017 to 29.09.2017 (both days inclusive) for the purpose of this Annual General Meeting.
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- Members are requested to bring the Attendance Slip duly filled in along with their copy of Annual Report to the Meeting.
- The Members are requested to contact the Company's Registrars and Share Transfer Agents, MAS Services Limited for all their queries, transfer requests, or any other matter relating to their shareholding in the Company as per their following contact details:
Mas Services Limited,
T-34, 2nd Floor, Okhla Industrial Area,
Phase-II, New Delhi – 110020;
Phone: 011-26387281-83;
Fax : 011-26387384; email: info@masserv.com
- Members are requested to (i) quote their Registered Folio Numbers / DP ID & Client ID Nos. in all correspondences with the Company / with the Registrars and Share Transfer Agents; and (ii) promptly notify any change in their address to the Registrars and Share Transfer Agents, in case they still hold the Equity Shares in physical form.



9. Dematerialization of the Equity Shares of the Company: The Equity Shares of the Company are compulsorily required to be held under DEMAT mode for Trading on the floor of the Stock Exchanges, where such Equity Shares are listed. These can be held in electronic form with any Depository Participant (DP) with whom the Members have their Depository Account. All the Members, holding Equity Shares of the Company in the physical form, are advised to get the same dematerialized. The Members may contact the Registrars and Share Transfer Agents of the Company at their address mentioned above.
10. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail id for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically, with the Company's Registrars and Share Transfer Agents.
11. Electronic copy of the Annual Report for financial year 2016-17 along with the Notice of the 41st Annual General Meeting of the Company (including Attendance Slip and Proxy Form) is being sent to all the members whose email IDs are registered with the Registrar/Depository Participants(s) with their consent for communication purposes unless any member has requested for a hard copy of the same.
12. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2016-17 along with Notice of the 41st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent by other permissible modes.
13. Members may also note that the Notice of the 41st Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website: www.istindia.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during 10:00 A.M. to 5:00 P.M on any working day, excluding Saturday. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same. For any communication, the shareholders may also send requests to the Company's investor email id: istgroup.ho@gmail.com.

VOTING THROUGH ELECTRONIC MEANS

14. Voting through electronic means: Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and the Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is providing remote e-voting facility to enable the members to cast their votes electronically on all the resolutions set forth in the Notice convening the 41st Annual General Meeting. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide the remote e-voting facilities. The Instructions for remote e-voting are provided in the Attendance Slip, which is enclosed along with the Annual Report. Members are advised to read the instructions carefully before exercising their vote.



IST LIMITED

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 (THE ACT)

Attached to the Notice convening the 41st Annual General Meeting of IST Limited to be held on Friday, the 29th September, 2017.

Item No. 5

Lt. Col. N.L. Khitha (Retd.) is Whole Time Director, Designated as Director (Technical) of the Company. His term of appointment, as per resolution passed by the Shareholders of the Company in Annual General Meeting held on 29th September, 2015, has expired on 31.05.2017.

The Board of Directors of the Company in its meeting held on 30.05.2017 considered reappointment of Lt. Col. N.L. Khitha (Retd.) as Whole Time Director, to be Designated as Director (Technical) for a further period of 2 years with effect from 1st June, 2017.

As Shri Lt. Col. N.L. Khitha (Retd.) has attained age of 77 years, relevant provisions of the Companies Act, 2013, were also discussed by the Board, which,

interalia, provide that appointment of a person having age of 70 years or above as Whole Time Director may be made by passing a special resolution with due justification in the explanatory statement.

The Board of Directors, keeping in view smooth and efficient running of Technical affairs of the Company by Lt. Col. N.L. Khitha (Retd.) and also keeping in view the good health possessed by him, recommend reappointment of Lt. Col. N.L. Khitha (Retd.), as Whole Time Director, designated as Director (Technical) of the Company for a further period of 2 years with effect from 1st June, 2017 on remuneration and terms and conditions as given in the proposed resolution.

None of the Directors or other Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Special Resolution except the appointee himself.

By Order of the Board

(Bhupinder Kumar)
(Company Secretary)

Place : New Delhi
Date : 28.08.2017

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE FORTHCOMING 41st ANNUAL GENERAL MEETING

Name of the Director	Mr. Mayur Gupta	Shri Gaurav Gupta	Lt. Col. N.L. Khitha (Retd.)
Date of Birth	27.03.1977	21.10.1982	25.09.1937
Date of Appointment	01.10.2006	14.08.2012	01.06.2011
Expertise in Specific functional Areas	MBA (MIS & E-Business) from Bentley College Boston, USA Business Administration & Finance	M.Sc. in International Business Economics from City University, London (UK), Bachelor of Business Administration from IILM, New Delhi. Expertise in Corporate Finance, International Business Economics.	Held various distinguished positions in Indian Army and has vast experience in technical and administration fields, business development.
List of Public Companies in which Directorship is held	1. IST Limited 2. GPC Technology Ltd. 3. Gurgaon Infospace Limited	1. IST Limited 2. GPC Technology Ltd. 3. IST Steel and Power Ltd. 4. Gurgaon Infospace Limited	—
Chairman / Member of the Committees of the Board of Companies on which he is a Director	IST Limited Member, Risk Management Committee, IST Limited GPC Technology Limited Member, Shareholders Grievance Committee	IST Limited Member, Shareholders Grievance Committee GPC Technology Limited Member, Shareholders Grievance Committee IST Steel and Power Limited Member, Audit Committee	IST Limited Member, CSR Committee

**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present their 41st Annual Report on your Company's operations and performance together with the audited statement of accounts for the year ended 31st March 2017.

Financial Results

The performance of the Company for the financial year ended March 31, 2017 and for the previous year ended March 31, 2016 are summarized below:

PARTICULARS	(Rs. In Lacs)	
	For the year ended 31.03.2017	For the year ended 31.03.2016
Revenue from Operations	2,527.38	1,763.92
Other Income	974.58	1,042.36
Total Income	3,501.95	2,806.28
Earnings before Interest, depreciation, tax and amortization (EBIDTA)	1,399.23	1,124.42
Less :- Finance Cost	89.86	33.43
Less :- Depreciation	207.98	207.20
Earning before tax (EBT)	1,101.39	883.79
Tax Expenses		
- Current tax	270.00	218.00
- Tax for earlier years	6.44	(0.74)
- Deferred Tax	(17.21)	3.96
Profit After Tax	842.16	662.57
Add: Balance brought forward from previous year	4,003.70	3,341.13
Surplus carried to Balance Sheet	4,845.85	4,003.70

State of Company's Affairs

During the year under review, the operating revenue of your company has a healthy increased of 43.28% to 2,527.38 Lacs as against Rs. 1,763.92 Lacs achieved in the previous year. The net profit after tax (PAT) for the year has also increased by 27.10% at Rs. 842.16 Lacs as compared to Rs. 662.57 Lacs in the previous year. The Earnings before interest, depreciation, tax & amortizations (EBIDTA) increased by around 24.44% at Rs. 1,399.23 Lacs as compared to Rs. 1,124.42 Lacs in the previous year. The performance of the Company has improved over the previous year due to procurement of new contracts from the Clients.

Your Company is primarily engaged in the business of manufacturing of high precision components for Auto and Consumer Goods Industry. Incorporated in the year 1976, the Company has remained a going concern. The Company has one operative production plant at Dharuhera (Gurgaon). The operations of the Company continued in a smooth and uninterrupted manner during the course of the year.

During the year under review, your Company has not made any default in the re-payment of its financial obligation towards its lender Bank(s) and have met its obligations in time including its tax liability. The Shares of the Company are listed on Bombay Stock Exchange (BSE).

Appropriation of Profit after Tax for Transfer to Reserves

No amount has been transferred to the General Reserve during the year. The net retained earnings have been kept in the profit and loss account.

Dividend

The Board of Directors have decided not to recommend any dividend for the financial year 2016-17.



Share Capital

During the year under review:

- a) No Equity shares have been issued with differential voting rights. Hence, no disclosure is required in terms of Rule 4(4) of Companies (Share Capital and Debentures) Rules, 2014.
- b) No issue of Sweat Equity Share has been made. Hence, no disclosure is required in terms of Rule 8(13) of Companies (Share Capital and Debentures) Rules, 2014.
- c) There was no issue of Employee Stock Option. Hence, no disclosure is required in terms of Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014.
- d) There was no provision made by the Company for any money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence, no disclosure is required in terms of Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.
- e) The issued, subscribed and fully paid up share capital of the Company as on 1st April, 2016 and 31st March, 2017 remained unchanged.

Deposits

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

Consolidated Financial Statements

The audited consolidated financial statements of the Company for the FY 2016-17 which forms part of the Annual Report 2016-17 have been prepared in pursuant to Section 129(3) of the Companies Act, 2013 and Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and prepared in accordance with the Accounting Standards AS-21 for consolidation of financial statements and AS-23 for accounting of investments in associates, prescribed by the Institute of Chartered Accountants of India (ICAI), in this regard..

Subsidiaries, Joint Ventures and Associate Companies

The Company has one Subsidiary namely Gurgaon Infospace Limited which is a wholly owned subsidiary and one Associate namely IST Steel & Power Limited as on March 31, 2017. There has been no material change in the nature of the business of the subsidiary. The subsidiary of the Company is engaged in the business of development of Infrastructure for IT / ITES Sector.

None of the Company has become or cease to become the subsidiary, joint venture or associates of your Company during the year 2016-17.

The particulars of Subsidiary(ies) and Associate(s) of the Company are provided in form MGT – 9 attached as Annexure – A to this report.

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the Financial Statements of the Company's subsidiary(ies) in Form AOC-1 is attached to the Financial Statements of the Company.

In accordance to the provisions of section 136 of the Act, the Standalone Financial Statements of the Company, the Consolidated Financial Statements along with relevant documents and separate audited accounts in respect of subsidiaries are available on the website of the Company.

The annual accounts of the subsidiary and the related information will be made available to any member of the Company seeking such information and are available for inspection by any member of the Company at the Registered Office of the Company. The annual accounts of the said subsidiary will also be available for inspection at the Registered office of the respective subsidiary company.

The Policy for determining Material Subsidiaries, adopted by your Board, in conformity with Regulation 16(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, can be accessed on the Company's corporate website www.istindia.com.



Directors and Key Managerial Personnel

The tenure of office of Lt. Col. N.L. Khitha (Retd), Whole Time Director designated as Director (Technical) was upto 31.05.2017. The Board on recommendation of Nomination and Remuneration Committee, at its meeting held on 30.05.2017 has re-appointed him as Whole time Director designated as Director (Technical) for a further period of 2 years w.e.f 01.06.2017 till 30.05.2019 subject to approval by the Members at the ensuing annual general meeting in terms of section 196, 197 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013.

In accordance with the provisions of the Companies Act 2013 and the Articles of Association of the Company, Mr. Mayur Gupta and Mr. Gaurav Gupta Director of the Company shall retire by rotation at the ensuing Annual General Meeting and being eligible has offered themselves for re-appointment, subject to approval of the shareholders at the ensuing annual general meeting in term of Section 152(6) of the Companies Act, 2013. The brief detail relating to Mr. Mayur Gupta and Mr. Gaurav Gupta is furnished in the explanatory statement to the notice of the ensuing AGM under the head "Directors Seeking Appointment / Re-appointment at this Annual General Meeting".

During the year under review Mr. R.K. Sapra, Company Secretary (KMP) of the Company had resigned and was relieved from his services w.e.f. 31.01.2017. Mr. Bhupinder Kumar joined the Company as the Company Secretary (KMP) of the Company w.e.f. 22.02.2017.

In terms of Section 203 of the Companies Act, 2013 the Company has following Key Managerial Personnel as on 31.03.2017:

- a) Mr. S.C. Jain, Whole Time Director designated as Executive Director.
- b) Lt. Col. N.L. Khitha, Whole Time Director designated as Director (Technical).
- c) Mr. D.N. Tulshyan, Chief Financial Officer.
- d) Mr. Bhupinder Kumar, Company Secretary.

Board Diversity

Board of Directors forms one of the foremost Pillars of a robust Corporate Governance Framework. Acting as the agents of shareholders, directors are expected collectively to devise operational and financial strategies for the organization and to monitor the effectiveness of the company's practices, and therefore should be Judgmental, responsible and experienced. In order to achieve this, it has always been the endeavor of the Company to have a Board having wide experience and varied industrial expertise. The diversity at Board enhances the quality of the decisions making by utilizing the different skills, qualification, professional experience, gender, knowledge etc. of the members of the Board, necessary for achieving sustainable and balanced development and Good Corporate Governance. The Board of your Company possesses the appropriate expertise and experience, combination of Industry Knowledge, diversity and integrity which is in the best interest of the Company.

The Board of the Company has adopted a policy on Board Diversity framed in accordance with the regulation 19(4) & 20(4) and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which sets out a framework to promote diversity on Company's Board of Directors (the 'Board').

Director's Appointment, Remuneration and Evaluation

Considering the requirement of Diversity of the Board, the Nomination and Remuneration Committee of the Directors while recommending the candidature of any individual on the Board of the Company, consider their independent standing in their respective field/profession, make analysis as to how they may effectively contribute to Company's business goals and Policy decisions. The Committee considers ethical standards of integrity, qualification, expertise and experience of the person for appointment as Director and who is not disqualified under Section 164 of the Companies Act, 2013 and rules made thereunder.

Remuneration to Whole-Time Director and Executive Director is governed under relevant provisions of the Companies Act, 2013 and rules made thereunder. Independent Directors are paid sitting fees for attending the meetings of the Board/Committees thereof. The detail of the director's remuneration, including the sitting fees paid during the financial year 2016-17, is given in the Corporate Governance Report, which forms part of this Annual Report.



Pursuant to the provisions of the Companies Act, 2013 and as per regulation 19(4) & 20(4) and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an Annual Performance Evaluation of its own performance, Directors individually and that of its Committees. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of board processes, information flow and functioning etc.

The performance of the Committees was also evaluated by the Board after seeking inputs from all the members of the respective Committee on the basis of criteria such as the composition of the committee, effectiveness of committee, information flow and functioning etc.

Further, Board has also carried out an Annual evaluation of Independent Directors. The Performance Evaluation was based on their contribution to Company's objectives and plans, efficient discharge of their responsibilities, participation in Board/Committee meetings, adherence to the Code of Conduct and other relevant parameters.

During the year a Separate Meeting of Independent Directors was held to assess the performance of Non-independent Director and the Chairperson of the Company. While evaluating the performance any member, the views of executive directors and non-executive directors were also taken into consideration.

Familiarization Program for Independent Directors

In terms of the as per regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is required to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the company and other related matters through various programs. It has been ensured by the management that the Independent Directors are well versed with the activity of the Company, its nature of business, future outlook of the business etc. so as to contribute significantly and effectively to the Company.

The familiarization programs are conducted as and when required or on the specific request of a Director which includes visit to manufacturing unit, meeting with senior and middle level management to make them understand the in depth about the financials and operations of the Company and familiarization on the statutory compliances on regular basis. Technical sessions outlining the roles and responsibilities of the Independent Directors are also given from time to time covering the overview on the Companies Act, Listing Agreement and other applicable laws.

Statement on Declaration given by Independent Directors

The Declaration required under Section 149(7) of the Companies Act, 2013 from all the Independent Directors of the Company, confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013, were duly received by the Company.

Number of Meetings of the Board

During the year under review, the board of the directors of the company met 5 times, including one meeting of Independent Directors, the details of such meetings have been provided in Corporate Governance Report that form part of the Annual Report. The intervening gap between any two meetings was within the period prescribed by under the Companies Act, 2013 and SEBI Listing Regulations.

Meeting of Independent Directors

In term of the requirement of Schedule IV of the Companies Act, 2013 and as per Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company convened their separate meeting on 14th February, 2017 to review the matters as provided in the aforesaid Schedule and Regulations.

Directors Responsibility Statements

In terms of the requirement of Section 134(5) of the Companies Act, 2013 and based on the framework of internal financial control and audit / review conducted by the internal, statutory, cost and secretarial auditors, the Board of Directors with the concurrence of the Audit Committee, is of the opinion that the Company's internal financial controls were adequate and effective and hereby confirm:



- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) that Company have 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 at the end of the financial year and of the profit and loss of the Company for that period;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts have been prepared on a going concern basis;
- e) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively; and
- f) that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

Corporate Social Responsibility

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, Board of Directors of the Company has constituted the Corporate Social Responsibility Committee (CSR Committee) comprising of the following Directors:

- (a) Air Marshal Denzil Keelor (Retd), Chairman
- (b) Mr. Gaurav Gupta
- (c) Lt. Col. N.L. Khitha (Retd.)

The said committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) or any amendment thereto, inter-alia indicating the activities to be undertaken by the Company, monitoring the implementation of the CSR policy and recommending the amount to be spent on CSR activities.

Further details on Corporate Social Responsibility are given in Annexure-B to the Report of the Board of Directors.

Auditors and Auditors' Report

Statutory Audit

Pursuant to the provisions of Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the term of M/s O.P. Dadu & Co., Chartered Accountants as statutory auditors of the Company will expire at the conclusion of 41st Annual General Meeting. Further M/s O.P. Dadu & Co., Chartered Accountants are not eligible for re-appointment as they have completed their two consecutive terms of 5 years. The Board of Directors take this opportunity to place on record its sincere appreciation for M/s O.P. Dadu & Co. for their remarkable support over the years during the phase of growth and expansion of the Company's business. The Board further appreciates their sincere support to the Company and its management in meeting its commitments for financial disclosures as well as strengthening of internal controls.

The report given by M/s O.P. Dadu & Co. statutory auditors on the financial statement of the Company for the year 2016 17 is part of the Annual Report. The observations of the Auditors and the relevant notes on the accounts are self-explanatory and therefore do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Further, during the year, in the course of the performance of their duties as auditor, no frauds were reported by them which they have reason to believe that an offence involving fraud has been committed against the Company by officer or employees of the Company.

Based on the recommendation of the Audit Committee, the Board has recommended the appointment of M/s. Gupta Vigg & Co., Chartered Accountants as the statutory auditors of the Company in place of M/s O.P. Dadu & Co. for a term of five consecutive years, from the conclusion of 41st Annual General Meeting



of the Company scheduled to be held in the calendar year 2017 till the conclusion of 46th Annual General Meeting of the Company to be held in the year 2022, for the approval of the shareholders of the Company.

The Company has received letters from M/s. Gupta Vigg & Co., Chartered Accountants to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for appointment as statutory auditors of the Company.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Vinod Kumar & Co., Company Secretaries in practice to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report presented by Vinod Kumar & Co., Company Secretaries confirms the compliances by the company of all the applicable provisions of Companies Act, 2013, Listing Agreement, SEBI guidelines and all other applicable laws, rules and regulations.

The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith which form part of this Report as Annexure-C.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost Audit

Pursuant to Section 148(3) of the Companies Act, 2013 read with the Companies (Cost Record and Audit) Rules, 2014, the Cost Audit / maintenance of cost records is not applicable on the Company.

Audit committee

The Audit Committee comprises Air Marshal Denzil Keelor (Retd), the Chairman of the Committee, Mr. Subhash Chander Jain and Brig. G.S. Sawhney (Retd.) as members of the Committee. Detail on the Audit Committee is provided in the Corporate Governance Report, which forms part of the Report.

Internal financial control systems and their adequacy

The Internal Control Systems are inherent in the Company and are working effectively and efficiently. The Company has a process in place to continuously monitor the efficiency and effectiveness of the Internal Controls which are tested by the management, from time to time, in order to establish that they are working in the best interest of the Company and necessary corrective measures are being taken, wherever required. The Company has designed and implemented a process driven framework for Internal Financial Control (IFC) within the meaning of the Section 134(5)(e) of the Companies Act, 2013 read with explanation thereof. For the year ended March 31, 2017, the Board is of the opinion that the Company has sound IFC which commensurate with the nature and size of its business operations and no weakness exists.

Vigil Mechanism

In terms of the requirements of Section 177(9) of the Companies Act, 2013, read with the Companies (Meeting of the Board and its Powers) Rules 2014 and as per regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concern about any unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. The vigil mechanism is being overseen by the Audit Committee. It is hereby affirmed that no personnel of the Company has been denied access to the Audit Committee. The whistle blower policy is available at company's website www.istindia.com.

Risk Management

Risk is inherent in all business and administrative activities of the Company. The Company therefore has a system for identifying and mitigating the Risk associated with the nature of Businesses undertaken by the Company, which may threaten the existence of the Company. The Board of the Company has framed a Risk Management Policy in order to identify, assess and mitigate the risks. The audit committee also reviews the area of financial risks while analyzing the adequacy and efficiency of internal controls systems adopted by the Company, from time to time. Further the Board of Directors periodically takes note of the initiatives taken by the management to mitigate risk.



Particulars of Investments, Loans, Guarantees given or Securities provided

The Company has not provided any Guarantee or security for any party. Particulars of investment under section 186 of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 is given in form AOC – 2 as annexed to this Report. Further the detail is also provided in the standalone financial statement under notes 13 and note 16

Statements of Subsidiary / Associate Companies

The Operational income of wholly owned subsidiary of the Company, namely Gurgaon Infospace Limited during the year was Rs.7,521.95 Lacs as against Rs. 6,103.13 lacs during the previous year. The Net Profit of the subsidiary company during the year was Rs. 7,263.26 lacs as against Rs. 6,317.88 lacs during the previous year.

Your Company has an Associate entity named IST Steel and Power Limited, in which the Company holds 30.80% Equity Shares. The operational income of the said associate company during the year ended 31.03.2017 was Rs. 393.87 Lacs as compared to 340.99 Lacs during the previous financial year ended on 31.03.2016. The Company's Net Profit after tax was Rs. 274.90 Lacs as against net loss of Rs.239.51 lacs in the previous year ended on 31.03.2016.

Accompanying Financial Statement consolidates financials of the Subsidiary / Associate Companies. Statement under Section 129 (3) of Companies Act, 2013 in prescribed format is enclosed at Annexure - F to the Directors' Report.

Related Parties transactions

All the related party transactions were entered in ordinary course of business and are done on Arm's length basis. The system of taking prior approval of Audit Committee for entering into any related party transaction is in place and is strictly followed by the Company. Once approved by the Board of Directors, all related party transaction are also approved by the Board of Directors. A statement of all the related party transaction being entered by the Company and any subsequent modification thereof, specifying the nature, value and terms and conditions of transaction is also placed before the Audit Committee on Quarterly basis for its review. Transactions with related parties are conducted in a transparent manner and in the best interest of the Company. Details of such transactions are given in the accompanying Financial Statements.

During the year under review there is no materially significant related party transaction between the Company and its directors, Key Managerial Personnel, their relatives, subsidiaries or associate companies and other related parties. The detail of such transaction is provided in Form AOC-2, annexed to this report as **Annexure-E**. Further your Directors draw attention of the members to Note No. 38 to the financial statement which sets out related party disclosures.

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available on the Company's website www.istindia.com.

Material Changes and Commitments

There have not been any material changes and commitments affecting the financial position of the Company between at the end of the Financial Year of the Company as on 31st March 2017 and the date of this report.

Significant and Material Orders Impacting Operations of Company in future

No significant or material orders have been passed by any regulators or court or tribunals impacting the going concern status and future operations of your company.

Transfer of Unpaid / Unclaimed amounts to IEPF

Pursuant to the requirement of the Companies Act, the declared dividends which remained unpaid / unclaimed for a period of 7 years needs to be transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years till 31st March, 2017. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF) during the year under review.



Management Discussion and Analysis

Management Discussion and Analysis Report on the financial condition and operational performance of the Company for the year under review, as stipulated as per regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in separate section forming part of this Annual Report.

Corporate Governance Report

In pursuance of various Regulations and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance has been incorporated in the Annual Report for the information of the Shareholders. A certificate from the auditors of the company regarding compliance of the condition of Corporate Governance as stipulated under the said regulations also forms part of the Annual Report.

Extract of Annual Return

As provided under Section 92(3) of the Companies Act, 2013, the extract of annual return in the prescribed form MGT - 9 is attached to this report as **Annexure-A**.

Employees Relations

Your Company treat its Human Resources as one of the most important assets. The management of the Company lays continuous focus of human resources, their training from time to time so as to attain the required standards as well as the organizational goals. It has been the endeavor of the management to attract and retain the best technical / professional manpower in order to ensure that the Company maintains its competitive position with respect to execution and administration.

The relations with the Employees have been cordial throughout the year under review. Your Directors place on record their sincere appreciation in respect of the services rendered by the Employees of the Company at all levels.

Particulars of Employees

Your Company employed 235 personnel on its roll as on 31st March, 2017. During the year under review, the Company did not have any employee on its payroll, who:

- a) If employed throughout the financial year, was in receipt of remuneration for the whole year, which in the aggregate was not less than Rupees One Crore Two Lakh.
- b) If employed for a part of the financial year, was in receipt of remuneration for any part of the year, at a rate which, in the aggregate, was not less than Eight Lakh Fifty Thousand per month.

One employee / KMP was in receipt of remuneration during the period from 01.04.2016 to 31.01.2017 which, in the aggregate is in excess of remuneration drawn by the Managing Director or Whole Time Director or Manager. However, he himself or along with his spouse and dependent children do not hold two per cent or more of the equity shares of the Company.

The Disclosures pertaining to remuneration and other details are required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as Annexure-D.

Protection of Women at Workplace

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention of sexual harassment at work place which is in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. In term of the said act the Company has also constituted the Internal Complaint Committee for Prevention of Sexual Harassment (ICC). This policy has been widely disseminated and all necessary steps are being taken by the Company that all employees are made aware of the same. All women associates including permanent, temporary, contractual and trainee employees as well as any women visiting any office premises of the Company or women service providers are covered under the Policy. During the year under review, there was no case of sexual harassment reported.



IST LIMITED

Conservation of energy, technology absorption, foreign exchange earnings and outgo Conservation of energy:

A. Conservation of Energy

a) Steps taken or impact on conservation of energy

- The Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible saving of the energy is achieved.
- All possible steps are being taken to reduce idle running of machinery, thereby reducing wastage of energy and Fuel / Oil Consumption.
- No specific investment has been made in reduction in energy consumption. However, the Management continuously upgrades and/or replaces old machinery with energy efficient machinery as and when required.
- As the impact of measures taken for conservation and optimum utilization of energy are not possible to be quantified, its impact on cost cannot be stated accurately.
- No specific step have been taken by the management for utilization of alternate source of energy

The Company does not fall under the list of industries, which should furnish the information in Form A annexed to the Companies (Accounts) Rules, 2014

B. Technology Absorption

The Company products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. Therefore no technology absorption is required. The Company constantly strives for maintenance and improvement in the quality of its product and the quality control activities are directed to achieve the aforesaid goal.

Expenditure incurred on Research & Development (R & D) - NIL

C. Foreign Exchange Earnings and Outgo

(Rs. in Lakhs)		
Particulars	2016-17	2015-16
Earnings in Foreign Exchange	84.30	84.15
Value of imports (CIF Value)	33.27	25.83
Expenditure in Foreign Exchange	4.98	3.93

Listing

The Equity Shares of your Company continue to be listed on BSE Limited (BSE). There is no default in payment of Annual listing fees and annual custodian fee in respect of shares held in dematerialisation mode to NSDL and CDSL. Delhi Stock Exchange (DSE) on which Equity Shares of the Company were listed has been de-recognised by SEBI.

Dematerialisation of Shares

To provide better and smooth service to the shareholders, the Company's equity shares have been made available for dematerialisation in electronic form in the Depository Systems operated by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), Mumbai. In order to avail the service, shareholders can dematerialized their shares in the electronic form.

Acknowledgement

Your Directors wish to place on record their sincere appreciation and thanks for the valuable cooperation and support received from the Company's Bankers, Financial Institutions, Central and State Government Authorities, Clients, Consultants, Suppliers, Members, Employees and other stakeholders of the Company and look forward for the same in greater measure in the coming years.

For and on behalf of the Board of Directors

Place : New Delhi
Date : 28.08.2017

Air Marshal Denzil Keelor (Retd.)
Chairman
DIN : 00999470

ANNEXURE 'A' TO THE 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:

1	CIN	L33301HR1976PLC008316
2	Registration Date	31/08/1976
3	Name of the Company	IST LIMITED
4	Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES / INDIAN NON-GOVERNMENT COMPANY
5	Address of the Registered office and contact details	DHARUHERA INDUSTRIAL COMPLEX, DELHI-JAIPUR HIGHWAY, DHARUHERA, DISTRICT REWARI-123106, HARYANA PH.: +91-1274-267346-48; FAX : +91-1274-267444 E-mail : istgroup.ho@gmail.com; Website : www.istindia.com
6	Whether listed company	YES (listed on BSE Ltd.)
7	Name, Address and Contact details of Registrar and Transfer Agent	MAS SERVICES LIMITED. T-34, OHKLA INDL. AREA, NEW DELHI-110020 Contact : +91-11-26387281 Fax : +91-11-26387384 E-mail : info@masserv.com Website : www.masserv.com

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.	INCOME FROM OPERATIONS (Manufacturing)	3040	72.17%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Gurgaon Infospace Limited	U72900DL2006PLC151879	Subsidiary	100%	2(87)
2.	IST Steel & Power Limited	U27102DL2005PLC139741	Associate	25.47%	2(6)



IST LIMITED

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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual/HUF	0	0	0	—	0	0	0	—	0
b. Central Govt.	0	0	0	0	0	0	0	0	0
or State Govt.	0	0	0	0	0	0	0	0	0
c. Bodies Corp.	1459784	731	1460515	25.04	1459809	706	1460515	25.04	0
d. Banks/FI	0	0	0	0	0	0	0	0	0
e. Any Other.	0	0	0	0	0	0	0	0	0
Sub-total (A) (1)	1459784	731	1460515	25.04	1459809	706	1460515	25.04	0
(2) Foreign									
a. NRIs – Individuals	0	0	0	0	0	0	0	0	0
b. Other – Individuals	0	0	0	0	0	0	0	0	0
c. Bodies Corp.	0	2913221	2913221	49.952	2913221	0	2913221	49.952	0
d. Banks / FI	0	0	0	0	0	0	0	0	0
e. Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	0	2913221	2913221	49.952	2913221	0	2913221	49.952	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1459784	2913952	4373736	74.99	4373030	706	4373736	74.99	0
B. Public Shareholding									
(1) Institutions									
a. Mutual Funds	0	0	0	0	0	0	0	0	0
b. Banks/FI	50	250	300	.005	50	250	300	.005	0
c. Central Govt	0	0	0	0	0	0	0	0	0
d. State Govt(s)	0	0	0	0	0	0	0	0	0
e. Venture Capital Funds	0	0	0	0	0	0	0	0	0
f. Insurance Companies	0	0	0	0	0	0	0	0	0
g. FIIs	0	0	0	0	0	0	0	0	0
h. Foreign	0	0	0	0	0	0	0	0	0
Venture Capital Funds									
i. Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	50	250	300	.005	50	250	300	.005	0



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-Institutions									
a. Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b. Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	284247	513777	798027	13.68	293429	498051	791480	13.57	.11
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	25195	0	25195	0.43	30922	0	30922	0.53	.10
c. Others (specify)	631126	3675	634801	10.87	632024	3594	635618	10.90	.51
Foreign Corporate									
Body	0	0	0	0	0	0	0	0	0
NRI	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Sub-total (B)(2)	940568	517452	1428023	24.98	956375	501645	1458320	25.00	0.72
Total Public Shareholding (B) = (B)(1) + (B)(2)	940618	517702	1458320	25.005	956425	501895	1458320	25.01	.005
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	2400402	3431654	5832056	100	5329405	502601	5832056	100	0



IST LIMITED

ii. Shareholding of Promoters

Sl. Shareholder's Name No.	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 Smridhi Realty and Trade LLP (formerly Antique Investment Co. Ltd.)	955700	16.387	—	385700	6.61	—	(-9.777)
2 Delux Associates LLP (formerly Delux Investment Pvt. Ltd.	475	.01	—	344375	5.90	—	+5.89
3 Galaxy International Hotels LLP (Formerly Galaxy International Hotels Pvt. Ltd.	64006	1.098	—	106	00	—	(-1.098)
4 GPC Technology Limited	168950	2.897	—	168950	2.90	—	—
5 Gupta International Investment Co. Ltd.	2913221	49.952	—	2913221	49.952	—	—
6 IST Technology Infrastructure Pvt. Ltd.	164030	2.81	—	164030	2.81	—	—
7 Eastern India Power & Mining Pvt. Ltd.	87352	1.50	—	377352	6.47	—	+4.97
8 Lubetec India Pvt. Ltd.	20002	.34	—	20002	.34	—	—

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

Sl. Shareholder's Name No.	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 Smridhi Realty and Trade LLP (formerly Antique Investment Co. Ltd.)	955700	16.387	—	385700	6.61	—	(-9.777)
2 Delux Associates LLP (formerly Delux Investment Pvt. Ltd.	475	.01	—	344375	5.90	—	+5.89
3 Eastern India Power & Mining Pvt. Ltd.	87352	1.50	—	377352	6.47	—	+4.97
4 Galaxy International Hotels LLP (Formerly Galaxy International Hotels Pvt. Ltd.	64006	1.098	—	106	00	-	(-1.098)



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		Shareholding at the end of the year	
		No. of shares company	% of total shares of the	No. of shares company	% of total shares of the
1.	Saubhagya Realty and Trade LLP	2,88,888	4.95	2,88,888	4.95
2.	Edge Infratech LLP	2,43,758	4.18	2,51,502	4.312
3.	Aquarius Portfolios Pvt. Ltd	24,440	0.42	38,991	0.67
4.	R R B Securities Limited	31,235	0.54	31,235	0.54
5.	Merwanjee Securities Limited	—	—	30,922	0.53
6.	Ashok Pandit	25,195	0.43	18,815	0.32
7.	Sarita Arvind Sancheti	13,783	0.24	13,783	0.24
8.	Arvind Kumar Sancheti	11,894	0.20	11,984	0.20
9.	Rajiv Malhotra	—	—	11,481	0.20
10.	Shanti Girdhar	10201	0.17	10660	0.18



IST LIMITED

v. Shareholding of Directors and Key Managerial Personnel:

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. Mr. D.N. Tulshyan, CFO				
At the beginning of the year	200	0.003	200	0.003
Date wise Increase / Decrease in Share holding during the year	—	—	—	—
At the End of the year	200	0.003	200	0.003
2. Mr. Subhash Chander Jain Director				
At the beginning of the year	125	0.002	125	0.002
Date wise Increase / Decrease in Share holding during the year	—	—	—	—
At the End of the year	125	0.002	125	0.002

V. INDEBTEDNESS:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
1 Indebtedness at the beginning of the financial year				
i) Principal Amount	12,50,00,000	—	2,03,22,006	14,53,22,006
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i)+(ii)+(iii)	12,50,00,000	—	2,03,22,006	14,53,22,006
2 Change in Indebtedness during the financial year				
Additions	—	—	16,80,000	16,80,000
Reduction	8,50,00,000	—	—	8,50,00,000
3 Net Change	8,50,00,000	—	16,80,000	8,33,20,000
4 Indebtedness at the end of the financial year				
i) Principal Amount	4,00,00,000	—	2,20,02,006	6,20,02,006
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i)+(ii)+(iii)	4,00,00,000	—	2,20,02,006	6,20,02,006

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager: Particulars of Remuneration

Sl. No.	Gross salary	Name of Whole Time Director	
		Mr. S.C. Jain, Executive Director (Rs)	Mr. N.L. Khitha Director (Technical) (Rs.)
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	15,29,843	6,76,000
2	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	—	—
3	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	—	—
4	Stock option	—	—
5	Sweat Equity	—	—
6	Commission as % of profit	—	—
7	Others (specify)	—	—
	Others, please specify		
	- Employer's contribution to PF	—	—
	- Encashment of earned leaves	—	—
Total (A)		15,29,843	6,76,000
Ceiling as per the Act			1,09,59,027

B. Remuneration to other directors:

Sl No	Name	Sitting Fees (Rs)	Commission (Rs)	Total Compensation (Rs)
I Non-Executive Directors				
1	Mrs. Sarla Gupta	2,500	—	2,500
2	Mr. Mayur Gupta	10,000	—	10,000
3	Mr. Gaurav Gupta	10,000	—	10,000
Total (I)		22,500	—	22,500
II Independent Directors				
1	Mr. Denzel Keelor	12,500	—	12,500
2	Mr. G.S. Sawhney	2,500	—	2,500
3	Mr. Subhash Chander Jain	12,500	—	12,500
Total (II)		27,500		27,500
Grand Total (I + II)		50,000		50,000



IST LIMITED

C. Remuneration to key Managerial Personnel Other than MD / Manager / WTD

1. Independent Directors

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount Paid
		Mr. D.N. Tulshyan CFO	Mr. R.K. Sapra Company Secretary	Mr. Bhupinder Kumar Company Secretary	
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	9,28,995	13,49,233	95,300	23,73,528
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	—	—	—	—
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	—	—	—	—
2	Stock Option	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission as % of profit	—	—	—	—
	others, specify	—	—	—	—
5	Others, please specify	—	—	—	—
Total		9,28,995	13,49,233	95,300	23,73,528

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCE :

Sl. No.	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)
A.	COMPANY Penalty Punishment Compounding			NONE		
B.	DIRECTORS Penalty Punishment Compounding			NONE		
C.	OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding			NONE		

ANNEXURE - B

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2016-17 (Pursuant to Section 135 of the Companies Act, 2013)

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 projects or programs and the Composition of the CSR Committee	The Company has framed a CSR policy in compliance with the provision of the companies Act, 2013 and the same is placed on the Company's website : www.istindia.com	
2.	Composition of the CSR Committee Air Marshal Denzil Keelor (Retd.) Mr. Gaurav Gupta Lt. Col. N.L. Khitha (Retd.)	Category of Director Independent Non-Executive Executive	Chairman / Member Chairman Member Member
3.	Average net profit of the Company for last three financial year	Rs. 4,33,65,980/-	
4.	Prescribed CSR Expenditure (2% of the amount as in item 2 above)	Rs. 8,67,320/-	
5.	Detail of CSR spent during the financial year. (a) Total amount to be spent for the financial year (b) Amount unspent, if any (c) Manner in which the amount spent during the financial year 2015-16	Rs. 8,67,320/- Rs. 8,67,320/- The Company has not spent any amount during the financial year.	
6.	In case the Company has failed to spend the two percent of the average net profit of the last three financial year or any part thereof, the Company shall provide the reason for not spending the amount in its Board Report	In view of the operational losses suffered by the Company over the past few financial years the CSR committee has not recommended any expenditure on Corporate Social Responsibility.	

Responsibility Statement:

It is hereby confirmed that the implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

Place: New Delhi
Dated: 28.08.2017

Air Marshal Denzil Keelor (Retd.)
Chairman of the Board
& CSR Committee



ANNEXURE 'C' TO DIRECTORS' REPORT

VINOD KUMAR & CO. **COMPANY SECRETARIES** **CS VINOD KUMAR M.COM, FCS, LL.B**

FORM No. MR-3 **SECRETARIAL AUDIT REPORT** **FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 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)

CIN :- L33301HR1976PLC008316
NOMINAL CAPITAL :- RS. 10,00,00,000

To,
The Members,
IST LIMITED
Dharuhera Industrial Complex
Delhi-Jaipur Highway, Dharuhera , District Rewari,
REWARI, HR 123106

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by 1ST LIMITED (CIN L33301HR1976PLC008316) **(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 and the representations made by the Company, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 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 made available to us and maintained by company for the financial year ended on 31st March, 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 rule thereunder; **(Not Applicable)**
- III. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment
- V. The following Regulations 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) Regulation, 2015
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable as the Company has not issued any further share capital during the period under review);**
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable);**



- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the company has not issued and listed any debt securities during the financial year under review);**
 - 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; **(Not Applicable as the company is not registered as registrar to issue and Share Transfer Agent during the financial year under review);**
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable as the company has not delisted/ proposed to delist its equity shares from any Stock Exchange during the financial year under review);**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable as the Company has not bought back/Proposed to buy- back any of its securities during the financial year under review)**
- VI. The Management has identified and confirmed the following other law as applicable to the Company :
- i. Payment of Wages Act, 1936
 - ii. Minimum Wages Act, 1948
 - iii. Employee's State Insurance Act, 1948
 - iv. Payment of Gratuity Act, 1972
 - v. Factories Act, 1948
 - vi. Industrial Dispute Act, 1947
 - vii. Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - viii. Payment of Bonus Act, 1965
 - ix. Maternity Benefit Act, 1961
 - x. Air (Prevention And Control of Pollution)Act, 1981
 - xi. Water (Prevention And Control of Pollution)Act, 1974
 - xii. Equal Remuneration Act, 1976
 - xiii. The Contract Labour (Regulation And Abolition) Act, 1970
 - xiv. The Standards of Weight and Measures Act, 1976

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

- (i) Secretarial Standards with regard to meeting of the Board of Directors (SS-1) and General Meeting (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited and Delhi Stock Exchange Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were send generally 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.

As per the information and explanation provided by the management, there are adequate systems and processes in the company commensurable with the size and operations of the company to monitor and ensure compliances with applicable laws, rules and regulations.



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We further report, that the compliance by the company of applicable financial laws like Direct and Indirect tax laws has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

As per the minutes of the meeting duly recorded and signed by the chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that during the Audit period, there are no specific events/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards taken place.

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.

PLACE:-NEW DELHI
DATED:-

FOR VINOD KUMAR & CO.
COMPANY SECRETARIES

CS VINOD KUMAR
(CP 5740 PCS 5740)

Place: New Delhi
Date: 25.08.2017



To,
The Members,
1ST LIMITED
Dharuhera Industrial Complex
Delhi-Jaipur Highway, Dharuhera , District Rewari,
REWARI HR 123106

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 process 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 process 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. Where ever 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 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.

PLACE:-NEW DELHI
DATED:-

FOR VINOD KUMAR & CO.
COMPANY SECRETARIES

CS VINOD KUMAR
(CP 5740 PCS 5740)



ANNEXURE – D

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each Director/KMP to the median remuneration of all the employees of the Company for the financial year:

Median remuneration of all employees of the Company for Financial Year 2016-17	1,31,424
The percentage increase in median remuneration of employees in the Financial Year	11.89%
The number of permanent employees on the rolls of Company as on 31 st March, 2017	235

Name of Director	Ratio of remuneration to median remuneration of all employees	% increase in remuneration in the Financial Year 2016-17
Independent Directors		
Air Marshal D. Keelor (Retd.) ¹	N.A.	N.A.
Mr. Subhash Chander Jain ¹	N.A.	N.A.
Mr. Brig. G.S. Sawhney (Retd.) ¹	N.A.	N.A.
Whole Time Directors / Executive Directors		
Mr. S.C. Jain	11.64	37.82
Mr. Lt. Col. N.L. Khitha (Retd.)	5.14	3.72
Non-Executive Directors		
Mrs. Sarla Gupta ¹	N.A.	N.A.
Mr. Mayur Gupta ¹	N.A.	N.A.
Mr. Gaurav Gupta ¹	N.A.	N.A.

¹ Only sitting fees was paid.

2. Relationship between average increase in remuneration and company performance:

The median remuneration of all the employees in the financial year 2016-17 increased by 11.89%, while the overall employee cost was increased by 19.86%. The increase in the median remuneration of all the employees is mainly due to increase in the salaries during the year in the normal course. The net operating revenue of the company during the financial year was increased by 43.28%, which is significant for the year. The total employee cost as a percentage of operating revenues was 30.79% (previous year 36.81%).

3. Comparison of the remuneration of the KMP against the performance of the Company:

Particulars	Rs in Lacs
Remuneration of KMP's in Financial Year 2016-17	45,79,371
Revenue from Operation	25,27,37,507
Remuneration of KMP's (as % of revenue from Operations)	1.81
Profit before Tax (PBT)	11,01,37,750
Remuneration of KMP's (as % of PBT)	4.16

4. Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Sl. No.	Description	Amount
1	Market Cap variation - Market Cap at 31 st March, 2017 - Rs. in Crores - Market Cap at 31 st March, 2016 - Rs. in Crores - Variation in Market Cap in FY 2017 (%)	451.98 379.67 19.05
2	Price-to-Earnings Ratio - PE as at 31 st March, 2017 (Mkt. Price/EPS) - Rs. - PE as at 31 March, 2016 (Mkt. Price/EPS) - Rs. - Variation in PE in FY 2017 (%)	53.67 57.31 (-6.34)
3	% Increase/Decrease from last Public Offer - Right issue price per shares (April 1995) ¹ - Rs. Market Price as at 31 st March 2017 - Rs. % increase from last public offer	10 775 7650
¹ The last public offer price was Rs. 10 per shares.		

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentile increase in the salaries & wages of the employees other than the managerial personnel during the year is approximately 20% and the average percentile increase in the managerial remuneration is approximately 25%. The managerial remuneration have increase during the year due to revision in the remuneration of Mr. S.C. Jain, Executive Director of the Company w.e.f. 14th August, 2016 for a period of 3 year, which was duly approved by the shareholders at their 40th annual general meeting held on 30th September, 2016.

6. Comparison of the each remuneration of the KMP against the performance of the Company:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				
		Mr. S. C. Jain Executive Director	Lt. Co. N. L. Khitha (Retd.) Director Technical	Mr. D.N. Tulshyan CFO	Mr. R.K. Sapra Company Secretary	Mr. Bhupinder Kumar
1	Remuneration in FY 2016-17 (Rs)	15,29,843	6,76,000	9,28,995	13,49,233	95,300
2	Revenue from Operation (Rs)			25,27,37,507		
3	Remuneration as % of Revenue	0.61	0.27	0.37	0.53	0.04
4	Profit before Tax (PBT) (Rs.)			11,01,38,750		
5	Remuneration as % of PBT	1.39	0.61	0.84	1.23	0.09



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7. **The key parameters for any variable component of remuneration availed by the directors:** During the financial year, there was no variable remuneration availed by the directors.
8. **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:**

There is one employee who receive the remuneration during the year 2016-17 in excess of the highest paid Director of the Company
9. **The Company has formulated Nomination and Remuneration Policy as required under section 178 of the Companies Act, 2013 and the remuneration paid to the employees are as per the remuneration policy of the Company.**

On behalf of the Board

Place: New Delhi
Dated: 28.08.2017

Air Marshal Denzil Keelor (Retd.)
Chairman



ANNEXURE – E

Form No. AOC-2

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 arm's length transactions under third proviso thereto

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

1) Details of Contracts or arrangements of transactions not at arm's length basis	
(a) Name(s) of the related party and nature of relationship	The company has not entered into any contract or arrangement or transactions with its related parties during the financial year
(b) Nature of contracts / arrangements / transactions	
(c) Duration of contracts / arrangements / transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) Date(s) of approval of the Board	
(g) Amount paid as advances, if any	
(h) Date on which the resolution was passed in general meeting as required under first to section 188	
2) Details of Contracts or arrangements of transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	The Company has not entered into any contract or arrangement or transactions with its related parties during the financial year
(b) Nature of contracts / arrangements / transactions	
(c) Duration of contracts / arrangements / transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Date(s) of approval of the Board	
(f) Amount paid as advances, if any	



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ANNEXURE - F : TO DIRECTORS' REPORT

Form AOC-1

Statement pursuant to Section 129(3) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 related to Subsidiary and Associates Companies

Part "A": Subsidiary Company	
1 Name of the subsidiary	GURGAON INFOSPACE LIMITED
2 Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3 Reporting currency and Exchange rate as on the last date of the relevant Financial year in	Indian Rupees
4 Share capital (Paid Up Share Capital)	Rs. 1,00,00,000/-
5 Reserves & surplus	Rs. 3,59,37,76,746/-
6 Total assets	Rs. 4,02,52,05,591/-
7 Total Liabilities	Rs. 4,02,52,05,591/-
8 Investments	Rs. 1,97,78,83,434/-
9 Turnover	Rs. 86,47,88,866/-
10 Profit before taxation	Rs. 75,76,30,754/-
11 Provision for taxation	Rs. 3,13,04,296/-
12 Profit after taxation	Rs. 72,63,26,458/-
13 Proposed Dividend	Nil
14 % of shareholding	100%
Part "B": Associate Company	
1. Name of Associate Company	IST STEEL AND POWER LIMITED
2. Latest audited Balance Sheet Date	31.03.2017
3. Shares of Associate held by the company on the year end	88,40,000 (30.80%) Equity Shares.
4. Description of how there is significant influence	Associate Company
5. Reason why the associate venture is not consolidated	Consolidated
6. Networth attributable to Shareholding as per latest audited Balance Sheet	Rs. 13,77,57,678/-
7. Profit / (Loss) for the year	
i. Considered in Consolidation	Rs. 70,01,658/-
ii. Not Considered in Consolidation	

The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations – NIL
- Names of subsidiaries which have been liquidated or sold during the year – NIL

For and on behalf of the Board of Directors

D.N. Tulshyan
C.F.O.

Bhupender Kumar
Company Secretary

S.C. Jain
Executive Director
DIN - 00092079

Mayur Gupta
Director
DIN - 00047372

CORPORATE GOVERNANCE REPORT

Your Company has been practicing the principle of good Corporate Governance, which comprises all activities that result in the control of the Company in a regulated manner, aiming to achieve transparent, accountable and fair management.

The details of the Corporate Governance Compliance by the Company as per SEBI (Listing Obligation and Disclosures Requirements) Regulations 2013 with Stock Exchanges are as under :

COMPLIANCE OF MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that good Corporate Governance is essential for achieving long term corporate goals and enhancing value to stakeholders. In pursuit, your Company's philosophy of Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and to continuously strive to attain high levels of accountability, transparency, responsibility and fairness in all aspects of its operations. Your Company continues to lay great emphasis on broad principles of Corporate Governance. Your Company, with a view to achieve these objectives, has adopted corporate strategies, prudent business plans and continuous monitoring of performance.

2. BOARD OF DIRECTORS

The Board of Directors being the apex body constituted by the shareholders of the Company, who provides strategic direction to the Company's management. The Board has the ultimate responsibility of the management, direction and performance of the Company and plays an important role in overseeing how the management serves the objectives and interests of the stakeholders, while achieving the ultimate corporate goals. Being in the fiduciary relationship the Board ensures that the rights of all stakeholders are protected. The Board consists of combination of executive, non-executive and independent directors to maintain the independence of the Board and integrity in the affairs of the Company.

Composition :

The strength of the Board as on March 31, 2017 was 8 Directors, which is in conformity with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, having required combination of Executive and Non-Executive Directors with at least one Women Director, with not less than one-third of the Board comprising of Non-Executive Directors and at least one-third of the Board comprising of Independent Directors for a Board chaired by Non-Executive independent Director.

The Independent Directors play important role in Board decision processes by imparting their independent views on the matters placed before the Board. All the Independent Directors have confirmed that they meet the criteria of independence, as mentioned under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure requirements), Regulations 2015, read with Section 149(6) of the Act and have been appointed as per the provisions of the Companies Act, 2013.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26 (1) of the Listing Regulations), across all the Companies in which he/ she is a Director. The necessary disclosures regarding committee positions have been made by all the Directors.

Further, none of the Directors holds office of director in more than 20 companies out of which not more than 10 are public companies. All Directors are also in compliance of the limit on Independent Directorships of listed companies as prescribed in Regulation 25 (1) of the Listing Regulations.

During the year under review 4 Board meetings were held on 30.05.2016, 11.08.2016, 14.11.2016 and 14.02.2017. The intervening period between two Board Meetings was well within the maximum time gap of 120 days, as prescribed under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. All material information(s) were circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of Sub-Regulation 7 of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

In addition, a meeting of Independent Directors was held on 14.02.2017 without the attendance of non-independent directors and members of the management.



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The Composition of Board of Directors, their shareholding, attendance during the year and at the Board Meetings and the last Annual General Meeting, Number of other Directorships, Committee memberships and Chairmanships held by them as at 31st March, 2017 are given below:-

Directors / Category	Shares held	Attendance		No. of other Directorships and Committee Memberships / Chairmanships in other public Companies		
		Board Meetings	Last AGM	Director-ships	Committee Member-ships	Committee Chairman-ships
Air Marshal (Retd.) D. Keelor, Chairman (Non-Executive / Independent)	—	4	Yes	3	1	3
Mr. S.C. Jain, (Executive Director)	—	4	Yes	4	1	1
Mr. N.L. Khitha, (Director -Technical)	—	4	Yes	—	—	—
Mr. Mayur Gupta, Director (Promoter)	—	4	No	2	1	—
Mr. Gaurav Guptaa, Director (Promoter)	—	4	Yes	4	1	—
Brig. (Retd.) G.S. Sawhney, Director (Non Executive & Independent)	—	2	No	—	—	—
Mrs. Sarla Gupta, Director, Woman Director (Promoter)	—	1	No	2	—	—
Mr. Subhash Chander Jain (Non Executive & Independent)	125	4	Yes	—	—	—

¹ Excludes separate meeting of independent directors

² Other directorships exclude directorship in Foreign Companies, Private Limited Companies, Companies Registered under Section 8 of the Companies Act, 2013 and alternate directorships, if any.

³ In accordance with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships / Chairmanships of only Audit Committees and Stakeholders Relationship Committees in all public Limited companies (including IST Limited) have been considered. Membership of Committees includes chairmanship, if any.

Notes:

- None of the Directors except Mrs. Sarla Gupta, Mr. Mayur Gupta and Mr. Gaurav Guptaa, are related to any Director.
- During the year, the Company did not have any material pecuniary relationship or transaction with any of the non-executive director other than the payment of fees for attending meetings of the Board and/or its Committee(s).
- During the year, the Company did not have any material pecuniary relationship or transaction with the Independent Directors other than the payment of fees for attending meetings of the Board and/or its Committee(s).
- None of the non-executive director serves as independent director in more than seven listed companies and none of the Executive or Whole-time Directors serve as independent director in not more than three listed companies.

3. COMMITTEES OF THE BOARD

There are four Committees of the Board - the Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility:

i) Audit Committee

In accordance with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the terms of reference broadly includes overviews the Company's financial reporting processes and review of the quarterly, half-yearly and annual financial statements, approval of related party transactions, recommend appointment of auditors, review of internal audit reports and action taken report, assessment of the adequacy of internal control systems / financial reporting system, reviewing the adequacy of the the financial and risk management policies and practices followed by the company.

Composition and Attendance

The Audit Committee of the Company comprises of 3 independent Non-Executive Directors. Air Marshal D. Keelor (Retd.), Chairman and Brig. G.S. Sawhney (Retd.) Member of the Committee are financially literate and Shri Subhash Chander Jain Member of the Committee possesses rich experience and expertise in finance and accounting.

During the year under review Audit Committee met 4 (four) times. The audit committee meetings were held on 30.05.2016, 11.08.2016, 14.11.2016 and 14.02.2017.

The Composition of Audit Committee and attendance at its meeting is as follows:-

Members	Category	No. of meetings attended
Air Marshal (Retd.) D. Keelor	Chairman, Non-Executive & Independent.	4
Brig. (Retd.) G.S. Sawhney	Member, Non-Executive & Independent.	1
Shri Subhash Chander Jain	Member, Non-Executive & Independent.	4

The Company Secretary of the Company acts as Secretary to the Committee.

ii) Nomination and Remuneration Committee

The Nomination and Remuneration Committee is authorized to exercise all powers and perform all the functions as specified in Section 178 of the Companies Act, 2013 and rule made there under read with Regulation 19 of SEBI (LODR) Regulation, 2015 as amended from time to time. Broadly the Committee make recommendation on the appointment and remunerations of Directors, Key Managerial Personnel and persons at senior management based on the laid down criteria for determining qualification, positive attributes and independence of directors and other employees, prescribed policy on board diversity and remuneration policy, reviewing remuneration packages, details of fixed components, performance linked incentives, service contract, notice period and severance fees etc.

Based on the recommendation of the nomination committee and approved by the Board, all executive Directors and KMP's are paid monthly remuneration and other perks / incentives as per their terms of appointment. Non-executive Directors are paid sitting fees for attending the meeting of the Board or Committee meetings of the Board.

During the year under review, the Board of Directors in its meeting held on 30.05.2016 on recommendation of the nomination and remuneration committee re-appointed Mr. S.C. Jain as the Executive Director of the Company for a further term of 3 years. The Nomination and Remuneration Committee at its meeting held on 14.02.2016 recommended the appointment of Mr. Bhupinder Kumar as the Company Secretary of the Company.

Composition and attendance

The Nomination and Remuneration Committee consists of three Directors out of which two are Independent Directors and one is Non Executive Director. The Committee held two meeting during the financial year on 30.05.2016 and 14.02.2017. The particulars of members and attendance at the Committee Meetings are as under:

Members	Category	No. of meetings attended
Mr. Gaurav Gupta	Chairman, Non-Executive (Promoter).	2
Air Marshal (Retd.) D. Keelor	Member, Non-Executive & Independent.	2
Brig. (Retd.) G.S. Sawhney	Member, Non-Executive & Independent.	1

The Company Secretary of the Company acts as Secretary to the Committee.

iii) Stakeholder Relationship committee,

The Stakeholders Relationship Committee is authorized to exercise all powers and perform all the functions as specified in Section 178 of the Companies Act, 2013 and rule made there under and Regulation 20 of SEBI (LODR) Regulation, 2015 both as amended from time to time. The said Committee is authorised to look into redressal of shareholders' / Investors' complaints relating to transfer of shares, non receipt of balance sheet, non receipt of dividend and also authorised to issue new share certificates in place of those torn / mutilated / defaced, issue duplicate share certificates in place of those which are reported to be lost / misplaced subject



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to compliance of prescribed formalities. Further the committee reviews the performance of Registrar and Transfer agent (RTA) and recommends measures for improvement in the quality, if required. However during the year no short comings were noticed or reported were reported w.r.t. the services of RTA.

Composition

The constitution of the Committee is as under:-

Members	Category
Air Marshal (Retd.) D Keelor	Chairman, Non Executive & Independent
Mr. S.C. Jain	Member, Executive
Mr. Gaurav Gupta	Member, Non Executive / Promoter

The Company Secretary of the Company is the Compliance Officer of the Company for complying with the requirements of the SEBI (LODR) Regulations, 2015 and the Stock Exchange as amended from time to time. The Compliance Officer also ensures that all the complaints / queries / requests of the shareholders / investors are satisfactorily resolved within the stipulated time. Following are the details of the investors complaints / requests received and redressed during the year under review:

Complaints pending at the beginning of the year	NIL
Number of shareholders Complaints received during the period 01.04.2016 to 31.03.2017	2
Number of Complaints resolved during the year	2
Number of complaints not solved to the satisfaction of shareholders	Nil
Number of pending complaints as on 31.03.2017.	Nil

iv) Corporate Social Responsibility

In accordance with the provisions under section 135 of the Companies Act, 2013 read with rules framed thereunder, the Company has duly constituted a Corporate Social Responsibility (CSR) Committee of the Board of Directors to guide the company in undertaking CSR activities. The Committee has formulated the CSR policy of the Company which was duly approved and adopted by the Board of Directors. The Committee In terms of the of the Companies Act, 2013, the committee recommends to the Board for approval, the CSR budget for each financial year.

During the year under review, one meeting of the Committee was held on 14th February, 2017. The following is the composition and attendance of the members of the meeting of the committee:

Members	Category	No. of meetings attended
Air Marshal (Retd.) D Keelor	Chairman, Non Executive & Independent	1
Mr. Gaurav Gupta	Member, Non Executive / Promoter	1
Lt. Col. N.L. Khitha (Retd.)	Member, Executive	1

v) Risk Management Committee

The Company has an established Risk Management Policy, which outlines a comprehensive framework for risk identification, evaluation, prioritization and treatment of various risks associated with different areas of operations and available at www.istindia.com. However, as per Regulation 21(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the requirement for constituting Risk Management Committee is only applicable on top 100 listed entities, determined on the basis of market capitalization, as at the end of the immediate previous financial year. As on March 31, 2017, the Company is outside the ambit of top 100 listed entities.

4. Remuneration Policy :

The remuneration policy of the Company aims at attracting and retaining quality talent The remuneration policy, therefore, is market-led and takes into account the competitive circumstance of each individual so as to leverage performance significantly while ensuring that the quality talent is retained in the best interest of the Company. The Committee, while recommending remuneration to be paid, takes into account the financial

position of the Company, trend in the industry, background, qualifications, experience, existing remuneration and performance of the respective individual. The Policy on Nomination, remuneration and performance evaluation of Directors, Key Managerial Personnel and other employees of the Company is provided in the website of the Company www.istindia.com.

In compliance with the requirements of the Companies Act, 2013, Rules framed there under and pursuant Regulation 19 of SEBI (LODR) Regulation, 2015, the Board of Directors of the Company, based on the recommendations of the Nomination and Remuneration Committee, decides remuneration to be paid to the Executive Directors / Whole Time Directors subject to the approval of Shareholders and the Central Government, if required. The Independent / Non-executive of the Company are paid sitting fees for attending the meetings of the Board/ Committees which are within the ceiling / limits as provided under Companies Act, 2013 and rules made thereunder. The Nomination and Remuneration Committee recommends and approves the remuneration Key Managerial Personnel and other senior management personnel(s), subject to approval of board or shareholders, wherever necessary.

Details of Remuneration paid to Executive Directors / Whole Time Directors during the financial year ended 31st March, 2017:

Name & Designation	Salary (in Rs.)	Perquisites (Rs.)	Total (Rs.)	Tenure of appointment
Mr. S.C. Jain, Executive Director / Whole Time Director	15,29,843	—	15,29,843	14.08.2014 to 13.08.2016 and 14.08.2016 to 13.08.2019
Mr. N.L. Khitha, Director (Technical) / Whole Time Director	6,76,000	—	6,76,000	01.06.2015 to 31.05.2017

None of the Non-executive Director have draw any remuneration from the Company except sitting fee of Rs. 2,500/- for attending each meeting of the Board of Directors.

Details of sitting fee paid to Non-executive Directors are given below :

Director	Sitting Fees (Rs.)
Air Marshal (Retd.) D. Keelor	12,500/-
Mrs. Sarla Gupta	2,500/-
Mr. Mayur Gupta	10,000/-
Mr. Gaurav Gupta	10,000/-
Brig. G.S. Sawhney	2,500/-
Mr. Subhash Chander Jain	12,500/-

5. DISCLOSURE.

a) Equity shares held by Non-Executive Directors

Except Mr. Subhash Chander Jain, Non-executive Independent Director, who holds 125 equity shares, no other Non-Executive Directors of the Company held any equity shares of the Company during the year under review.

b) Related Party Transactions

Pursuant to the provisions of Section 188 of the Companies Act, 2013, rules framed thereunder read with Regulation 23 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the related party transaction entered into by the company were on an arm's length basis and in the ordinary course of business. These have been approved by the Audit Committee as well as board, wherever required. The Board of Directors have approved and adopted a policy on Related Party Transactions, which is available on the website of the Company at www.istindia.com.

The significant accounting policies as applicable, have been set out in the Notes to Financial Statements. There are not material, financial and commercial transactions with the KMP's where they and/ or their relatives have personal interest. There are no materially significant related party transactions which have



potential conflict with the interest of the Company at large. The detail on related party transaction has been provided in the Directors Report.

c) **Accounting Standards**

The Company follows the Accounting Standards laid down by the Institute of Chartered Accountants of India and there has been no deviation during the year.

d) **Compliances by the Company**

There has been no instance of non-compliance by the Company with the requirements of the Stock Exchanges, Securities and Exchange Board of India and other statutory authorities on matters related to Capital Markets during the last three years. The Company has adopted and complied with all the mandatory requirements under SEBI Listing Regulations, 2015.

e) **Familiarisation Program for Independent Directors**

The company organized familiarization Program for the independent directors, whenever required, as per the requirement of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The objective of these programs were to provide insights into the Company and make them to understand the business so that they can contribute significantly to the Company. The detail of such familiarization programs framed by the board for its Independent Directors can be accessed on the Company's website at www.istindia.com.

f) **Whistle Blower Policy**

The Company has adopted a Vigil Mechanism/Whistle Blower Policy as defined under Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to provide a formal mechanism to the Directors and Employees under which they are free to report their genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Policy. The whistle blower policy is available at company's website at www.istindia.com.

g) **Code of Conduct for Prevention of Insider Trading, 2015**

The Company has adopted Code for prevention of Insider Trading for its Directors and designated employees pursuant to Regulation 8(1) and 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015. The objectives of this code is to regulate, Monitor and report trading by Insiders and to report Fair Disclosure of Unpublished Price Sensitive Information. The Code prohibits purchase/ sale of securities of the Company by Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company. Further the Code specifies the procedures to be followed and disclosures to be made by Directors and the designated employees, while dealing with the shares of the Company. The Code of Conducts is available on the Company's Website www.istindia.com.

h) **Performance Evaluation**

In Compliance with provisions of Section 134, 149 and Schedule IV of the Companies Act, 2013 read with Schedule V and Part D of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Performance Evaluation of Independent Directors was carried out by the entire Board and a Separate Meeting of Independent Directors was also held on 14th February, 2017 to assess the performance of Non-Independent Director and the Chairperson of the Company.

Performance Evaluation was based on the contribution made by respective Director(s) to Company's objectives and plans, efficient discharge of their responsibilities, participation in Board/Committee meetings and other relevant parameters.

i) **Risk Management**

The Company has in place well designed framework and procedures to inform Board members about the Risk Assessment and minimization procedures. The Company is aware of the risks associated with the business. It regularly analysis the risks and takes corrective actions for managing/ mitigating the same. Board of Directors of the Company has approved and adopted "Risk Management Policy" pursuant to Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The "Risk Management Policy" is available on the Company's Website www.istindia.com.

j) **Policy for Determining Material Subsidiaries**

In terms of Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company's website at www.istindia.com.

k) **Mandatory & Non-mandatory Clauses**

The Company has complied with all mandatory requirements laid down by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Non-mandatory requirements complied with has been disclosed at the relevant places.

6. COMPLIANCE OFFICER

Mr. Bhupinder Kumar, Company Secretary of the Company has been designated as the Compliance Officer of the Company.

7. GENERAL BODY MEETINGS

(i) **Details of the last three Annual General Meetings:**

Financial year	Date	Time	Location of the meeting
2015-16*	29.09.2016	11:30 AM	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana)
2014-15	30.09.2015	11.30 AM	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana)
2013-14	30.09.2014	11.30 AM	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana)

* Mr. Angad Kumar, Practicing Chartered Accountant (Membership No. 527228), Partner M/s VARG & Co., Chartered Accountants (FRN 025157N) was appointed by the Board as the Scrutinizer for e-voting and conducting the ballot process at the AGM venue in a fair and transparent manner.

(ii) **Special Resolution passed in the previous three AGMs.**

Financial year	Details of Special Resolutions Passed
2015-16	Following Special Resolution was passed in the AGM held on 30.09.2016: To approve Re-appointment of Mr. S.C. Jain as Executive Director and remuneration payable
2014-15	Following Special Resolution was passed in the AGM held on 30.09.2015: To approve Re-appointment of Lt. Col. (Retd.) N.L. Khitha as Director (Technical) and remuneration payable
2013-14	Following 2 Special Resolutions were passed in the AGM held on 30.09.2014: (1) To approve Re-appointment of Mr. S.C. Jain, Executive Director and remuneration payable. (2) Alteration of Articles of Association of the Company.

(iii) No Special resolution was passed through postal ballot during the last year.

(iv) No special resolution is proposed to be conducted through postal ballot.

8. MEANS OF COMMUNICATION

a) The Company's financial results are forthwith communicated to Stock Exchange(s) Limited with whom the Company has listing arrangements as soon as they are approved and taken on record by the Board of Directors of the Company to enable them to post it on their respective website(s). Thereafter the results



IST LIMITED

are published in one National newspaper in English language and one Regional Newspaper in Hindi Language.

- b) The financial results, annual report, Notices for the Shareholders meeting(s), results of the shareholders meeting and other important announcements are also posted on the website of the Company www.istindia.com
- c) The Management Discussion and Analysis Report forms part of the Directors' Report.

9. GENERAL SHAREHOLDERS INFORMATION

i) 41st Annual General Meeting	
Day, Date & Time	Friday, the 29 th September, 2017 at 11.30 A.M.
Venue	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana)
ii) Financial year	1 st April to 31 st March
iii) Financial Calendar (Tentative):	1 st April, 2017 to 31 st March, 2018
	Financial reporting
	Approval and Adoption of Financial Results for the quarter ended On or before
30 th June, 2017	14 th August, 2017 (With extension of 1 months from SEBI Notification)
30 th September, 2017	14 th November, 2017
31 st December, 2017	14 th February, 2018
31 st March, 2017	30 th May, 2018
iv) Book Closure	23.09.2017 to 29.09.2017 (Both days inclusive)
v) Dividend Payment Date	Not Applicable

vi) Listing on Stock Exchanges:

The equity shares of the Company are listed on Bombay Stock Exchange Limited (Code-508807). ISIN No. INE684B01011. The Delhi Stock Exchange (DSE) on which the equity shares of the Company were Listed has been derecognized by SEBI.

The annual listing fee for the year 2017-18 has been paid to the BSE Limited.

vii) Registrars and Share Transfer Agents

MAS Services Limited

Address: T-34, 2nd Floor, Okhla Industrial Area, Ph. II, New Delhi - 110020

Tel.: 011-26387281, 26387282, 26387283; Fax : 011-26387384

Email: info@masserv.com

viii) Stock Market Data

Stock market data for the Financial Year 2016-17 on Bombay Stock Exchange is as under :

Rs. per share

Month	High	Low	Month	High	Low
Apr' 15	670.00	595.00	Oct' 15	825.00	685.00
May' 15	676.00	608.00	Nov' 15	761.00	661.00
Jun' 15	660.00	621.00	Dec' 15	820.00	670.00
Jul' 15	720.00	635.00	Jan' 16	812.00	704.00
Aug' 15	700.00	608.00	Feb' 16	765.00	722.00
Sep' 15	702.00	650.00	Mar' 16	850.00	730.00

ix) Share Transfer System

The Board has constituted the Stakeholder Relationship Committee and delegated the power of transfer to the Committee. The Committee holds its meeting as and when required, to consider all matters concerning transfer and transaction of shares. Share transfer requests received in physical form are registered within 15 days from the date of receipt and the share certificates, duly transferred, are sent to the transferee(s). The Demat / Remat requests are normally confirmed within the prescribed time from the date of receipt.

The Company obtains from a Company Secretary in practice, half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

x) Distribution of shareholding as on 31st March, 2017

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 5000	6,482	97.606	5,70,970	9.79
5001-10000	92	1.385	66,775	1.145
10001-20000	28	0.422	37,623	0.645
20001-30000	10	0.151	25,413	0.436
30001-40000	6	0.09	20,500	0.352
40001-50000	0	0	0	0
50001-100000	6	0.09	37,374	0.641
100001 and above	17	0.256	5,07,3401	86.992
GRAND TOTAL	6,641	100	5,83,2056	100

xi) Shareholding pattern as on 31st March, 2017:

CATEGORY	NO. OF SHARES	% OF HOLDING
Promoters	43,73,736	74.99
Financial Institutions, Mutual funds, Banks	300	0.01
Foreign Institutional Investors	—	—
Private Bodies Corporate	5,63,881	9.67
Indian Public	8,86,700	15.21
NRIs/ OCBs	4,283	0.070
Others	3,156	0.050
Grand Total	58,32,056	100.00

xii) Dematerialization of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialized form. As on 31st March, 2017, 5329455 (91.38%) Equity shares of total paid up equity shares were held in Dematerialized form.

NSDL/ CDSL – ISIN : INE684B01011

xiii) Outstanding GDR/ Warrants and Convertible Bonds etc.

There is no outstanding GDR/ Warrants and Convertible Bonds etc.

xiv) Plant Location

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

xv) Address for Correspondence :

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



IST LIMITED

Mas Services Limited, Registrar and Share Transfer Agents Address : T-34, 2 nd Floor, Okhla Industrial Area, Ph. II, New Delhi - 110020 Tel.: 011-26387281, 26387282, 26387283 Fax: 011-26387384 Email: info@masserv.com	IST Limited Registered Office: Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana). Phone Number: (0124)267346-48; Fax Number: (01274) 267444; E-Mail: ist.limited.grg@gmail.com; Website: www.istindia.com Corporate Office : A-23, Defence Colony, New Delhi – 110024.
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10. CERTIFICATE ON CORPORATE GOVERNANCE

As required by as per Part E of the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certificate is annexed to this report.



AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members of
IST Limited

We have examined the compliance of conditions of Corporate Governance by the IST Limited for the year ended 31st March 2017 as stipulated as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulation, 2015 ('Listing Regulations') as referred to the regulation 15(2) of the Listing Regulations for the Year ended 31st March, 2017.

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

We have conducted our review on the basis of relevant records and documents maintained by the Company and furnished to us for the review and the information and explanations given to us by the Company.

In our opinion and to the best of information and according to the explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement/ Listing Regulations, as applicable.

We 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.

For VINOD KUMAR & CO.
COMPANY SECRETARIES

Place : New Delhi
Dated: 28.08.2017

CS VINOD KUMAR ANEJA
(CP 5740 FCS5740)



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a) Overall Economic View

India continued to be one of the fastest growing major economy overtaking China for the consecutive second year. As per the Economic Survey 2016-17, the Indian economy is anticipated to grow between 6.75 to 7.5 per cent in FY 2017-18. Indian economy has witnessed a marginally lower GDP growth during the fiscal year 2017 at 7.1% as against 7.6% in the Fiscal Year 2016. Over the past few years, we have witnessed stability, inflation under control and foreign exchange reserves remaining satisfactory.

During the year under review, while Demonetisation measure taken by the Government had an adverse impacted in the last quarter of the year, the year had also witnessed introduction of significant game changing reforms notably being the GST Act, Bankruptcy Code and further liberalisation in the FDI norms by allowing 100% ownership in certain previously restricted sectors. The thrust on 'Make in India' shall also benefit the economy in the longer term. The old policies are giving way to newer ones and its implementation is progressing at a dignified pace. Trade and investment opportunities will grow with recent changes in government policies including FDI. During the Financial Year RBI also gifted two 25bpw repo rate cuts, once in April'2016 and second in October'2016 to further strengthen the economic growth.

While these initiatives taken by the Government are envisaged as transformational steps for the Indian economy and its business environment, robust implementation of these policy changes will be key to realising the full potential of these reforms. Your Company also hopes to reap benefit from these policy initiatives in the longer term.

b) Industry Structure, development and future outlook

Your Company is engaged in the following business streams:

- Manufacturing of Auto Components.
- Development of Infrastructure for IT / ITES Sector.

Auto Component Industry

The Indian Auto Industry is one of the largest in the world. The industry accounts for 7.1 percent of the Country's GDP and employs more than 19 million people, both directly and indirectly. India is also a prominent exporter and has strong export growth expectations in the near future. The Government of India also encourages foreign investment in the automobile sector by allowing 100 per cent FDI under the automatic route. A stable government at the Centre, increased disposal income resulting in increased purchasing power, large domestic market, and an ever increasing development in infrastructure have made India a favourable destination for investment. As part of its policy to attract FDI, the "Make in India" initiative promoted by the Government is also expected to reap favourable results in the coming years.

The Indian Auto Component industry is ancillary to the automobile industry and can broadly be classified into the organised and unorganised sectors. While the organised sector caters to the Original Equipment Manufacturers (OEMs) and consists of high-value precision instruments, the unorganised sector comprises of low-valued products and caters mostly to the aftermarket category. While OEMs dominates the auto component market contributing around 80 per cent, the replacement market share is around 20 per cent. However, in terms of turnover, organized market holds about 85% share

The Indian Auto Component industry is expected to grow at 8-10 per cent in the FY 2017-18 based on higher localisation by OEMs, higher component content per vehicle and increased export from India. According to a report by CARE, the Indian auto components industry was valued at around Rs.2.6 trillion (USD 39 million) in the FY'2016. The industry witnessed a growth of 8.6% on y-o-y basis and contributes to 2.3% to India's Gross Domestic Product (GDP). The exports of auto components stood approximate at Rs 709 billion (USD 10.8 billion) in FY16 and has increased at a CAGR of about 18.5 per cent from Rs 303 billion (USD 6.7 billion) since FY11. According to Automotive Component Manufacturers Association of India (ACMA), the Indian Auto Component industry is expected to register a turnover of USD 100 billion by 2020 backed by strong export ranging between USD 80-100 billion by 2026 from current USD 11.20 billion in the year 2016-17. Currently industry exports to more than 160 countries with Europe being the largest Import followed by North America and Asia. A report by Technavio's market research analysts also predicts that the auto component market shall grow steadily at a CAGR of around 19% by 2020.

Development of Infrastructure for IT / ITES Sector

India is the topmost offshoring destination for IT companies across the world. Developed economies across the world have recognized India's vast and readily available pool of IT professionals, who are not only highly qualified talent pool but also cost effective as compared to man-power available in developed countries. Having proven capabilities in delivering both on-shore and off-shore services to global clients, IT / ITES sector provides a range of end to end software development, digital services, IT business solutions, research and development services, technology infrastructure services, business process services, consulting and related support functions.

Rapidly growing urban infrastructure has fostered several IT centers across the country. With high growth potential the Indian IT / ITES sector is back into hiring mode and the sector is expected to create direct employment opportunities of 10 million and indirect employment opportunities of 40 million by 2020. According to the Strategic Review 2017 of NASSCOM (the "NASSCOM Report") in FY17, IT export revenues, from India grew by 7.6%, to an estimated USD 117 billion. United States has traditionally been the biggest importer of Indian IT exports with around 65% of the total IT export being absorbed by US, Europe is also emerging to be one of the potential market for Indian IT export. NASSCOM Report projects the Indian technology and services industry to reach USD 200 billion to USD 225 billion in revenues by 2020 and over USD 350 billion by 2025, from a base of USD 154 billion in 2017.

c) Opportunities and Threat and Future Outlook

Auto Component Industry

The core business of your company is the manufacturing of High Precision Auto Components. Over the last few years the Auto Component Industry has seen a rapid growth driven by strong growth in the domestic market and increasing exports. The Government of India has also taken various initiatives for the growth of Indian Auto Industry including deregulation of FDI for the sector. India has become favorable destination for various Global players. The cumulative FDI inflows into the India Automobile Industry during the period from April 2000 to September, 2016 were recorded at USD 15.80 billion as per the data by the Department of Industrial Policy and Promotion (DIPP).

The rapidly globalising world is opening up newer avenues for the industry, especially while it makes a shift towards alternate source of fuel like Compressed Natural Gas (CNG), electric, electronic and hybrid cars are also been promoted worldwide. These are deemed to be more efficient, safe, reliable and Cost effective modes of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers and the industry would need to adapt to the change via systematic research and development, continual technology upgradation etc. The Indian auto-components industry is set to become the third largest in the world by 2025. This brings in tremendous opportunities to the industry both in the domestic as well as Overseas Markets.

The rapid growth in the Industry also brings in stiff competition both from the domestic manufacturers as well as from the International manufacturer who have the potential for the large scale production and give price competition. With the new technology coming-in through the global players as well as large domestic companies, the smaller size companies are facing stiff competition.. Further, Softening of interest rate lower than expected, tightening money supply, volatility in the price of raw materials and other inputs, currency fluctuations, stringent emission norms are other major threats faced by the Industry.

However in line with the rapid diversification and technology upgradation of the Industry, your Company has also been constantly making efforts to upgrade the technology as per the requirement of the Industry and at par with the major auto component manufacturing companies. Your management does not foresee any major threat to the operations of the Company.

Development of Infrastructure for IT / ITES Sector

Your Company through its wholly owned subsidiary "Gurgaon Infospace Limited" has set up Sector Specific Special Economic Zone for IT / ITES at Village Dundahera in Gurgaon (Haryana). With the aim to Infrastructural Development, promoting export and creating employment, the Government is promoting the development of SEZs specifically for IT / ITES sector. The sector enjoys tax holidays and exemptions which attracts IT / ITES companies to operate in SEZs.



With the increase in economic activities across the world, companies in US, Europe and China are opening up opportunities for the IT related service providers in India.. However, IT industry constantly face threat of change in US policy (anti out-sourcing policy). As US is one the major market for Indian IT Industry, any policy change with respect to out-sourcing of work by the US government may adversely affect the IT industry in India. The slow growth of US economy may also have adverse effect. Further, there is continual fear that the increasing unemployment in the west would reduce outsourcing as they shall take steps to drive jobs back home, which may also have adverse effect on the IT Industry in India.

However, despite these threats the Indian IT / ITES Industry has outperformed the expectations y-o-y. The growth in IT / ITES Industry will give new opportunities to your Company and the management is optimistic about the good performance of the SEZ business of your Company.

d) Operational Performance

Company's primary business segment is manufacturing of auto components. During the year under review the gross revenue from manufacturing of auto components increased from Rs. 1,763.92 Lacs to Rs. 2,527.38 Lacs thereby an increase of Rs. 763.46 Lacs over the previous year. The Profit Before Tax increased from Rs. 883.78 Lacs to Rs. 1,101.38 Lacs thereby an increase of around 24.62% whereas the Profit after Tax has increase from Rs. 662.57 Lacs to Rs. 842.16 Lacs thereby an increase of 27.10% over the previous year.

The other business activity is Development of Infrastructure for IT / ITES sector, undertaken by the Company through its wholly owned subsidiary namely Gurgaon Infospace Limited, the revenue from operations have increased from Rs. 6,103.12 Lacs during the previous year to Rs. 7,521.95 Lacs in the year under review. The net profit after tax have also increased from Rs. 6,317.88 Lacs during the previous year to Rs. 7,263.26 Lacs in the current year.

e) Risk and Concerns and its Management

The Company is exposed to external and internal risks associated with the business. Stiff competition both from domestic and overseas auto component manufactures, uncertainty arising from currency volatility, low-priced imports and counterfeit auto parts available at cheap price are some of the external risks associated with the business. Operational risks like shortage of power which leads to increase in cost of production. Continues upgradation of technology due to existence major international players and their associates, makes existing technology obsolete is one of the major concern for the business. In addition to this, demand of auto component sector is dependent on the automobile sector which makes the market uncertain at times. General economic conditions also impacts the operations of the industry and, in turn, the operations of the Company as well. Constantly changing regulatory environment always carries with it the risk of higher taxes or duties, which may increase cost to the company. The industry efforts to mitigate the above risks along with policy measures of the government would determine the impact of the above risks on the industry going forward.

Risk Management is a process of identifying the risks, analysis of its effect on the business operations of the Company, measures to be taken to mitigate such risks. As an business enterprise the Company is exposed to various risk some of which are identifiable and can be mitigated through defined Internal Control Mechanism. However there are certain risks which cannot be predicated and are unascertainable at a given point of time. These can be mitigated through the experience inherited by the Company and its management over the period. To counter these risks, the Company continues to broaden its product portfolio, increase customer profile and expand geographic reach

The Company has inherent system for identifying and mitigating the Risk associated with the nature of businesses undertaken, which may threaten the existence of the Company. At senior management level, the roles and responsibilities of all the employees are well defined in term of timely identification, management and mitigation of the risks. Further the senior management also meets periodically to discuss various operational matters and risks involved therein. Precautionary measures and suggestions to mitigate the risks are also welcomed by the management from any level of employee.

f) Internal Control and their Adequacy

Internal Control Systems inherent in the Company are adequate and commensurate with the size and nature of the business. The inherent systems ensures that the resources of the Company are used efficiently and



effectively, all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorised, recorded and reported correctly, financial and other data are reliable for preparing financial information and other data and for maintaining accountability of assets. The ever improving Internal Control Systems are well complemented with the extensive internal audit system of the Company, documented policies, guidelines and procedures and are reviewed by the management on regular basis. The Audit findings are reported on quarterly basis to the Audit Committee of the Board headed by a Non-executive Independent Director. This ensures timely detection of any irregularities and early remedial steps being taken by the Company.

g) Human Resource

The Company believes that the Human Resources are one of its biggest assets and strives to achieve maximum employee satisfaction. It is our endeavor to attract new talents apart from training and retaining its existing work force with an objective to achieve the growth of the Company. Participation of employees at all levels is encouraged through suggestion schemes and other means. Employees relations continue to be harmonious and positive. There were 235 number of employees on the rolls of the Company as on 31st March 2017. Material developments in the Human Resource/ Industrial Relations front have been detailed under the head "Employee Relation & Particulars of Employees" in the Directors' Report.

h) Cautionary Statement

Certain representations and statements made under the 'Management Discussion and Analysis' are based on the Company's views about the industry, present market conditions, expectations/predictions, objectives, etc. and may be forward looking statement within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied in these statements. Your Company's operations may, inter-alia, be affected by the supply and demand situations, input prices and availability, changes in government regulations, tax laws, government or court decisions and other factors such as industry relations and economic developments etc. in the Country. The Investors should bear the above in mind.



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IST LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of IST LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 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.

Auditor's 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 there under.

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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 state of affairs of the Company as at March 31, 2017 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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 statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 it 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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 A" and
- g) With respect to the other matters to be included in the Auditor's 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) The Company has disclosed the impact of pending litigation on its financial position in its financial statement refer Note No.29 to the financial statement.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. Refer Note 41 to the standalone financial statements.

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

PLACE : NEW DELHI
DATED: 30.05.2017

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



ANNEXURE TO THE AUDITORS' REPORT

In our opinion, and in so far as we have been able to ascertain from the records produced, Information furnished and the explanations given to us by the Company.

1. a) The Company has maintained proper records of its Fixed Assets , showing full particulars including their quantitative detail and situation.
b) The Management has, during the year, physically verified all the Fixed Assets in respect of which record is kept. No discrepancies were noticed on such verification.
c) According to information and explanation given to us, the title deeds of Immovable Properties are held in the name of the company and the title deeds in respect of sub lease of Commercial Property at Noida is pending Registration.
2. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. a) The Company has not given any new loan during the year. However, the Company had granted unsecured loan in the past to a party covered in the register maintained under section 189 of the Companies Act, 2013, the term and conditions of grant of such loan are not prejudicial to the Company's interest.
b) The schedule of repayment of principal and payment of interest has been stipulated and the principal amount and interest are repayable as stipulated.
c) There is no overdue amount of the said loan granted by the Company.
4. 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.
5. According to the information and explanations given to us, the Company has not accepted deposit from the public within the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under
6. As far as we are aware, the Central Government has not specified the maintenance of cost records by the company under section 148(1) of the Companies Act, 2013.
7. a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom duty, Excise duty, Value Added Tax, cess and other statutory dues wherever applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, ESI, Income Tax, Sales Tax, Service Tax , customs duty, excise duty, value added Tax and cess were in arrears, as at 31.03.2017 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Custom duty, Excise duty, Value Added Tax and cess which have not been deposited on account of any dispute.
8. The Company has not defaulted in repayment of loans or borrowings from any Financial Institution and bank during the year, further the Company does not have any loans or borrowings from government or due to debenture holders.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loan during the year.
10. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our Audit.
11. According to the information and explanations give 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 to the Act.
12. 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.
13. According to the information and explanation given to us, the transaction with Related Parties are in compliance with section 177 and 188 of the Act, and



details have been disclosed in Financial Statements etc, as required by the applicable accounting standards.

14. According to the information and explanation given to us, the Company has not made any Preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. According to the information and explanation given to us, the Company has not entered into any non cash transaction with Director or persons connected with him during the year.

16. The Company is not required to be registered U/s 45 IA of Reserve Bank of India Act, 1934.

FOR O.P.DADU & CO.

CHARTERED ACCOUNTANTS
FRN. 001201N

PLACE : NEW DELHI
DATED: 30.05.2017

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



ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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 IST Limited (“the Company”) as of 31, March 2017 in conjunction with our audit of the standalone 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”. 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 Companies Act, 2013.

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 Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 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 O.P.DADU & CO.
CHARTERED ACCOUNTANTS
FRN. 001201N

PLACE : NEW DELHI
DATED: 30.05.2017

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



IST LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
EQUITY AND LIABILITY			
Shareholders' funds			
Share capital	2	5,84,67,546	5,84,67,546
Reserves and Surplus	3	1,59,86,48,246	1,51,44,32,319
		<u>1,65,71,15,792</u>	<u>1,57,28,99,865</u>
Non-current liabilities			
Long term borrowings	4	4,00,00,000	12,50,00,000
Deferred tax liabilities (net)	5	1,61,35,000	1,78,56,000
Other Long Term Liabilities	6	2,20,02,006	2,03,22,006
Long-term provisions	7	1,03,88,994	92,17,384
		<u>8,85,26,000</u>	<u>17,23,95,390</u>
Current liabilities			
Short-term borrowings	8	—	12,27,868
Trade payables	9	47,51,993	56,84,219
Other current liabilities	10	1,40,89,050	1,50,71,179
Short-term provisions	11	87,75,329	95,63,577
		<u>2,76,16,372</u>	<u>3,15,46,843</u>
		<u>1,77,32,58,164</u>	<u>1,77,68,42,098</u>
ASSETS			
Non-current assets			
Fixed Assets	12		
Tangible assets		21,98,52,753	23,79,46,912
Intangible assets		2,31,763	5,59,803
		<u>22,00,84,516</u>	<u>23,85,06,715</u>
Non-current investments	13	1,26,66,17,659	1,26,66,17,083
Long-term loans and advances	14	9,62,54,092	10,12,60,152
Other Non-current Assets	15	7,64,825	6,20,740
		<u>1,58,37,21,092</u>	<u>1,60,70,04,690</u>
Current assets			
Current Investments	16	50,05,016	-
Inventories	17	7,58,68,893	7,41,32,911
Trade receivables	18	6,03,97,420	5,23,60,689
Cash and cash equivalents	19	2,75,47,619	2,63,82,018
Short-term loans and advances	20	21,76,661	30,81,654
Other current assets	21	1,85,41,463	1,38,80,136
		<u>18,95,37,072</u>	<u>16,98,37,408</u>
		<u>1,77,32,58,164</u>	<u>1,77,68,42,098</u>

Accompanying notes forming part of the financial statements

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

Chartered Accountants
FRN 001201N

O.P.Dadu

Partner

MN 010871

Place: New Delhi

Dated: 30.05.2017

D.N.Tulshyan
Chief Financial Officer

Bhupinder Kumar
Company Secretary

Mayur Gupta
Director
DIN-00131376

S.C.Jain
Executive Director
DIN-00092079

For and on behalf of the Board of Directors



STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	For the year ended 31.03.2017 Rs.	For the year ended 31.03.2016 Rs.
INCOME			
Revenue from operations	22	25,27,37,507	17,63,92,033
Other income	23	9,74,58,470	10,42,36,454
Total Revenue		35,01,95,977	28,06,28,487
EXPENSES			
Cost of materials consumed	24	6,06,26,219	4,21,04,929
Change in inventories	25	(40,31,990)	(1,04,69,041)
Employees benefit expense	26	8,96,36,835	7,53,96,538
Finance charges	27	89,86,826	33,43,112
Depreciation		2,07,97,909	2,07,19,529
Other expenses	28	6,40,41,428	6,11,54,513
		24,00,57,227	19,22,49,580
Profit before tax		11,01,38,750	8,83,78,907
Tax expenses			
Current tax		2,70,00,000	2,18,00,000
Deferred tax		(17,21,000)	3,96,000
Profit after tax		8,48,59,750	6,61,82,907
Prior period adjustment Income tax / Interest		6,43,823	74,024
Profit after tax and adjustment		8,42,15,927	6,62,56,931
Earning per share			
Basic & Diluted		14.44	11.36
(Refer note no.35)			

Accompanying notes forming part of the financial statements

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

Chartered Accountants

FRN 001201N

O.P.Dadu

Partner

MN 010871

Place: New Delhi

Dated: 30.05.2017

D.N.Tulshyan
Chief Financial Officer

Bhupinder Kumar
Company Secretary

Mayur Gupta
Director
DIN-00131376

S.C.Jain
Executive Director
DIN-00092079

For and on behalf of the Board of Directors



IST LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2017

(Pursuant to clause 32 of the Listing Agreement)

Amount in Rs.

Particulars	2016-2017	2015-2016
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extra ordinary item	11,01,38,750	8,83,78,907
Depreciation	207,97,909	2,07,19,529
Interest (Net)	(282,39,888)	(2,44,31,087)
Sundry Dr/Cr Balances Adjusted	(96,985)	4,19,011
Investment written Off (NSC)	—	40,000
Discount & Liquidated Damages	8,26,760	11,31,213
Amount written back (net)	(298)	(64,701)
(Profit)/ Loss on sale of Fixed Assets	1,56,342	1,22,165
Profit on sale of Short term Investment	(5,47,906)	(3,74,05,959)
Demunition in value of Investment	(576)	(8,976)
Dividend	—	(8,639)
Operating Profit before working capital changes	(71,04,642)	(3,94,87,444)
Change in :	1030,34,108	4,88,91,463
Trade receivables	(87,66,502)	(2,89,04,324)
Inventories	(17,35,983)	(1,12,67,944)
Short term Loan & Advances	9,04,993	(12,55,414)
Other current Assets	(46,61,327)	(1,17,11,456)
Other non current Assets	(1,44,085)	—
Long term Loan & Advances	50,06,060	11,53,38,033
Other Long Term Liabilities	16,80,000	91,22,006
Long term provisions	11,71,610	7,95,019
Short term Provisions	12,51,730	5,68,795
Trade Payables	(9,32,226)	16,29,016
Other current liabilities	(9,81,831)	55,03,243
	9,58,26,547	12,87,08,437
Interest paid	(87,84,865)	(31,32,489)
Direct Taxes paid	(2,96,83,803)	(1,88,40,495)
(B) Net Cash Flow from Operating Activities	5,73,57,879	10,67,35,453
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets	(31,99,240)	(72,98,140)
Sale of Fixed assets	6,67,187	1,06,838
Interest Received	3,70,24,753	2,75,63,576
Sale of Non Current Investment	—	49,87,39,446
Purchase of Non Current Investment	—	(75,31,73,707)
Purchase of Current Investment	(8,50,00,000)	—
Sale of Current Investment	8,05,42,890	43,647
Dividend	—	8,639

IST LIMITED



(C) Net Cash used in Investing Activities	3,00,35,590	(23,40,09,701)
CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings /(Repayment) of borrowings		
- Cash Credit	(12,27,868)	12,27,868
Borrowings /(Repayment) of borrowings		
- Term Loan	(8,50,00,000)	12,50,00,000
Net Cash from Financing Activities	(8,62,27,868)	12,62,27,868
Net change in Cash & cash Equivalents (A+B+C)	11,65,601	(10,46,380)
Cash & Cash Equivalents		
- Opening Balance	2,63,82,018	2,74,28,398
- Closing Balance	2,75,47,619	2,63,82,018
	11,65,601	(10,46,380)

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

Chartered Accountants
FRN 001201N

O.P.Dadu
Partner
MN 010871
Place: New Delhi
Dated: 30.05.2017

D.N.Tulshyan
Chief Financial Officer

Bhupinder Kumar
Company Secretary

For and on behalf of the Board of Directors

Mayur Gupta
Director
DIN-00131376

S.C.Jain
Executive Director
DIN-00092079

**NOTES TO FINANCIAL STATEMENTS AS AT 31st MARCH, 2017****Note 1: SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

The significant accounting policies adopted in the presentation of the Accounts are as under:-

a) Valuation of Inventories :

- i) Raw Material, Stores, Spares and purchased components, Finished Goods, and Goods under process are valued at cost on weighted average basis or net realisable value which ever is lower.
- ii) Tools and Instruments are valued at cost less depletion in value.
- iii) Stock of Scrap is valued at estimated realisable value.

b) Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

c) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

d) Revenue Recognition:-

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

e) Other Income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established

f) Foreign Exchange Transactions:-

Foreign Exchange transactions are recorded at the exchange rate prevailing on the date of transaction. The difference in realized gains and losses on foreign exchange transactions other than those relating to the fixed assets are recognized in the profit and loss account.

g) Excise Duty :

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

h) Tangible and Intangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation / amortization and impairment losses, if any. Cost includes expenses incidental to the acquisition/installation of assets. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment. Interest on loans to acquire qualifying assets is added to the cost of fixed assets in accordance with Accounting Standard 16 on "Borrowing Costs"

i) Depreciation / Amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Depreciation on intangible assets has been provided on the straight-line method on useful life of 6 years.

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.



j) Employees Retirement Benefits :

Company's Contribution towards Provident Fund is charged to Profit & Loss Account. The amount of gratuity & leave encashment benefits on the basis of actuarial valuation is charged to Profit & Loss Account.

k) In determining earnings per share, the company considers the net profit after tax and includes the post-tax effect of any extraordinary items. The number of shares used in computing basic earnings per share is the number of shares outstanding during the period.

l) Claims :

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

m) The liability for reimbursement of Medical Expenses and Leave Travel Allowance is provided for at the time when the same is due and the claim is made irrespective of the time of expenditure incurred by the employees.

n) Liquidated damages on Defence Sales are accounted for as and when ascertained.

o) Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

p) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually

q) Provisions, Contingent Liabilities and Contingent Assets

i. Provisions are recognized in terms of Accounting Standard 29 – 'Provisions, Contingent Liabilities and Contingent Assets' as mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006, when there is a present obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and a reliable estimate of the amount of the obligation can be made.

ii. Contingent Liabilities are recognized and disclosed only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

iii. Contingent assets are not recognized in the financial statements.

r) Impairment of Assets

The Company reviews the carrying value of its fixed assets for any possible impairment at each Balance Sheet date. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value at an appropriate discount rate.



IST LIMITED

NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2017

As at
31.03.2017
Rs.

As at
31.03.2016
Rs.

Note 2: SHARE CAPITAL

Authorised

1,00,00,000 equity shares of Rs.10/- each

10,00,00,000

10,00,00,000

Issued

60,27,728 Equity Shares of Rs. 10/- each

6,02,77,280

6,02,77,280

Subscribed and fully paid up

58,32,056 Equity Shares of Rs. 10/- each fully paid up

5,83,20,560

5,83,20,560

Add : Shares Forfeited

1,46,986

1,46,986

5,84,67,546

5,84,67,546

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

Ordinary Shares	31.03.2017		31.03.2016	
	No. of Shares	Rs.	No. of Shares	Rs.
At the beginning of the year	58,32,056	5,83,20,560	58,32,056	5,83,20,560
Issued during the year	—	—	—	—
Outstanding at the end of the period	58,32,056	5,83,20,560	58,32,056	5,83,20,560

b) Shareholder Holding more than 5% shares in the Company

Name of the Shareholder	No. of Shares		%	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
M/s. Gupta International Investment Company Ltd	29,13,221	29,13,221	49.95	49.95
M/s. Delux Associates LLP	3,44,375	475	5.904	0.01
M/s. Eastern India Power and Mining Company Pvt. Ltd	3,77,352	87,352	6.47	1.50
M/s. Smridhi Realty and Trade LLP (Formerly known as Antique Investment Company Private Ltd)	3,85,700	955,700	6.613	16.39

Note 3: RESERVES AND SURPLUS

Securities premium account

Share premium on 12,11,716 shares @ Rs.5/- each
as per last year Balance Sheet

60,58,580

60,58,580

General reserve

as per last year Balance Sheet

1,10,80,04,235

1,10,80,04,235

Surplus in Statement of Profit & Loss

Opening Balance

40,03,69,504

33,41,12,573

Add: Net Profit for the current year

8,42,15,927

6,62,56,931

48,45,85,431

40,03,69,504

1,59,86,48,246

1,51,44,32,319

Note 4: LONG TERM BORROWINGS

Term Loan

From Non Banking Financial Corporation

Secured

4,00,00,000

12,50,00,000

4,00,00,000

12,50,00,000

Secured by Pledge of 100 HUDCO and 100 IRFC Tax Free Bonds of
Rs 20 Crores and repayable upto 24 months. Interest is payable
@ 9.50% p.a. on monthly basis.



	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
Note 5: DEFERRED TAX LIABILITIES (NET)		
Difference of assets between Books of account and as per income-tax	67,077,875	70,890,575
Less: Expenses allowed for tax purpose on payment basis	18,278,687	15,855,347
	<u>48,799,188</u>	<u>55,035,228</u>
Deferred tax liabilities (Net)	<u>16,135,000</u>	<u>17,856,000</u>
Note 6: OTHER LONG TERM LIABILITIES		
Security Deposit	22,002,006	20,322,006
	<u>22,002,006</u>	<u>20,322,006</u>
Note 7: LONG-TERM PROVISIONS		
Provisions for employees benefits		
Provisions for Gratuity	6,827,535	6,234,740
Provisions for Leave Encashment	3,561,459	2,982,644
	<u>10,388,994</u>	<u>9,217,384</u>
Note 8: SHORT-TERM BORROWINGS		
Cash Credit from Bank (Secured)		
State Bank of India (Secured by hypothecation of charge on entire current assets, book debts, receivables, documentary bills, domestic, export of the company both present and future.)	—	1,227,868
	<u>—</u>	<u>1,227,868</u>
Note 9: TRADE PAYABLES		
For Goods	4,751,993	5,684,219
	<u>4,751,993</u>	<u>5,684,219</u>
Note 10: OTHER CURRENT LIABILITIES		
Statutory Remittances	1,877,030	1,360,476
Expenses Payable		
Director's	136,100	208,837
Others	12,075,920	13,501,866
	<u>14,089,050</u>	<u>15,071,179</u>
Note 11: SHORT-TERM PROVISIONS		
Provision for employee benefits		
Provisions for Gratuity	5,723,393	4,411,911
Provisions for Leave Encashment	2,166,300	2,226,052
Provision for Tax	885,636	2,925,614
[Note : Provision is net of Prepaid Tax Rs.4,79,14,364 (Rs.2,66,74,386)]		
	<u>8,775,329</u>	<u>9,563,577</u>



NOTE '12' FIXED ASSETS

Particulars	GROSS BLOCK					DEPRECIATION			NET BLOCK	
	Cost as at 31.3.2016 Rs.	Additions during the Year Rs.	Deductions during the Year Rs.	As at 31.3.2017 Rs.	As at 31.3.2016 Rs.	For the Year Rs.	Adjustments during the year Rs.	Upto 31.3.2017 Rs.	As at 31.3.2017 Rs.	As at 31.3.2016 Rs.
Tangible Assets										
Freehold Land	3,61,94,802	—	—	3,61,94,802	—	—	—	—	3,61,94,802	3,61,94,802
Building	9,78,61,811	—	—	9,78,61,811	56,21,957	15,48,153	—	71,70,110	9,06,91,701	9,22,39,854
Plant & Machinery	26,41,86,017	21,13,324	—	26,62,99,341	16,93,70,967	1,50,13,722	—	18,43,84,689	8,19,14,652	9,48,15,050
Furniture	68,85,251	2,14,044	23,92,641	47,06,654	37,26,346	4,88,473	22,62,481	19,52,338	27,54,316	31,58,905
Office Equipments	1,08,61,682	8,71,872	40,72,544	76,61,010	73,99,515	13,70,223	38,66,239	49,03,499	27,57,511	34,62,167
Vehicles	1,83,40,245	—	13,51,708	1,69,88,537	1,02,64,111	20,49,298	8,64,643	1,14,48,766	55,39,771	80,76,134
Total	43,43,29,808	31,99,240	78,16,893	42,97,12,155	19,63,82,896	2,04,69,869	69,93,363	20,98,59,402	21,98,52,753	23,79,46,912
Intangible Assets										
Computer Software	19,98,291	—	—	19,98,291	14,38,488	3,28,040	—	17,66,528	2,31,763	5,59,803
Total	43,63,28,099	31,99,240	78,16,893	43,17,10,446	19,78,21,384	2,07,97,909	69,93,363	21,16,25,930	22,00,84,516	23,85,06,715
Previous year	42,95,14,809	72,98,140		43,63,28,099	17,73,57,702	2,07,19,529	2,55,847	19,78,21,384	23,85,06,715	



	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
Note 13: NON-CURRENT INVESTMENTS (AT COST)		
Other Investment		
Investments in Equity Instruments		
(A) Unquoted (Fully paid up)		
Subsidiary Company		
1,00,000 Equity Shares of Gurgaon Infospace Ltd of Rs.100/- each [Refer Note no.33]	1,00,00,000	1,00,00,000
Associate Company		
88,40,000 Equity Shares of IST Steel & Power Ltd of Rs.10/- each	8,84,00,000	8,84,00,000
	9,84,00,000	9,84,00,000
(B) Quoted (Fully paid up)		
Others		
4,800 Equity Shares of J.C.T.Ltd. of Rs.2.50 each	2,93,399	2,93,399
2,000 Equity Shares of C.T.Cotton Yarn Ltd. of Rs.10/- each	50,838	50,838
8,000 Equity Shares of Rossell India Ltd. of Rs.10/- each	11,66,452	11,66,452
	15,10,689	15,10,689
Less: Demerit in value of Investment	(3,20,285)	(3,20,861)
	11,90,404	11,89,828
Investments in Preference Shares		
Associate Company		
15,00,000 9% Non Cumulative, Non Convertible Preference Shares of Rs.100/-each of IST Steel & Power Ltd, Redeemable at par	15,00,00,000	15,00,00,000
Others		
11,50,000 9% Non Cumulative, Non Convertible Preference Shares of Rs.100/-each of Subham Infradevelopers (P) Ltd	11,50,00,000	11,50,00,000
Investments in Bonds		
Quoted		
1,50,000 7.51%, HUDCO 15 Years Tax-free Bonds Rs.1000/- each	15,00,00,000	15,00,00,000
12,491 7.28% NTPC 15 Years Tax free Bond Series 2A Rs.1000/- each	1,24,91,000	1,24,91,000
Unquoted		
100 7.15% IRFC 10 Years Tax free Bond Series 100 Rs.10,00,000/-each	10,00,20,000	10,00,20,000
100 7.00%, HUDCO 10 Years Tax-free Bonds Series C Rs.10,00,000/- each	10,00,10,000	10,00,10,000
70 7.28% NHAI 15 Years Tax free Bond of Rs.10,00,000/-each	7,00,07,000	7,00,07,000
Investment in Immovable Property		
Sub Lease of commercial property at Noida (Pending Registration)	46,94,79,255	46,94,79,255
National Saving Certificate [Refer Note No. 31]	20,000	20,000
	1,26,66,17,659	1,26,66,17,083
i) Aggregated value of Quoted Investments		
Cost	16,40,01,689	16,40,01,689
Market value	17,94,39,103	17,34,24,554
Aggregated value of Unquoted Investments cost	63,34,37,000	63,34,37,000
ii) 100 Bonds of IRFC and 100 Bonds of HUDCO are pledged with HDB Financial Services Ltd against term loan.		



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	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
Note 14.: LONG-TERM LOANS AND ADVANCES		
(Unsecured Considered good)		
Capital Advances		
Related Party	4,17,00,000	5,00,00,000
Others	—	—
Security Deposits		
Related Party	39,60,000	39,60,000
Others	66,34,229	66,34,229
Loan and Advance		
Related Party	4,39,59,863	4,06,65,923
	9,62,54,092	10,12,60,152
Note 15: OTHER NON-CURRENT ASSETS		
Term Deposits remaining maturity more than 12 months (Pledged with Sales Tax Dept. Rs.182663/- & State Bank of India Rs. 582162/-)	7,64,825	6,20,740
	7,64,825	6,20,740
Note 16: CURRENT INVESTMENTS (AT COST)		
Other Investment in Mutual funds (Unquoted)		
1966.841 / (0) SBI PLF Dir Plan Growth	50,05,016	—
	50,05,016	—
Note 17 : INVENTORIES		
(As taken, valued and certified by the management)		
Raw materials	65,21,384	88,05,837
Work in Progress	5,82,36,832	5,08,76,154
Finished Goods	15,13,223	49,09,163
Stores & Spare parts	77,50,279	77,61,834
Scrap	18,47,175	17,79,923
	7,58,68,893	7,41,32,911
Note : Refer Note 1 (a).for mode of valuation		
Note 18: TRADE RECEIVABLES		
Unsecured considered good		
Outstanding for a period exceeding six months from the due date	82,42,701	8,21,657
Others	5,21,54,719	5,15,39,032
	6,03,97,420	5,23,60,689



	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
Note 19: CASH & CASH EQUIVALENTS		
Cash in hand	2,18,521	6,37,788
Cheques / Drafts in Hand	9,82,483	3,50,798
With Scheduled Banks		
In Current Accounts	20,81,595	8,79,934
Term Deposit	—	94,75,681
Balance held as Margin Money	2,42,65,020	1,50,37,817
	<u>2,75,47,619</u>	<u>2,63,82,018</u>
Note 20 : SHORT TERM LOANS & ADVANCES		
Unsecured Considered good		
Loans to Employees	5,99,800	2,93,000
Advances Raw materials & Stores	3,71,341	5,54,590
Prepaid Expenses	7,59,822	13,62,685
Balance with Gov.Authorities	4,45,698	8,71,379
	<u>21,76,661</u>	<u>30,81,654</u>
Note 21: OTHER CURRENT ASSETS		
Unsecured Considered good		
Interest Accured	1,79,01,214	1,31,31,790
Others	6,40,249	7,48,346
	<u>1,85,41,463</u>	<u>1,38,80,136</u>



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	For the year ended 31.03.2017 Rs.	For the year ended 31.03.2016 Rs.
Note 22: REVENUE FROM OPERATION		
Sale of Product		
Export Sales	84,30,812	84,14,681
Domestic Sales	27,36,37,914	18,84,63,118
Revenue from Operations	28,20,68,726	19,68,77,799
Less: Excise duty	2,93,31,219	2,04,85,766
Revenue from Operations	25,27,37,507	17,63,92,033
Note 23: OTHER INCOME		
Interest		
Related Party	36,59,933	33,85,692
Tax Free Bonds	3,13,89,046	2,22,34,084
Others	19,75,774	19,43,800
Unspent liabilities written back	298	64,701
Dividend		
Current Investments	—	8,639
Profit on sale of Current Investments	5,47,906	28,625
Profit on sale of Non Current Investments	—	3,73,77,334
Provision on Investment written back	576	8,976
Exchange rate difference (Net)	—	1,07,168
Sundry Debit / Credit balances adjusted	96,985	-
Rent	5,86,44,595	3,79,78,566
Miscellaneous Receipts	11,43,357	10,98,869
	9,74,58,470	10,42,36,454
EXPENSES		
Note 24 : COST OF MATERIAL CONSUMED		
Indigenous	5,93,37,255	4,06,28,158
Imported	12,88,964	14,76,771
	6,06,26,219	4,21,04,929
Note 25 : CHANGE IN INVENTORIES		
Inventories at the end of the year		
Finished Goods	15,13,223	49,09,163
Goods under process	5,82,36,832	5,08,76,154
Scrap	18,47,175	17,79,923
	6,15,97,230	5,75,65,240
Inventories at the beginning of the year		
Finished Goods	49,09,163	37,76,208
Goods under process	5,08,76,154	4,18,33,368
Scrap	17,79,923	14,86,623
	5,75,65,240	4,70,96,199
	(40,31,990)	(1,04,69,041)
Note 26: EMPLOYEE BENEFITS EXPENSE		
Directors' Remuneration	20,60,391	15,90,000
[excluding Rs.1,45,452/- (previous year Rs.60,000/-) charged to other head of accounts]		
Salaries, Wages, Bonus etc.	7,78,35,230	6,49,35,177
Gratuity	20,72,282	13,46,958
Contribution to P.F and Other Funds	37,54,818	34,41,124
Staff Welfare Expenses	39,14,114	40,83,279
	8,96,36,835	7,53,96,538



	For the year ended 31.03.2017 Rs.	For the year ended 31.03.2016 Rs.
Note 27: FINANCE COSTS		
Interest	87,84,865	31,32,489
Bank Charges	2,01,961	2,10,623
	89,86,826	33,43,112
Note 28: OTHER EXPENSES		
Stores, Other Materials Consumed	1,33,88,713	1,19,05,341
Power and Fuel	1,36,40,011	1,31,62,904
Testing / Job Charges	1,99,752	2,44,611
Rent	57,56,500	56,44,500
Rates & Taxes	9,58,123	2,54,149
Insurance	6,72,999	5,80,105
Advertisement expenses	41,343	61,216
Repairs and maintenance		
Building	57,903	66,556
Plant & Machinery	18,71,281	24,81,462
Others	19,94,454	45,85,610
Travelling & Conveyance [including directors' travelling Rs. 13,65,325/- (Previous year Rs. 9,16,183/-)]	37,55,326	32,93,409
Selling Expenses		
Sales Tax	99,17,528	65,15,964
Export Expenses	4,51,956	3,86,185
Other Selling Expenses	12,45,786	7,80,211
Auditors' Remuneration		
Audit Fee	1,10,000	1,10,000
In Other Capacity		
For Tax Audit	35,000	35,000
For Certificates etc.	46,500	45,500
For Taxation & other matters	73,000	1,40,000
For Expenses	46,000	42,000
For Service Tax / Swachh Bharat Cess	46,563	53,766
Internal Audit Expenses	1,71,701	1,70,639
Directors' fee	45,389	57,613
Postage, Telegram & Telephone Expenses	8,63,853	8,43,286
Legal, Professional and Service Charges	23,38,908	26,15,613
Exchange Rate Difference	25,324	—
Previous year expenses (Net)	70,426	2,59,658
Discount & Liquidated Damages	8,26,760	11,31,213
Loss on sale / discard of fixed Assets	1,56,342	1,22,165
Miscellaneous Expenses	52,33,987	51,06,826
Sundry Debit / Credit balances adjusted	—	4,59,011
	6,40,41,428	6,11,54,513
29 Contingent Liabilities and Commitments (to the extent not provided for)		
Contingent Liabilities:-		
Guarantees given by the Bank	1,41,74,495	1,33,31,431
Court case disputed by Company	31,75,000	31,75,000
Income-tax demand disputed by Company		5,36,330
Other Commitments:-		
Capital Contracts to be executed		1,70,662



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30. a. The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.25,79,564/- (Year ended 31 March, 2016 Rs.23,67,023/-) for Provident Fund contributions and Rs. 11,75,254/- (Year ended 31 March, 2016 Rs.10,74,101/-) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.
- b. The Company offers the following employee benefit schemes to its employees:
- Gratuity included in Note no. 26 Employee benefit expenses.
 - Earned leave included in Note no. 26 Employee benefit expenses.

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

Particulars	Year ended 31 March, 2017		Year ended 31 March, 2016	
	Gratuity	Earned Leave	Gratuity	Earned Leave
Components of employer's expense				
Current service cost	8,11,318	8,56,246	7,20,875	9,08,622
Interest cost	8,51,732	4,16,696	7,49,198	3,73,896
Expected return on plan assets	—	—	—	—
Curtailment cost / (credit)	—	—	—	—
Settlement cost / (credit)	—	—	—	—
Past service cost	—	—	—	—
Actuarial losses/(gains)	4,09,232	5,26,350	(1,23,115)	1,17,946
Total expense recognised in the Statement of Profit and Loss	20,72,282	17,99,292	13,46,958	14,00,464
Actual contribution and benefit payments for the year				
Actual benefit payments	1,68,005	12,80,229	3,67,378	10,16,230
Actual contributions	—	—	—	—
Net asset / (liability) recognised in the Balance Sheet				
Present value of defined benefit obligation	1,25,50,928	57,27,759	1,06,46,651	52,08,696
Fair value of plan assets	—	—	—	—
Funded status [Surplus / (Deficit)]	(1,25,50,928)	(57,27,759)	(1,06,46,651)	(52,08,696)
Unrecognised past service costs	—	—	—	—
Net asset / (liability) recognised in the Balance Sheet	(1,25,50,928)	(57,27,759)	(1,06,46,651)	(52,08,696)
Change in defined benefit obligations (DBO) during the year				
Present value of DBO at beginning of the year	1,06,46,651	52,08,696	96,67,071	48,24,462
Current service cost	8,11,318	8,56,246	7,20,875	9,08,622
Interest cost	8,51,732	4,16,696	7,49,198	3,73,896
Curtailment cost / (credit)	—	—	—	—
Settlement cost / (credit)	—	—	—	—
Plan amendments	—	—	—	—
Acquisitions	—	—	—	—
Actuarial (gains) / losses	4,09,232	5,26,350	(1,23,115)	1,17,946
Past service cost	—	—	—	—
Benefits paid	(1,68,005)	(12,80,229)	(3,67,378)	(10,16,230)
Present value of DBO at the end of the year	1,25,50,928	57,27,759	1,06,46,651	52,08,696
Actuarial assumptions				
Discount rate	7.37	7.37	8.00	8.00
Salary escalation	6.00	6.00	6.00	6.00
Estimate of amount of contribution in the immediate next year	17,04,721	10,95,001	14,32,382	8,99,904



- 31 NSC for Rs.20,000/- (Previous year Rs.20,000/-) shown under Non Current Investments are in the name of Company's executive.
- 32 Previous year expenses/income aggregate Rs. 1,18,125/- /47,699/- respectively (Previous year Rs.2,59,658/- /Rs.0)
- 33 The company's investment in its wholly owned subsidiary namely Gurgaon Infospace Limited are held in its own name except six equity shares which are held in the name of its nominees.
- 34 Based on information available with the company there are no dues to Micro, Small & Medium Enterprises as defined in Micro, SME development Act, 2006 as at 31.03.2017
- 35 Earning per Share

	Year ended 31 March, 2017	Year ended 31 March, 2016
Profit after tax	8,42,15,927	6,62,56,931
Weighted average No of share	58,32,056	58,32,056
Nominal Value	10	10
Basic & Diluted	14.44	11.36

- 36 Consequent to the adoption of the Accounting Standard 22 on "Accounting For Taxes on Income", the Company has recognized a deferred tax liability of Rs.1,61,35,000/- accumulated till 31st March, 2017 (Previous year Rs.1,78,56,000/-)

37 Details of leasing arrangements:-

As Lessor

The Company has entered in to various lease arrangements for property:

i) Agreement dt.19.02.2017 for a period of 3 years subject to early termination at the option of leasee by giving 3 months prior notice.

ii) Agreement for Noida property , on sub-lease basis is receivable on percentage of sale or minimum gurantee, whichever is higher, for a period of five years from the date of commencement of lease.

Future minimum lease income

not later than one year	7,51,28,025	2,98,00,000
later than one year and not later than five years	17,57,40,690	—
later than five years	—	—
Rents recognised as income during the year	5,86,44,595	3,79,78,566

Depreciation recognised on the leased assets	15,48,153	15,48,153
Accumulated depreciation on the leased assets	71,70,109	56,21,956

As Lessee

The Company has entered into various operating lease arrangements for factory building, guest house and office premises. The leases are renewable on a periodic basis cancellable at its option.

Future minimum lease payments

not later than one year	47,59,355	56,40,000
later than one year and not later than five years	—	47,59,355
Lease payments recognised in the Statement of Profit and Loss	56,40,000	56,40,000

- 38 Information on Related Parties transactions as required by Accounting Standard(AS18)

a. Details of related parties:

Description of relationship	Names of related parties
(i) Subsidiary	M/s Gurgaon Infospace Limited
(ii) Associates Company	M/s IST Steel and Power Limited
(iii) Key Management Personnel (KMP)	Shri S.C Jain, Lt. Col N.L. Khitha(Retd.), Mr. Mayur Gupta, Mr.Gaurav Gupta, Mrs. Sarla Gupta
(iv) Relatives of KMP	Mr. Prem Chand Gupta,
(v) Entities in which KMP / Relatives of KMP can exercise significant influence	GPC Technology Ltd, Mercantile Realtors(P) Ltd, Delux Associates LLP, IST Softech Pvt. Ltd.



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b. Details of related party transactions during the year ended 31 March, 2017 and balances outstanding as at 31 March, 2017

Particulars	Subsidiary	Associates	Key KMP	Relatives of KMP	Entities in which KMP can exercise significant influence
	Rs.	Rs.	Rs.	Rs.	Rs.
<u>During the year ending 31st March, 2017</u>					
Remuneration		22,05,843 (16,50,000)			
Service Charges					9,00,000 (9,00,000)
Rent		7,20,000 (7,20,000)		7,20,000 (7,20,000)	42,00,000 (42,00,000)
Interest Income					36,59,933 (33,85,692)
Director Meeting Fees		22,500 (22,500)			
<u>Outstanding Balance as on 31st March, 2017</u>					
Amount Payable		1,36,100 (2,08,837)			
Deposits					39,60,000 (39,60,000)
Capital Advance					4,17,00,000 (5,00,00,000)
Loan					4,39,59,863 (4,06,65,923)
Equity Contribution	1,00,00,000 (1,00,00,000)	8,84,00,000 (8,84,00,000)			
Redeemable Preference Shares		15,00,00,000 (15,00,00,000)			

39 Segment Reporting :

The Company Operates in only one operational segment viz. precision engineering components / assemblies and one Geographical segment viz. India.

40- I RAW MATERIAL AND COMPONENTS CONSUMED

	Kgs.	Amount (Rs.)
Steel / Brass / Aluminium etc.	1,86,294 (1,87,049)	2,92,63,349 (2,71,20,238)
Others		3,13,62,870 (1,49,84,691)

II DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS ITEMS:-

Particulars	Total value of Consumption			Percentage of Total Consumption	
	Total	Imported	Indigenous	Imported	Indigenous
Raw Material & Components	6,06,26,219 (4,21,04,929)	12,88,964 (14,76,771)	5,93,37,255 (4,06,28,158)	2.13 (3.51)	97.87 (96.49)
Stores & Spares	1,33,88,713 (1,19,05,341)	16,33,775 (8,90,663)	1,17,54,939 (1,10,14,678)	12.20 (7.48)	87.80 (92.52)



III C.I.F. VALUE OF IMPORTS	Amount (Rs.)
a) Raw material & Components	21,49,767
	(6,98,233)
b) Stores & Spare parts including Tools	11,76,810
	(14,66,053)
c) Plant and Machinery	—
	(4,18,986)
IV EXPENDITURE IN FOREIGN CURRENCY	
Overseas Travelling	4,97,034
	(3,93,128)
Other Expenses	642
	(—)
Exchange Rate Difference (Net)	25,324
	(—)
V INCOME IN FOREIGN CURRENCY	
Export Sales	84,30,812
	(84,14,681)
Exchange Rate Difference (Net)	—
	(1,07,168)

41 DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E), dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBN's*	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	9,66,500	92,567	10,59,067
(+) Permitted receipts		6,80,732	6,80,732
(-) Permitted payments		5,64,003	5,64,003
(-) Amount deposited in banks	9,66,500	—	9,66,500
Closing cash in hand as on 30.12.2016	—	2,09,296	2,09,296

*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 the 8th November, 2016

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

As per our Report of even date
for O.P. DADU & CO.
Chartered Accountants
FRN 001201N
O.P.Dadu
Partner
MN 010871
Place: New Delhi
Dated: 30.05.2017

For and on behalf of the Board of Directors

D.N.Tulshyan
Chief Financial Officer

Bhupinder Kumar
Company Secretary

Mayur Gupta
Director
DIN-00131376

S.C.Jain
Executive Director
DIN-00092079



INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of IST Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of IST Limited ("the Holding Company") and its wholly owned subsidiary and an associate (collectively referred to as "the Company" or "the Group"), comprising of the consolidated balance sheet as at 31 March 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 the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company are responsible for 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; 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 the 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 there under.

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 auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 Company, as at 31 March 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, 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 account 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, the consolidated cash flows 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 aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2017 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - (g) with respect to the other matters to be included in the Auditor's 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) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 29 to the consolidated financial statements;
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and associate company incorporated in India.
 - iv) The Company has provided requisite disclosures in its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. Refer Note 45 to the consolidated financial statements.

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

Place : New Delhi
Dated : 30.05.2017

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



ANNEXURE TO THE AUDITORS' REPORT

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 31 March 2017, we have audited the internal financial controls over financial reporting of IST Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies 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 Companies Act, 2013.

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") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 judgment, 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 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 companies, which are companies 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 31 March 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 ICAI.

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

Place : New Delhi
Dated : 30.05.2017

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



IST LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
EQUITY AND LIABILITY			
Shareholders' funds			
Share capital	2	5,84,67,546	5,84,67,546
Reserves and Surplus	3	5,20,59,40,365	4,38,83,82,342
		5,26,44,07,911	4,44,68,49,888
Non-current liabilities			
Long term borrowings	4	4,00,00,000	12,50,00,000
Deferred tax liabilities (net)	5	1,61,35,000	1,78,56,000
Other Long Term Liabilities	6	43,24,68,947	36,90,08,348
Long-term provisions	7	1,16,00,465	1,00,76,990
		50,02,04,412	52,19,41,338
Current liabilities			
Short-term borrowings	8	—	12,27,868
Trade payables	9	47,51,993	56,84,219
Other current liabilities	10	2,21,51,220	2,60,72,198
Short-term provisions	11	95,78,356	1,30,58,942
		3,64,81,569	4,60,43,227
		5,80,10,93,892	5,01,48,34,453
ASSETS			
Non-current assets			
Fixed Assets	12		
Tangible assets		1,38,97,89,161	1,41,29,90,788
Intangible assets		2,31,763	5,59,803
Capital work- in-progress	-	—	—
		1,39,00,20,924	1,41,35,50,591
Non-current investments	13	3,22,80,16,866	2,51,96,86,837
Long-term loans and advances	14	80,65,33,173	67,70,39,233
Other Non-current Assets	15	7,64,825	6,20,740
		5,42,53,35,788	4,61,08,97,401
Current assets			
Current Investments	16	50,05,016	—
Inventories	17	7,58,68,893	7,41,32,911
Trade receivables	18	8,85,92,423	6,68,59,410
Cash and cash equivalents	19	6,39,93,901	4,12,89,472
Short-term loans and advances	20	6,78,52,745	16,42,45,457
Other current assets	21	7,44,45,126	5,74,09,802
		37,57,58,104	40,39,37,052
		5,80,10,93,892	5,01,48,34,453

Accompanying notes forming part of the financial statements

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

Chartered Accountants

FRN 001201N

O.P.Dadu

Partner

MN 010871

Place: New Delhi

Dated: 30.05.2017

D.N.Tulshyan
Chief Financial Officer

Bhupinder Kumar
Company Secretary

Mayur Gupta
Director
DIN-00131376

S.C.Jain
Executive Director
DIN-00092079

For and on behalf of the Board of Directors



CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	For the year ended 31.03.2017 Rs.	For the year ended 31.03.2016 Rs.
Income			
Revenue from operations	22	1,00,49,33,160	78,67,04,810
Other income	23	20,99,71,561	23,79,94,246
Total Revenue		1,21,49,04,721	1,02,46,99,056
Expenses			
Cost of materials consumed	24	6,06,26,219	4,21,04,929
Change in inventories	25	(40,31,990)	(1,04,69,041)
Employees benefit expense	26	10,11,73,174	8,52,41,305
Finance charges	27	89,86,826	33,43,112
Depreciation		2,60,00,976	2,59,01,696
Other expenses	28	15,43,80,012	11,07,89,978
		34,71,35,217	25,69,11,979
Profit before tax		86,77,69,504	76,77,87,077
Tax expenses			
Current tax		18,26,00,000	16,13,00,000
Less: Mat Credit		(12,45,00,000)	(9,12,00,000)
Deferred tax		(17,21,000)	3,96,000
Profit after tax		81,13,90,504	69,72,91,077
Prior period adjustment Income tax/ Interest		(8,48,119)	7,53,936
Profit after tax and adjustment but before share of profit from associates		81,05,42,385	69,80,45,013
Share of profit from Associates		70,15,638	61,01,877
		81,75,58,023	70,41,46,890
Earning per share			
Basic & Diluted		140.18	120.74
(Refer note no.35)			

Accompanying notes forming part of the financial statements

As per our Report of even date
for O.P. DADU & CO.
Chartered Accountants
FRN 001201N
O.P.Dadu
Partner
MN 010871
Place: New Delhi
Dated: 30.05.2017

D.N.Tulshyan
Chief Financial Officer

Bhupinder Kumar
Company Secretary

Mayur Gupta
Director
DIN-00131376

S.C.Jain
Executive Director
DIN-00092079

For and on behalf of the Board of Directors



IST LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2017

(Pursuant to clause 32 of the Listing Agreement)

Amount in Rs.

Particulars	2016-2017	2015-2016
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extra ordinary item	86,77,69,504	76,77,87,077
Depreciation	2,60,00,976	2,59,01,696
Interest (Net)	(11,47,26,218)	(8,16,79,219)
Sundry Dr/Cr Balances Adjusted	(96,985)	4,19,011
Investment written Off (NSC)	—	40,000
Discount & Liquidated Damages	8,26,760	11,31,213
Amount written back (net)	(298)	(64,701)
(Profit)/ Loss on sale of Fixed Assets	1,56,342	1,22,165
(Profit)/ Loss on Investments & Derivatives	(29,54,810)	(9,20,03,344)
Doubtful Provision on Loan given	3,63,97,672	—
Demunition in value of Investment	(576)	(8,976)
Dividend	(40,58,081)	(8,639)
Operating Profit before working capital changes	80,93,14,286	62,16,36,283
Change in :		
Trade receivables	(2,24,62,784)	(2,56,91,568)
Inventories	(17,35,983)	(1,12,67,944)
Short term Loan & Advances	5,26,57,443	(49,37,096)
Other current Assets	(1,70,35,324)	(4,81,84,905)
Other non current Assets	(1,44,085)	—
Long term Loan & Advances	50,06,060	26,05,70,105
Other Long Term Liabilities	6,34,60,599	3,61,69,274
Long term provisions	15,23,475	9,11,453
Short term Provisions	15,31,557	6,71,190
Trade Payables	(9,32,226)	16,29,016
Other current liabilities	(39,20,680)	1,13,58,636
	7,79,48,052	22,12,28,161
Interest paid	88,72,62,338	84,28,64,444
	(87,84,865)	(31,32,489)
Direct Taxes paid	(19,11,22,667)	(15,54,90,880)
Net Cash from Operating Activities	68,73,54,806	68,42,41,075
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets	(32,94,839)	(72,98,140)
Sale of Fixed assets	6,67,187	1,06,838
Interest Received	12,35,11,083	8,48,11,708
Sale of Non Current Investment	65,43,57,447	1,78,00,72,091
Purchase of Non Current Investment	(1,35,32,64,358)	(2,66,06,05,172)
Purchase of Current Investment	(8,50,00,000)	—
Sale of Current Investment	8,05,42,890	—
Dividend	40,58,081	8,639
Net Cash used in Investing Activities	(57,84,22,509)	(80,29,04,036)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings /(Repayment) of borrowings- Cash Credit	(12,27,868)	12,27,868
Borrowings /(Repayment) of borrowings- Term Loan	(8,50,00,000)	12,50,00,000
Net Cash from Financing Activities	(8,62,27,868)	12,62,27,868
Net change in Cash & cash		
Equivalents (A+B+C)	2,27,04,429	75,64,907
Cash & Cash Equivalents		
- Opening Balance	4,12,89,472	3,37,24,565
- Closing Balance	6,39,93,901	4,12,89,472
	2,27,04,429	75,64,907

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

Chartered Accountants

FRN 001201N

O.P.Dadu

Partner

MN 010871

Place: New Delhi

Dated: 30.05.2017

D.N.Tulshyan
Chief Financial Officer

Bhupinder Kumar
Company Secretary

Mayur Gupta
Director
DIN-00131376

S.C.Jain
Executive Director
DIN-00092079

For and on behalf of the Board of Directors

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2017

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of the Company, its subsidiary and associate entity have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

a) Principles of consolidation

The consolidated financial statements relate to IST Limited, its subsidiary company, and the share of profit / loss in its associates. The consolidated financial statements have been prepared on the following basis:

- i) 'The financial statements of the subsidiary company and associate used in the consolidation are drawn upto the same reporting date as that of the Company i.e., 31 March, 2016.
- ii) 'The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- iii) 'The consolidated financial statements include the share of profit / loss of the associate companies which have been accounted for using equity method as per AS 23 *Accounting for Investments in Associates in Consolidated Financial Statements*. Accordingly, the share of profit/ loss of associate company (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investment.
- iv) 'The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the consolidated financial statements as Goodwill or Capital reserve as the case may be.

b) Valuation of Inventories :

- i) Raw Material, Stores, Spares and purchased components, Finished Goods, and Goods under process are valued at cost on weighted average basis or net realisable value which ever is lower.
- ii) Tools and Instruments are valued at cost less depletion in value.
- iii) Stock of Scrap is valued at estimated realisable value.

c) Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

d) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

e) Revenue Recognition:-

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

f) Other Income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established

g) Foreign Exchange Transactions:-

Foreign Exchange transactions are recorded at the exchange rate prevailing on the date of transaction. The difference in realized gains and losses on foreign exchange transactions other than those relating to the fixed assets are recognized in the profit and loss account.

h) Excise Duty :

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

i) Tangible and Intangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation / amortization and impairment losses, if any. Cost includes expenses incidental to the acquisition/installation of assets.. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment. Interest on loans to acquire qualifying assets is added to the cost of fixed assets in accordance with Accounting Standard 16 on "Borrowing Costs"



j) Depreciation / Amortization

'Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Depreciation on intangible assets has been provided on the straight-line method on useful life of 6 years.

'The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

k) Employees Retirement Benefits :

Company's Contribution towards Provident Fund is charged to Profit & Loss Account. The amount of gratuity & leave encashment benefits on the basis of actuarial valuation is charged to Profit & Loss Account.

l) In determining earnings per share, the company considers the net profit after tax and includes the post-tax effect of any extraordinary items. The number of shares used in computing basic earnings per share is the number of shares outstanding during the period.

m) Claims :

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

n) The liability for reimbursement of Medical Expenses and Leave Travel Allowance is provided for at the time when the same is due and the claim is made irrespective of the time of expenditure incurred by the employees.

o) Liquidated damages on Defence Sales are accounted for as and when ascertained.

p) Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

q) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually

r) Provisions, Contingent Liabilities and Contingent Assets

i. Provisions are recognized in terms of Accounting Standard 29 – 'Provisions, Contingent Liabilities and Contingent Assets' as mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006, when there is a present obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and a reliable estimate of the amount of the obligation can be made.

ii. Contingent Liabilities are recognized and disclosed only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

iii. Contingent assets are not recognized in the financial statements.

s) Impairment of Assets

The Company reviews the carrying value of its fixed assets for any possible impairment at each Balance Sheet date. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value at an appropriate discount rate.

IST LIMITED



	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
Note 2: SHARE CAPITAL		
Authorised		
1,00,00,000 equity shares of Rs.10/- each	10,00,00,000	10,00,00,000
Issued		
60,27,728 Equity Shares of Rs. 10/- each	6,02,77,280	6,02,77,280
Subscribed and fully paid up		
58,32,056 Equity Shares of Rs. 10/- each fully paid up	5,83,20,560	5,83,20,560
Add : Shares Forfeited	1,46,986	1,46,986
	5,84,67,546	5,84,67,546

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

	31.03.2017		31.03.2016	
Ordinary Shares	No. of Shares	Rs.	No. of Shares	Rs.
At the beginning of the year	58,32,056	5,83,20,560	58,32,056	5,83,20,560
Issued during the year	—	—	—	—
Outstanding at the end of the period	58,32,056	5,83,20,560	58,32,056	5,83,20,560

b) Shareholder Holding more than 5% shares in the Company

Name of the Shareholder	No. of Shares		%	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
M/s. Gupta International Investment Company Ltd	29,13,221	29,13,221	49.95	49.95
M/s. Delux Associates LLP	3,44,375	475	5.904	0.01
M/s. Eastern India Power and Mining Company Pvt. Ltd	3,77,352	87,352	6.47	1.50
M/s. Smridhi Realty and Trade LLP (Formerly known as Antique Investment Company Private Ltd)	3,85,700	9,55,700	6.613	16.39

Note 3: RESERVES AND SURPLUS

Securities premium account

Share premium on 12,11,716 shares @ Rs.5/- each
as per last year Balance Sheet

60,58,580 60,58,580

General reserve

as per last year Balance Sheet

1,10,80,04,235 1,10,80,04,235

Surplus in Statement of Profit & Loss

Opening Balance

3,27,43,19,527 2,57,01,72,637

Add: Net Profit for the current year

81,75,58,023 70,41,46,890

4,09,18,77,550 3,27,43,19,527

5,20,59,40,365 4,38,83,82,342

Note 4: LONG TERM BORROWINGS

Term Loan

From Non Banking Financial Corporation

Secured

4,00,00,000 12,50,00,000

4,00,00,000 12,50,00,000

Secured by Pledge of 100 HUDCO and 100 IRFC
Tax Free Bonds of Rs 20 Crores and
repayable upto 24 months. Interest is payable
@ 9.50% p.a. on monthly basis.



IST LIMITED

	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
Note 5: DEFERRED TAX LIABILITIES (NET)		
Difference of assets between Books of account and as per income-tax	6,70,77,875	7,08,90,575
Less: Expenses allowed for tax purpose on payment basis	1,82,78,687	1,58,55,347
	4,87,99,188	5,50,35,228
Deferred tax liabilities (Net)	1,61,35,000	1,78,56,000
Note 6: OTHER LONG TERM LIABILITIES		
Security Deposit	43,24,68,947	36,90,08,348
	43,24,68,947	36,90,08,348
Note 7: LONG-TERM PROVISIONS		
Provisions for employees benefits		
Provisions for Gratuity	74,60,175	66,12,796
Provisions for Leave Encashment	41,40,290	34,64,194
	1,16,00,465	1,00,76,990
Note 8: SHORT-TERM BORROWINGS		
Cash Credit from Bank (Secured)		
State Bank of India (Secured by hypothecation of charge on entire current assets, book debts, receivables, documentary bills, domestic, export of the company both present and future.)	—	12,27,868
	—	12,27,868
Note 9: TRADE PAYABLES		
For Goods	47,51,993	56,84,219
	47,51,993	56,84,219
Note 10: OTHER CURRENT LIABILITIES		
Statutory Remittances	36,54,278	21,03,050
Book overdraft	1,47,118	39,43,429
Expenses Payable		
Director's	2,86,100	2,09,837
Others	1,80,63,724	1,98,15,882
	2,21,51,220	2,60,72,198
Note 11: SHORT-TERM PROVISIONS		
Provision for employee benefits		
Provisions for Gratuity	67,31,012	53,85,994
Provisions for Leave Encashment	28,47,344	26,60,805
Provision for Tax	—	50,12,143
	95,78,356	1,30,58,942

NOTE '12' FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 31.3.2016 Rs.	Additions during the Year Rs.	Deductions during the Year Rs.	As at 31.3.2017 Rs.	As at 31.3.2016 Rs.	For the year Rs.	Adjustments during the year Rs.	Upto 31.3.2017 Rs.	As at 31.3.2017 Rs.	As at 31.3.2016 Rs.
Tangible Assets										
Freehold Land	1,14,62,10,352	—	—	1,14,62,10,352	—	—	—	—	1,14,62,10,352	1,14,62,10,352
Building	13,02,94,056	—	—	13,02,94,056	76,84,864	20,61,170	—	97,46,034	12,05,48,022	12,26,09,192
Plant & Machinery	27,22,38,017	21,13,324	—	27,43,51,341	17,08,67,544	1,55,35,148	—	18,64,02,692	8,79,48,649	10,13,70,473
Furniture	4,73,16,961	2,14,044	23,92,641	4,51,38,364	1,61,81,413	45,91,103	22,62,481	1,85,10,035	2,66,28,329	3,11,35,548
Office Equipments	1,10,83,455	9,67,471	40,72,544	79,78,382	74,94,366	14,36,217	38,66,239	50,64,344	29,14,038	35,89,089
Vehicles	1,83,40,245	—	13,51,708	1,69,88,537	1,02,64,111	2049,298	8,64,643	1,14,48,766	55,39,771	80,76,134
Total	1,62,54,83,086	32,94,839	78,16,893	1,62,09,61,032	21,24,92,298	2,56,72,936	69,93,363	23,11,71,871	1,38,97,89,161	1,41,29,90,788
Intangible Assets										
Computer Software	19,98,291	—	—	19,98,291	14,38,488	3,28,040	—	17,66,528	2,31,763	5,59,803
Total	1,62,74,81,377	32,94,839	78,16,893	1,62,29,59,323	21,39,30,786	2,60,00,976	69,93,363	23,29,38,399	1,39,00,20,924	1,41,35,50,591
Previous year	1,62,06,68,087	72,98,140	4,84,850	1,62,74,81,377	18,82,84,937	2,59,01,696	2,55,847	21,39,30,786	1,41,35,50,591	



IST LIMITED

Note 13: NON-CURRENT INVESTMENTS (AT COST)

Other Investment

Investments in Equity Instruments

(A) Unquoted (Fully paid up)

In Associate Company

88,40,000 Equity Shares of IST Steel & Power Ltd of Rs.10/- each
(including goodwill on acquisition of stake of associates of Rs. 54,92,481/-)
Add: Share in post acquisition accumulated profit

As at
31.03.2017
Rs.

As at
31.03.2016
Rs.

8,84,00,000
1,35,15,773
10,19,15,773

8,84,00,000
65,00,135
9,49,00,135

(B) Quoted (Fully paid up)

Others

4,800 Equity Shares of J.C.T.Ltd. of face value of Rs.2.50 each
2,000 Equity Shares of C.T.Cotton Yarn Ltd. of face value of Rs.10/- each
2,77,518 Equity Shares of Rossel India Ltd. of face value of Rs.2/- each
2,59,000 Equity Shares of IDFC Bank Ltd of face value of Rs. 10 each
1,40,000 Equity Shares of HPCL Ltd of face value of Rs. 10 each
59,252 Equity Shares of Bangal Paints Ltd of face value of Rs.1 each
30105 Equity shares of Laksh Vilas of face vlaue of Rs 10/- each.

2,93,399
50,838
2,73,02,571
1,57,78,256
6,35,81,110
1,40,01,014
48,47,975

2,93,399
50,838
11,66,452
—
—
—
—

Less: Demuntion in value of Investment

12,58,55,163
(3,20,285)
12,55,34,878

15,10,689
(3,20,861)
11,89,828

Investments in Preference Shares

Associate Company

15,00,000 9% Non Cumulative, Non Convertible Preference Shares of
Rs.100/-each of IST Steel & Power Ltd, Redeemable at par

15,00,00,000
15,00,00,000

Related Parties

Nil, (3,59,000) 9%Non Cumulative,Non Convertible Redeemable Preference Shares
of Vinayakinfra Developers Pvt Ltd. of face value of Rs.100/- each
4,50,000 9% Non Cumulative,Non Convertible Redeemable Preference Shares
of IST SOFTECH Pvt Ltd. of face value of Rs.100/- each

—
3,59,89,750
4,51,12,500
4,51,12,500

Others

11,50,000 9% Non Cumulative, Non Convertible Preference Shares of
Rs.100/-each of Subham Infradevelopers (P) Ltd

11,50,00,000
11,50,00,000

Investments in Bonds

Quoted

1,58,255/(1,58,255) 7.51%, HUDCO 15 Years Tax-free Bonds of Rs.1000/- each
24,982 7.28% NTPC 15 Years Tax free Bond Series 2A Rs.1000/- each

15,83,08,799
2,49,82,000

15,83,08,799
2,49,82,000

Unquoted:

100 7.15% IRFC 10 Years Tax free Bond Series 100 Rs.10,00,000/-each
200 7.00%, HUDCO 10 Years Tax-free Bonds Series C Rs.10,00,000/- each
600 7.28% NHAI 15 Years Tax free Bond of Rs.10,00,000/-each
205 7.07 %, HUDCO 10 Years Tax-free Bond of Rs.10,00,000/- each
100 8.48% NHAI 12 Years Tax Free Bonds of Rs. 10,00,000/- each

10,00,20,000
20,00,20,000
59,70,25,602
20,35,28,960
11,82,78,600

10,00,20,000
20,00,20,000
59,70,25,602
20,35,28,960
—

Investments in Debenture

Quoted

1,00,000 9.90%, IFCI Secured, Redeemable, Non convertible
Debenture of face value of Rs1000/-each

10,00,00,000
10,00,00,000

Investments in Mutual Fund

Unquoted:

109855.975 / (10,995.573) SBI PLF -Dir Plan -Growth
7516970.902 SBI STD Fund - DIR Plan Growth
34717.160 HDFC Liquid DP Growth Option
32.793 HDFC Liquid Fund Growth

26,71,51,829
14,32,17,805
11,03,27,297
1,00,000

2,61,16,440
—
—
—

Investment in Immovable Property

Sub Lease of commercial property at Noida
(Pending Registration)

66,74,72,823
66,74,72,823

National Saving Certificate [Refer Note No. 31]

20,000
3,22,80,16,866

20,000
2,51,96,86,837

i) Aggregated value of Quoted Investments

Cost

Market value

Aggregated value of Unquoted Investments cost

40,91,45,962
45,22,76,217
2,13,81,82,593

28,48,01,488
30,12,73,894
1,56,12,13,252

ii) 100 Bonds of IRFC and 100 Bonds of HUDCO are pledged with HDB Financial Services Ltd against term loan of Rs. 12.50 Crores



	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
Note 14: LONG-TERM LOANS AND ADVANCES		
(Unsecured Considered good)		
Capital Advances		
Related Party	4,17,00,000	5,00,00,000
Others	15,85,46,324	15,85,46,324
Advance against Contract		
Others	1,00,00,000	1,00,00,000
Security Deposits		
Related Party	39,60,000	39,60,000
Others	93,57,929	93,57,929
Loans & Advances		
Related Party	4,39,59,863	4,06,65,923
Mat Credit Receivable	53,90,09,057	41,45,09,057
	80,65,33,173	68,70,39,233
Note 15: OTHER NON-CURRENT ASSETS		
Term Deposits remaining maturity more than 12 months (Pledged with Sales Tax Dept. Rs.182663/- & State Bank of India Rs. 5,82,162/-)	7,64,825	6,20,740
	7,64,825	6,20,740
Note 16: CURRENT INVESTMENTS (AT COST)		
Other Investment in Mutual funds (Unquoted)		
1966.841 SBI PLF -Dir Plan -Growth	50,05,016	—
	50,05,016	—
Note 17 : INVENTORIES		
(As taken, valued and certified by the management)		
Raw materials	65,21,384	88,05,837
Work in Progress	5,82,36,832	5,08,76,154
Finished Goods	15,13,223	49,09,163
Stores & Spare parts	77,50,279	77,61,834
Scrap	18,47,175	17,79,923
	7,58,68,893	7,41,32,911
Note : Refer Note 1 (b).for mode of valuation		
Note 18: TRADE RECEIVABLES		
Unsecured considered good		
Outstanding for a period exceeding six months from the due date	1,35,88,813	17,58,595
Others	7,50,03,610	6,51,00,815
	8,85,92,423	6,68,59,410



IST LIMITED

	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
Note 19: CASH & CASH EQUIVALENTS		
Cash in hand	4,06,070	6,97,828
Cheques / Drafts in Hand	3,68,82,483	1,44,98,025
Foreign exchange in hand	3,04,534	7,00,187
With Scheduled Banks		
In Current Accounts	21,35,794	8,79,934
Term Deposit	—	94,75,681
Balance held as Margin Money	2,42,65,020	1,50,37,817
	6,39,93,901	4,12,89,472
Note 20 : SHORT TERM LOANS & ADVANCES		
Unsecured Considered good		
Loans & Advances		
Related Party	36,45,872	3,26,12,048
Others	5,93,67,809	8,21,54,083
Loans to Employees	5,99,800	2,93,000
Advances Raw materials & Stores	3,71,341	5,54,590
Prepaid Expenses	7,59,822	13,62,685
Prepaid Taxes (net of provisions)	26,62,403	—
Balance with Gov. Authorities	4,45,698	8,71,379
Inter Corporate Deposits (Unsecured, Considered Doubtful)	—	—
Others	3,63,97,672	3,63,97,672
Less:- Provision for doubtful Inter Corporate Deposits	(3,63,97,672)	—
	6,78,52,745	15,42,45,457
(Note : Prepaid Tax net of provisions (Rs.34,39,00,000/-)		
Note 21: OTHER CURRENT ASSETS		
Unsecured Considered good		
Interest Accured	7,11,24,550	4,81,87,690
Others	33,20,576	92,22,112
	7,44,45,126	5,74,09,802



	For the year ended 31.03.2017 Rs.	For the year ended 31.03.2016 Rs.
Note 22 : REVENUE FROM OPERATION		
Sale of Product		
Export Sales	84,30,812	84,14,681
Domestic Sales	27,36,37,914	18,84,63,118
Other Operating Revenue		
Income from SEZ Operation	75,21,95,653	61,03,12,777
Revenue from Operations	1,03,42,64,379	80,71,90,576
Less: Excise duty	2,93,31,219	2,04,85,766
Revenue from Operations	1,00,49,33,160	78,67,04,810
Note 23: OTHER INCOME		
Interest		
Related Party	48,08,626	62,87,968
Tax Free Bonds	9,75,71,444	5,00,50,043
Others	2,11,31,013	2,84,73,697
Unspent liabilities written back	298	64,701
Dividend		
Current Investments	40,58,081	8,639
Profit on sale of Current Investments	5,47,906	28,625
Profit on sale of Non Current Investments	53,68,410	9,19,74,719
Provision on Investment written back	576	8,976
Exchange rate difference (Net)	—	1,07,168
Rent	7,53,24,987	4,20,64,116
Sundry Debit / Credit balances adjusted	16,863	54,89,181
Income from Assured Return	—	1,23,37,544
Miscellaneous Receipts	11,43,357	10,98,869
	20,99,71,561	23,79,94,246
EXPENSES		
Note 24 : COST OF MATERIAL CONSUMED		
Indigenous	5,93,37,255	4,06,28,158
Imported	12,88,964	14,76,771
	6,06,26,219	4,21,04,929
Note 25 : CHANGE IN INVENTORIES		
Inventories at the end of the year		
Finished Goods	15,13,223	49,09,163
Goods under process	5,82,36,832	5,08,76,154
Scrap	18,47,175	17,79,923
	6,15,97,230	5,75,65,240
Inventories at the beginning of the year		
Finished Goods	49,09,163	37,76,208
Goods under process	5,08,76,154	4,18,33,368
Scrap	17,79,923	14,86,623
	5,75,65,240	4,70,96,199
	(40,31,990)	(1,04,69,041)



IST LIMITED

	For the year ended 31.03.2017 Rs.	For the year ended 31.03.2016 Rs.
Note 26: EMPLOYEE BENEFITS EXPENSES		
Directors' Remuneration [excluding Rs.145452/- (previous year Rs.60000/-) charged to other head of accounts]	56,60,391	45,90,000
Salaries, Wages, Bonus etc.	8,54,83,449	7,15,71,019
Gratuity	23,60,402	15,55,883
Contribution to P.F and Other Funds	37,54,818	34,41,124
Staff Welfare Expenses	39,14,114	40,83,279
	10,11,73,174	8,52,41,305
Note 27: FINANCE COSTS		
Interest	87,84,865	31,32,489
Bank Charges	2,01,961	2,10,623
	89,86,826	33,43,112
Note 28: OTHER EXPENSES		
Stores, Other Materials Consumed	1,33,88,713	1,19,05,341
Power and Fuel	1,36,40,011	1,31,62,904
Testing / Job Charges	1,99,752	2,44,611
Rent	57,56,500	56,44,500
Rates & Taxes	9,58,123	2,54,149
Insurance	6,96,064	5,80,105
Advertisement expenses	41,343	2,61,216
Repairs and maintenance		
Building	57,903	66,556
Plant & Machinery	18,71,281	24,81,462
Others	19,94,454	45,85,610
Travelling & Conveyance [including directors' travelling Rs.51,80,777/- (Previous year Rs.40,29,152/-)]	92,06,963	77,06,640
Selling Expenses		
Sales Tax	99,17,528	65,15,964
Export Expenses	4,51,956	3,86,185
Other Selling Expenses	12,45,786	7,80,211
Auditors' Remuneration		
Audit Fee	3,40,000	2,40,000
In Other Capacity		
For Tax Audit	85,000	85,000
For Certificates etc.	56,500	55,500
For Taxation & other matters	1,53,000	2,20,000
For Expenses	59,000	54,000
For Service Tax / Education Cess	1,03,948	95,446
Internal Audit Expenses	1,71,701	170,639
Property Tax	34,74,899	2,52,93,930
Directors' fee	45,389	57,613
Brokerage & Commission	2,05,91,934	1,31,74,927
Claim Paid	—	43,98,489
Postage, Telegram & Telephone Expenses	8,79,226	8,56,133
Business Promotion Expenses	3,54,946	1,47,833
Legal, Professional and Service Charges	2,21,47,395	45,26,981
Exchange Rate Diff	46,732	—
Previous year expenses (Net)	1,56,687	2,63,224
Discount & Liquidated Damages	8,26,760	11,31,213
Loss on Sale / discard of Fixed Assets	1,56,342	1,22,165
Loss on Sale of Shares	29,61,506	—
Speculated Loss on Sales of Shares	5,298	—
Provision for Doubtful Loan	3,63,97,672	—
Miscellaneous Expenses	59,39,700	53,21,431
	15,43,80,012	11,07,89,978



	As at 31.3.2017 Rs.	As at 31.3.2016 Rs.
29. Contingent Liabilities and Commitments (to the extent not provided for)		
Contingent Liabilities:-		
Gurantees given by the Bank	1,41,74,495	1,33,31,431
Court case disputed by Company	31,75,000	31,75,000
Share of Group in Contingent Liabilities of Associate	45,58,608	48,39,628
Income-tax demand disputed by Company	—	85,29,110
Other Commitments:-		
Capital Contracts to be executed	1,75,81,264	1,77,26,690

30. a. The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 25,79,564/- (Year ended 31 March, 2016 Rs.23,67,023/-) for Provident Fund contributions and Rs. 11,75,254/- (Year ended 31 March, 2016 Rs.10,74,101/-) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

b. The Company offers the following employee benefit schemes to its employees:

- Gratuity included in Note no. 26 Employee benefit expenses.
- Earned leave included in Note no. 26 Employee benefit expenses.

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

Particulars	Year ended 31 March, 2017		Year ended 31 March, 2016	
	Gratuity	Earned Leave	Gratuity	Earned Leave
Components of employer's expense				
Current service cost	10,57,579	10,61,588	9,37,453	11,10,252
Interest cost	9,59,903	4,90,000	8,37,797	4,44,142
Expected return on plan assets	—	—	—	—
Curtailment cost / (credit)	—	—	—	—
Settlement cost / (credit)	—	—	—	—
Past service cost	—	—	—	—
Actuarial losses/(gains)	3,42,920	8,48,735	(2,19,367)	(83,368)
Total expense recognised in the Statement of Profit and Loss	23,60,402	24,00,323	15,55,883	14,71,026
Actual contribution and benefit payments for the year				
Actual benefit payments	1,68,005	15,37,688	3,67,378	10,76,888
Actual contributions				
Net asset / (liability) recognised in the Balance Sheet				
Present value of defined benefit obligation	1,41,91,187	69,87,634	1,19,98,790	61,24,999
Fair value of plan assets				
Funded status [Surplus / (Deficit)]	(1,41,91,187)	(69,87,634)	(1,19,98,790)	(61,24,999)
Unrecognised past service costs				
Net asset / (liability) recognised in the Balance Sheet	(1,41,91,187)	(69,87,634)	(1,19,98,790)	(61,24,999)
Change in defined benefit obligations (DBO) during the year				
Present value of DBO at beginning of the year	1,19,98,790	61,24,999	1,08,10,285	5730,861
Current service cost	10,57,579	10,61,588	9,37,453	1110,252
Interest cost	9,59,903	4,90,000	8,37,797	444,142
Curtailment cost / (credit)				
Settlement cost / (credit)				
Plan amendments				
Acquisitions				
Actuarial (gains) / losses	3,42,920	8,48,735	(2,19,367)	(83,368)
Past service cost				
Benefits paid	(1,68,005)	(15,37,688)	(3,67,378)	(1076,888)
Present value of DBO at the end of the year	1,41,91,187	69,87,634	1,19,98,790	6124,999
Actuarial assumptions				
Discount rate	7.53	7.53	8.00	8.00
Salary escalation	6.00	6.00	6.00	6.00
Estimate of amount of contribution in the immediate next year	19,82,806	12,62,948	16,24,196	10,40,409



IST LIMITED

- 31 NSC for Rs.20,000/- (Previous year Rs.20,000/-) shown under Non Current Investments are in the name of Company's executive.
- 32 Previous year expenses/income aggregate Rs. 2,04,386/- Rs.47,699/- respectively (Previous year Rs.2,63,224/-Rs.NIL)
- 33 The company's investment in its wholly owned subsidiary namely Gurgaon Infospace Limited are held in its own name except six equity shares which are held in the name of its nominees.
- 34 Based on information available with the company there are no dues to Micro, Small & Medium Enterprises as defined in Micro, SME development Act,2006 as at 31.03.2017.

	Year ended 31 March, 2017	Year ended 31 March, 2016
35 Earning per Share		
Profit after tax	81,75,58,023	70,41,46,890
Weighted average No of share	58,32,056	58,32,056
Nominal Value	10	10
Basic & Diluted	140.18	120.74

- 36 Consequent to the adoption of the Accounting Standard 22 on "Accounting For Taxes on Income", the Company has recognized a deferred tax liability of Rs.1,61,35,000/- accumulated till 31st March, 2017 (Previous year Rs.1,78,56,000/-)

- 37 The Company has received approval dated 19th June, 2007 from Department of Commerce (SEZ Section), Ministry of Commerce and Industry, Government of India for the development, operation and maintenance of the sector specific Special Economic Zone for IT/ITES on its land. The Company is nearing completion of development Special Economic Zone alongwith the Unitech Developers and Projects Limited in terms of Co-Development Agreement dated 17-09-2007 in terms of which receipts shall be shared between the parties in 28(GIL): 72(UDPL) ratio. The SEZ is being developed and operated in terms of the SEZ Act, 2005 and the rules framed thereunder.

38 Details of leasing arrangements:-

As Lessor

The Company has entered in to various lease arrangements for property:

- Agreement dt.19.02.2017 for a period of 3 years subject to early termination at the option of leasee by giving 3 months prior notice.
- Agreement for Noida property , on sub-lease basis is receivable on percentage of sale or minimum gurantee, whichever is higher, for a period of five years from the date of commencement of lease.

Future minimum lease income

not later than one year	751,28,025	2,98,00,000
later than one year and not later than five years	17,57,40,690	—
later than five years	—	—
Rents recognised as income during the year	5,86,44,595	3,79,78,566
Depreciation recognised on the leased assets	15,48,153	15,48,153
Accumulated depreciation on the leased assets	71,70,109	56,21,956

The Company has entered into various operating lease arrangements for building situated in SEZ area.

Future minimum lease receipts

not later than one year	83,91,00,000	69,73,00,000
later than one year and not later than five years	3,65,68,00,000	2,91,82,00,000
Rents recognised as income during the year	72,10,84,373	58,37,74,921
Depreciation recognised on the leased assets	52,03,067	51,82,167
Accumulated depreciation on the leased assets	2,13,12,469	1,61,09,402

As Lessee

The Company has entered into various operating lease arrangements for factory building, guest house and office premises. The leases are renewable on a periodic basis cancellable at its option.

Future minimum lease payments

not later than one year	47,59,355	56,40,000
later than one year and not later than five years	—	47,59,355
Lease payments recognised in the Statement of Profit and Loss	56,40,000	56,40,000

Income received Rs.75,21,95,653 /- (Rs. 61,03,12,777/-) from SEZ operation during the year on the assets cost Rs.1,19,12,48,877/- (Rs.1,19,11,53,278/-),WDV Rs.1,16,99,36,408/- (Rs.1,17,50,43,876/-) and Depreciation of Rs.52,03,067/- (Rs.51,82,167/-).



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

a. Details of related parties:

Description of relationship

- (i) Associates Company
- (ii) Key Management Personnel (KMP)

- (iii) Relatives of KMP

- (iv) Entities in which KMP / Relatives of KMP can exercise significant influence

Names of related parties

M/s IST Steel and Power Limited
 Shri S.C Jain, Lt. Col N.L. Khitha(Retd.),
 Mr. Mayur Gupta, Mr. Gaurav Gupta,
 Mrs. Sarla Gupta
 Mr. Prem Chand Gupta
 Mrs. Shweta Gupta and
 Mrs. Priyanka Gupta
 GPC Technology Ltd,
 Mercantile Realtors(P) Ltd,
 Delux Associates LLP,
 IST Softech Pvt. Ltd
 Delight Softech Pvt Ltd,
 Eastern India Power & Mining Pvt Ltd,
 Vinayakinfra Developers Pvt Ltd,
 Smridhi Realty & Trade LLP.

b. Details of related party transactions during the year ended 31 March, 2017 and balances outstanding as at 31 March, 2017

Particulars	Associates	Key Management Personnel	Relatives of KMP	Entities in which KMP can exercise significant influence
	Rs.	Rs.	Rs.	Rs.
During the year ending 31st March, 2017				
Remuneration		58,05,843 (46,50,000)	52,50,000 (48,00,000)	
Service Charges				9,00,000 (9,00,000)
Rent		7,20,000 (7,20,000)	7,20,000 (7,20,000)	42,00,000 (42,00,000)
Purchase of Investment				— (8,11,02,250)
Sale of Shares				3,59,00,000 (-)
Interest Income				48,08,626 (62,87,968)
Director Meeting Fees		22,500 (22,500)		
Outstanding Balance as on 31st March, 2017				
Amount Payable		2,86,100 (2,09,837)	3,72,275 (3,32,743)	
Deposits				39,60,000 (39,60,000)
Capital Advance				4,17,00,000 (5,00,00,000)
Loan				4,76,05,735.00 (7,32,77,971)
Equity Contribution	8,84,00,000 (8,84,00,000)			
Redeemable Preference Shares	15,00,00,000 (15,00,00,000)			4,51,12,500 (8,11,02,250)



IST LIMITED

40 Segment Reporting :

The Company Operates in only one operational segment viz. precision engineering components / assemblies and the subsidiary company is SEZ Developer and one Geographical Segment viz. India.

41 The company has exercised its option to claim deduction u/s 80IAB of the Income Tax Act, 1961 w.e.f. Assessment year 2009-10 in respect of the profit derived by the company from the business of developing SEZ Act, 2005.

42- I RAW MATERIAL AND COMPONENTS CONSUMED

	Kgs.	Amount(Rs.)
Steel / Brass / Aluminium etc.	1,86,294	2,92,63,349
	(1,87,049)	(2,71,20,238)
Others		3,13,62,870
		(1,49,84,691)

II DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS ITEMS:-

Particulars	Total value of Consumption			Percentage of Total Consumption	
	Total	Imported	Indigenous	Imported	Indigenous
Raw Material & Components	6,06,26,219	12,88,964	5,93,37,255	2.13	97.87
	(4,21,04,929)	(14,76,771)	(4,06,28,158)	(3.51)	(96.49)
Stores & Spares	1,33,88,713	16,33,775	1,17,54,939	12.20	87.80
	(1,19,05,341)	(8,90,663)	(1,10,14,678)	(7.48)	(92.52)

III C.I.F. VALUE OF IMPORTS

	Amount(Rs.)
a) Raw material & Components	21,49,767
	(6,98,233)
b) Stores & Spare parts including Tools	11,76,810
	(14,66,053)
c) Plant and Machinery	—
	(4,18,986)

IV EXPENDITURE IN FOREIGN CURRENCY

Overseas Travelling	3382,798
	(1065,771)
Other Expenses	642
	(—)
Exchange Rate Difference (Net)	25,324
	(—)

V INCOME IN FOREIGN CURRENCY

Export Sales	8430,812
	(8414,681)
Exchange Rate Difference (Net)	—
	(107,168)

43 Enterprises consolidated as subsidiary in accordance with Accounting Standard 21- Consolidated Financial Statements and significant enterprises consolidated as associate in accordance with Accounting Standard 23- Accounting for Investments in Associates in Consolidated Financial Statement .

Name of the entity	Relationship	Country of Incorporation	Proportion of ownership interest
Gurgaon Infospace Limited	Subsidiary	India	100%
IST Steel and Power Limited	Associate	India	25.476%



44 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Associate.

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of Consolidated Net Assets	Amount (in Rs.)	As % of Consolidated Profit or Loss	Amount (in Rs.)
IST Limited	29.61%	1,55,87,15,792	10.30%	8,42,15,927
Gurgaon Infospace Limited	68.45%	3,60,37,76,346	88.84%	72,63,26,458
IST Steel and Power Limited	1.94%	10,19,15,773	0.86%	70,15,638
Total	100.00%	5,26,44,07,911	100.00%	81,75,58,023

45 DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E), dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBN's*	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	9,99,500	92,643	10,92,143
(+) Permitted receipts		9,90,732	9,90,732
(-) Permitted payments		5,96,268	5,96,268
(-) Amount deposited in banks	9,99,500	—	9,99,500
Closing cash in hand as on 30.12.2016	—	4,87,107	4,87,107

*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 the 8th November, 2016

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

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

Chartered Accountants

FRN 001201N

O.P. Dadu

Partner

MN 010871

Place: New Delhi

Dated: 30.05.2017

For and on behalf of the Board of Directors

D.N. Tulshyan
Chief Financial Officer

Bhupinder Kumar
Company Secretary

Mayur Gupta
Director
DIN-00131376

S.C. Jain
Executive Director
DIN-00092079



IST LIMITED

Regd. Office : Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari – 123106 (Haryana)
Tel: (01274) 267346-48; Fax : (01274) 267444; Website: www.istindia.com ; CIN: L33301HR1976PLC008316

ATTENDANCE SLIP

DP ID*		Name and Address of the registered Shareholder
Client ID* / Regd. Folio No.		
No. of Shares held		

I being the registered shareholder / proxy for the registered shareholder of the Company hereby record my presence at the 41st Annual General Meeting of the Company held on Friday, the 29th September, 2017 at 3.30 P.M. at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari – 123106 (Haryana).

.....
Signature of Shareholder / Proxy

*Applicable for investors holding shares in electronic form.

IST LIMITED



Registered Office :

Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari – 123106 (Haryana)

Tel: (01274) 267346-48; Fax : (01274) 267444; Website: www.istindia.com ; CIN: L33301HR1976PLC008316

PROXY FORM

(Form MGT-11 pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014)

CIN	L33301HR1976PLC008316
Name of the Company	IST LIMITED
Registered Office	Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari-123106 (Hr.)
Name of the Member (s)	
Registered Address	
Email	
Folio No. /DP No./Client ID	

I / We being the member(s) of IST LIMITED holding _____ shares, hereby appoint the following person (s) as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 41st Annual General Meeting of the Company to be held on Friday, the 29th September, 2017 at 3.30 P.M. at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari – 123106 (Haryana), and at any adjournment(s) thereof, in respect of such resolutions as are indicated below:

- 1) Name Address Or failing him
Email Signature
- 2) Name Address Or failing him
Email Signature
- 3) Name Address Or failing him
Email Signature

A. ORDINARY BUSINESS	No. of equity shares	I / We assent to the Resolution (For)	I / We dissent to the Resolution (Against)
1. Adoption of Audited Financial Statements (including Consolidated) for the financial year ended March 31, 2017 together with the reports of the Directors' and Auditors' thereon			
2. Re-appointment of Shri Mayur Gupta, who retires by rotation and being eligible offers himself for re-appointment as Director of the Company			
3. Re-appointment of Shri Gaurav Gupta, who retires by rotation and being eligible offers himself for re-appointment as Director of the Company			
4. Ratification of appointment of M/s. Gupta Vigg & Co., Chartered Accountant, as Statutory Auditors and fixing their remuneration.			
B. SPECIAL BUSINESS			
5. Re-appointment of Lt. Col. N.L. Khitha (Retd.), as Whole Time Director designated as Director (Technical) of the Company.			

Signed this _____ day of _____ 2017

Signature of the Shareholder _____ Signature of proxy holder(s) _____

Affix
Revenue
Stamp
of Rs.1/-

NOTE: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.