IST LIMITED

To,

Dated: 14th September, 2019

The Manager
Corporate Communication Department
BSE Limited,
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai - 400001

(BSE Scrip Code: 508807)

Sub: Copy of Annual Report and Notice convening the 43rd Annual General Meeting.

Dear Sir(s),

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we hereby submit the copy of the Annual Report of the Company for the year 2018-19 along with the Notice convening the 43rd Annual General Meeting of the Company scheduled to be held on 30th September, 2019 at 11:30 A.M. at the registered office of the Company at Dharuhera Industrial Complex, Delhi – Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari – 123106 (Haryana)

The copy of the above Notice and the Annual Report is also available on the website of the Company at www.istindia.com.

Kindly take the same on record.

Thanking you,

For IST Limited

Bhupinder

Bhupinder Kumar
Company Secretary

Encl: As above.

TUV CERT
TS 16949:2002
Certificate 0411119970891
RWTÜV

CIN - L33301HR1976PLC008316
Head off. : A-23, New Office Complex, Defence Colony, New Delhi-110024 (India)
Phones : 24694291-92, 24617319 **Fax :** 011-24625694
Regd. Off. & Factory.: Dharuhera Industrial Complex, Delhi-Jaipur Highway No. 8, Village Kapriwas, Dharuhera, Distt. Rewari-123106 (Haryana)
Phones : 01274-267346-48, **Fax :** 01274-267444
E-mail : istgroup.ho@gmail.com **Website :** www.istindia.com

43rd

Annual Report

2018-2019

IST LIMITED

IST LIMITED

43rd Annual Report
2018-19

BOARD OF DIRECTORS

AIR MARSHAL D. KEELOR (RETD.), CHAIRMAN
SHRI S.C. JAIN, EXECUTIVE DIRECTOR
LT. COL. N.L. KHITHA (RETD.) , DIRECTOR (TECH.)
MRS. SARLA GUPTA, DIRECTOR
SHRI MAYUR GUPTA, DIRECTOR
SHRI GAURAV GUPTAA, DIRECTOR
BRIG. G.S. SAWHNEY (RETD.), DIRECTOR
SHRI SUBHASH CHANDER JAIN, DIRECTOR

CHIEF FINANCIAL OFFICER

SHRI D.N. TULSHYAN

COMPANY SECRETARY

SHRI BHUPINDER KUMAR

AUDITORS

M/s. GUPTA VIGG & 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

CONTENTS

AGM Notice 1-11
Boards' Report 12-19
Annexures to Directors' Report 20-34
Corporate Governance Report 35-48
Management Discussion
& Analysis Report 49-51
Independent Auditors' Report 52-59
Balance Sheet 60
Profit & Loss Account 61
Cash Flow Statement 62-63
Statement of change in Equity 64
Notes 65-99
Consolidated - Financial Statements ... 100-154
Attendance Slip / Ballot / Proxy 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

NOTICE

Notice is hereby given that the 43rd Annual General Meeting of IST Limited, will be held on Monday, the 30th September, 2019 at 11.30 A.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:

   a) the audited financial statement of the Company for the financial year ended 31st March 2019 and Reports of the Board of Directors and Auditors thereon; and

   b) the audited consolidated financial statement of the Company for the financial year ended 31st March 2019 and Report of Auditors thereon.

2. To appoint a director in place of Mr. Suresh Chand Jain (DIN: 00092079), who retires by rotation and being eligible offers himself for reappointment.

3. To appoint a director in place of Mr. Mayur Gupta (DIN: 00131376), who retires by rotation and being eligible offers herself for reappointment.

SPECIAL BUSINESS

4. **To consider and give your assent or dissent to the following Special Resolution:**

   RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors at their respective meeting held on 14th August, 2019 and provisions of section 149, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), as amended from time to time and for the time being in force, **Mr. Subhash Chander Jain (DIN: 00169972)**, who was appointed as an Independent Director of the Company at the 38th Annual General Meeting of the Company and who holds office upto the date of 43rd Annual General Meeting and who is eligible for re-appointment and who meets the criteria of independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect and in respect ot whom the Company has received a Notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director be and is hereby re-appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for the second term of five years commencing with effect from the date of 43rd Annual General Meeting till the date of 48th Annual General Meeting to be held in the calendar year 2024 and to receive remuneration by way of Sitting Fees, re-imbursement of expenses for participation in the meetings of the Board and / or Committees thereof and profit related commission, if any, in terms of applicable provisions of the Companies Act, 2013 and as determined by the Board from time to time.

5. **To consider and give your assent or dissent to the following Special Resolution:**

   RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors at their respective meeting held on 14th August, 2019 and provisions of section 149, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), as amended from time to time and for the time being in force, **Air Marshal (Retd.) Denzil Keelor (DIN: 00380111)**, who was appointed as an Independent Director of the Company at the 38th Annual General Meeting of the Company and who holds office upto the date of 43rd Annual General Meeting and who is eligible for re-appointment and who meets the criteria of independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect and in respect ot whom the Company has received a Notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director be and is hereby re-appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for the second term of five years commencing with effect from the date of 43rd Annual General Meeting till the date of 48th Annual General Meeting to be held in the calendar year 2024 and to receive remuneration by way of Sitting Fees, re-imbursement of expenses for participation in the meetings of the Board and / or Committees thereof and profit related commission, if any, in terms of applicable provisions of the Companies Act, 2013 and as determined by the Board from time to time.

6. **To consider and give your assent or dissent to the following Special Resolution:**

RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors at their respective meeting held on 14th August, 2019 and provisions of section 149, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), as amended from time to time and for the time being in force, **Brig. (Retd.) Gurcharan Singh Sawhney (DIN: 01037821)**, who was appointed as an Independent Director of the Company at the 38th Annual General Meeting of the Company and who holds office upto the date of 43rd Annual General Meeting and who is eligible for re-appointment and who meets the criteria of independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect and in respect ot whom the Company has received a Notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director be and is hereby re-appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for the second term of five years commencing with effect from the date of 43rd Annual General Meeting till the date of 48th Annual General Meeting to be held in the calendar year 2024 and to receive remuneration by way of Sitting Fees, re-imbursement of expenses for participation in the meetings of the Board and / or Committees thereof and profit related commission, if any, in terms of applicable provisions of the Companies Act, 2013 and as determined by the Board from time to time.

7. **To consider and give your assent or dissent to the following Special Resolution:**

"RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors at their respective meeting and pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (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, consent of the shareholders of the Company be and is hereby accorded to re-appoint **Shri S.C. Jain (DIN : 00092079)** as Whole Time Director, designated as Executive Director of the Company for a period of 1 years with effect from 14th August, 2019 and to pay him remuneration as per the existing terms of appointment the detail of which is as given hereinbelow:

RESOLVED FURTHER THAT the remuneration payable to Mr. Suresh Chand Jain, Whole Time Director w.e.f. 14th August, 2019 shall be as under:

Salary Component	**Amount (Rs.) Per Month**
Basic Pay	72,000
Dearness Allowance	36,000
House Rent Allowance	45,000
Special Allowance	29,500
Total	**1,82,500**

PERQUISITES

PART - A

a) **Company's Chauffeur Driven Car**

Company shall provide to the Executive Director One Chauffeur driven Car exclusively for the purposes of Business of the Company. Any expenses incurred by the Executive Director in connection with running and maintenance of the Car provided by the Company shall be re-imbursed to him.

b) Reimbursement of Expenses

(i) Re-imbursement of Expenses incurred towards magazine / newspapers at residence;

(ii) Re-imbursement of monthly bill of one Landline Telephone and Internet Connection at residence for the purposes of business of the Company;

(iii) Re-imbursement of actual Expenses incurred by the Executive Director on account of one mobile phone for the purpose of official work.

(iv) The Executive Director shall also be entitled to reimbursement of reasonable entertainment expenses actually and properly incurred for the purposes of business of the Company.

PART - B

Earned Leave

One month's leave with full pay and allowance as per rules of the Company for every 11 months of service. However, leave accumulated and not availed of during his tenure as Executive Director will be encashed.

Other Conditions

If during the currency of tenure of the Executive Director, 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.

FURTHER RESOLVED THAT the consent of the shareholders of the Company be and is hereby also accorded that in the event of no profits or inadequate profits in any financial year, Mr. Suresh Chand Jain shall be entitled to receive remuneration including perquisites and re-imbursements etc. upto the limit as approved by the members hereinabove, as minimum remuneration, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

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 or any committee thereof be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Shri S.C. Jain, Executive Director, including the components of the above mentioned remuneration payable to him subject to the overall cap of Rs. 30.00 Lacs per annum."

RESOLVED FURTHER THAT any Director of the Company and / or Company Secretary be and are hereby severally / individually authorised to do all acts, deeds and things, to enter into such agreements(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable to give effect to the aforesaid resolution.

8. To consider and give your assent or dissent to the following Special Resolution:

"RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors at their respective meeting and 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, 2019 to 31st May, 2021 and and to pay him remuneration as per the existing terms of appointment the detail of which is as given hereinbelow:

RESOLVED FURTHER THAT the remuneration payable to Lt. Col N.L Khitha, Whole Time Director w.e.f. 1st June, 2019 shall be as under:

Salary Component	Amount (Rs.) Per Month
Basic Pay	30,000
Dearness Allowance	18,400
House Rent Allowance	20,000
Special Allowance	19,600
Total	88,000

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.

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.);

RESOLVED FURTHER THAT any Director of the Company and / or Company Secretary be and are hereby severally / individually authorised to do all acts, deeds and things, to enter into such agreements(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable to give effect to the aforesaid resolution.

9. **To consider and give your assent or dissent to the following Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), and in accordance with the Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions, if any, required from any competent authority, and as approved by the Board of Directors of the Company, approval of the Shareholders be and is hereby accord to subdivide each Equity Share of the nominal value of Rs.10/- (Rupees Ten Only) each in the Capital of the Company fully paid up, into 2 Equity Shares of Rs. 5/- (Rupees Five Only) each fully paid up and all the Equity shares of Rs.10/- (Rupees Ten Only) each fully paid, of the Company, be sub-divided accordingly with effect from the Record Date as may be fixed for the purpose.

RESOLVED FURTHER THAT pursuant to the sub-division of the equity shares of the Company, all the issued, subscribed and paid up equity shares of nominal value Rs.10/- (Rupees Ten Only) of the Company existing on the Record date to be fixed by the Board of Directors of the Company shall stand sub-divided into equity shares of nominal value Rs. 5/- (Rupees Five Only) each fully paid up.

RESOLVED FURTHER THAT upon sub-division of Equity Shares of the Company as aforesaid, the existing share certificate(s) in relation to the existing Equity Shares of Face value of Rs. 10/- (Rupees Ten Only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and that no letter of allotment shall be issued to the allottees of the new Equity Shares of Rs. 5 /- (Rupees Five Only) each on sub-division and the Company may, without requiring the surrender of existing share certificate(s), directly issue and dispatch the new share certificate(s) of the Company, in lieu of such existing share certificate(s),within the period prescribed or that may be prescribed in this behalf, from time to time and in the case of shares held in dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing credits representing the Equity Shares before sub-division.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, proper and expedient or incidental for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers to any Committee thereof as it may deem appropriate in this regard."

10. To consider and give your assent or dissent to the following Special Resolution:

RESOLVED THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification or re-enactment(s) thereof for the time being in force), the existing Clause V of the Memorandum of Association of the Company be substituted with the following new Clause:

"Clause V. The Authorised Share Capital of the Company is Rs. 10,00,00,000- (Rupees Ten Crores Only) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 5/- (Rupees Five Only) each."

RESOLVED FURTHER THAT the Board of Directors of the Company (the "Board", which expression shall also include a duly authorized Committee thereof) be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution and to delegate all or any of the powers herein vested in the Board, to any Director(s) or Officer(s) of the Company as may be required to give effect to the above resolution.

11. To consider and give your assent or dissent to the following Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions of the Companies Act, 2013 (including any reenactment(s) and modification(s) made there under, if any, for the time being in force), the words at the beginning of the Memorandum of Association and before Clause I "(THE COMPANIES ACT, 1956)" be and are hereby substituted by the words "THE COMPANIES ACT, 2013".

"RESOLVED FURTHER THAT pursuant to the provisions of Section 13 and other applicable provisions of the Companies Act, 2013 (including any re-enactment(s) and modification(s) made there under, if any, for the time being in force), Memorandum of Association of the company be and is hereby amended as under:-

a) Heading of the Part A of Clause III of Memorandum of Association i.e. "MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:" substituted with the Heading "OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:

b) Heading of Part B of Clause III of Memorandum of Association i.e."THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS ARE" substituted with the Heading "MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A) ARE:

c) All the sub- clauses from 1 to 21 of Part C of Clause III of Memorandum of Association shall be merged into Part B of Clause III of the Memorandum of Association and Heading of Part C of Clause III of Memorandum of Association i.e. "THE OTHER OBJECTS" be and is hereby merged into Part B of the Clause III of the Memorandum of Association as Clause 45 to Clause 65.

d) Reference of the provisions of the Companies Act, 1956, wherever occurs in the Memorandum of Association, shall be substituted with the corresponding provisions of the Companies Act, 2013.

"RESOLVED FURTHER THAT Mr. Mayur Gupta and Mr. Gaurav Guptaa, Directors of the Company, and the Company Secretary of the Company be and are hereby severally authorized to file necessary forms / papers with the Registrar of Companies and to do all such acts, deeds and things as may be deemed necessary to give effect to foregoing resolution"

12. To consider and give your assent or dissent to the following Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188, approval of Members of the company be and is hereby accorded to re-appoint Mrs. Sarla Gupta (DIN : 00069053), as Whole Time Director in Gurgaon Infospace Limited, Wholly Owned Subsidiary of the Company (the Subsidiary Company) for a further period of 3 years with effect from 01.12.2019 to 30.11.2022 and to pay her remuneration, as per details given below subject to 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (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 Subsidiary Company and /or subject to approval of Members of the Subsidiary Company and /or approval of the Central Government or other Government authority/ agency/board, if any,:

Basic Pay	Rs. 2,50,000/- per month
Dearness Allowance	Rs. 1,00,000/- per month
Other Allowances	Rs. 1,50,000/- per month

PERQUISITES

PART - A

a) Medical Benefit for Self and Family

Reimbursement of Medical Expenses actually incurred by the Whole Time Director and her family.

b) Leave Travel Allowance

Leave Travel Allowance equivalent to one month's basic pay in a year will be given to the Whole Time Director.

PART - B

I. Earned Leave

One month's leave with full pay and allowance as per rules of the Subsidiary Company for every 11 months of service. However, leave accumulated and not availed of during her tenure as Whole Time Director will be allowed to be encashed as per rules of the Subsidiary Company.

II. Reimbursement of Expenses

The Whole Time Director shall also be entitled to reimbursement of reasonable entertainment expenses actually and properly incurred for the purposes of business of the Subsidiary Company.

OTHER CONDITIONS :

If during the currency of tenure of the Whole Time Director, the Subsidiary 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 Schedule –V of the Companies Act, 2013.

RESOLVED FURTHER THAT where in any financial year the Subsidiary Company has no profits or inadequate profits then the remuneration as decided above will be paid as minimum remuneration, subject to approval of statutory authority, if required;

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be 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;

By Order of the Board of Directors
Bhupinder Kumar
Company Secretary

Place: New Delhi
Dated: 24.08.2019

Notes :

1. The Explanatory Statement as required under section 102 of the Companies Act, 2013 is annexed hereto. Further, additional information with respect to Item No. 4-12 is also annexed hereto.
2. 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.
3. 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.
4. 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.

5. The Register of Members and Share Transfer Books of the Company will remain closed from 23.09.2019 to 30.09.2019 (both days inclusive) for the purpose of this Annual General Meeting.

6. 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.

7. Members are requested to bring the Attendance Slip duly filled in along with their copy of Annual Report to the Meeting.

8. 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

9. 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.

10. 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 Exchange(s), 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.

11. 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.

12. Electronic copy of the Annual Report for financial year 2018-19 along with the Notice of the 43rd 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.

13. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2018-19 along with Notice of the 43rd 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.

14. Members may also note that the Notice of the 43rd Annual General Meeting and the Annual Report for 2018-19 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 11:00 A.M.to 5:00 P.M on any working day, excluding Saturday, Sunday and Public Holiday. 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

15. 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 43rd Annual General Meeting. The Company has engaged the services of National Securities Depositary Limited (NSDL) to provide the remote e-voting facilities. The Instructions for remote e-voting are provided in the Attendance Slip, which is sent along with the Annual Report. Members are advised to read the instructions carefully before exercising their vote.

By Order of the Board of Directors
Bhupinder Kumar
Company Secretary

Place: New Delhi
Dated: 24.08.2019

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (THE ACT), THE FOLLOWING EXPLANATORY STATEMENT SETS OUT ALL MATERIAL FACTS RELATING TO BUSINESS MENTIONED UNDER ITEM NO. 4 TO 12 OF THE ACCOMPANYING NOTICE

Attached to the Notice convening the 43rd Annual General Meeting of IST Limited to be held on Monday, 30th September, 2019.

Item No. 4-6

As per Section 149(10) read with Section 152 of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rule, 2014, an Independent Director of the Company Shall hold officer for a first term of five consecutive years and shall be eligible for re-appointment for the second term, by passing a Special Resolution.

Mr. Subhash Chander Jain, Air Marshal (Retd.) Dezil Keelor and Brig. (Retd.) Gurcharan Singh Sawhney shall complete their respective first term of Five year on 29.09.2019. The Board considered that their continued association with the Company would be of immense benefit and it is desirable to continue and avail their services as Independent Director(s), for the second term also.

Mr. Subhash Chander Jain, Air Marshal (Retd.) Dezil Keelor and Brig. (Retd.) Gurcharan Singh Sawhney, non-executive Directors of the Company has given a declaration to the Board that they meets the criteria of independence as provided under Section 149(7) of the Companies Act, 2013. In the opinion of the Board, they fulfill the conditions specified in the Act, and the Rules framed thereunder for re-appointment under the category of Independent Director(s). Except Mr. Subhash Chander Jain (Nos. 125 equity shares), none of them holds any shares in the Company.

In compliance with the provisions of Section 149 of the Companies Act, 2013 read with Schedule IV of the Act, the re-appointment of Mr. Subhash Chander Jain, Air Marshal (Retd.) Dezil Keelor and Brig. (Retd.) Gurcharan Singh Sawhney as independent Director(s) is now being placed before the members for their approval.

The terms and conditions of appointment of the above Director(s) are open for inspection by the members at the Registered Office of the Company during normal business hours on any working day.

The brief resume of appointee directors are given in the Annexure to the notice under the head 'Brief profile of the Director(s) seeking appointment / re-appointment

Save and except appointee director, none of the Director(s), Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested, except to the extent of their shareholding, if any in the Company, in the proposed Special Resolution(s) at item no. 4 to 6.

The Board of Directors recommends the Special Resolution set out at item no. 4 to 6 of the accompanying Notice for the approval of the Members.

Item No. 7

Mr. Suresh Chand Jain is Whole Time Director, Designated as Executive Director 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, 2016, has expire on 13th August, 2019. Further, in the previous Annual General Meeting of the Shareholders held on 28th September, 2018, the remuneration of Mr. S.C. Jain was revised.

On recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on 14th August, 2019, considered reappointment of Mr. S.C. Jain as Whole Time Director, to be Designated as Executive Director for a further period of 1 years with effect from 14th August, 2019 till 13th August, 2020.

As Shri S. C. Jain has attained age of 74 years, the 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 resolved by passing a Special Resolution with due justification in the the explanatory statement.

The Board of Directors, keeping in view smooth and efficient running of administrative affairs of the Company by Mr. S.C. Jain and also keeping in view the good health possessed by him, recommends reappointment of Mr. S.C. Jain, as Whole Time Director, designated as Executive Director of the Company for a further period of 1 years with effect from 14th August, 2019 on remuneration and terms and conditions as given in the proposed resolution.

The terms and conditions of appointment of the Sh. S.C. Jain are open for inspection by the members at the Registered Office of the Company from 11.00 a.m. to 5.00 p.m. during working business days (except Saturday, Sunday and Public Holiday) till the date of Annual General Meeting.

The brief resume of Sh. S.C. Jain is given in the Annexure to the notice under the head 'Brief profile of the Director(s) seeking appointment / re-appointment'.

Save and except appointee director, none of the Director(s), Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested, except to the extent of their shareholding, if any in the Company, in the proposed Special Resolution(s) at item no. 7.

The Board of Directors recommends the Special Resolution set out at item no. 7 of the accompanying Notice for the approval of the Members.

Item No. 8

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, 2017, has expired on 31.05.2019.

The Board of Directors of the Company in its meeting held on 30.05.2019 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, 2019.

As Lt. Col. N.L. Khitha (Retd.) has attained age of 79 years, the relevant provisions of the Companies Act, 2013, were also discussed by the Board, which, inter alia, provide that appointment of a person having age of 70 years or above as Whole Time Director may be resolved 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, recommends 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, 2019 on remuneration and terms and conditions as given in the proposed resolution.

The terms and conditions of appointment of the Sh. S.C. Jain are open for inspection by the members at the Registered Office of the Company from 11.00 a.m. to 5.00 p.m. during working business days (except Saturday, Sunday and Public Holiday) till the date of Annual General Meeting.

The brief resume of Sh. S.C. Jain is given in the Annexure to the notice under the head 'Brief profile of the Director(s) seeking appointment / re-appointment'.

Save and except appointee director, none of the Director(s), Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested, except to the extent of their shareholding, if any in the Company, in the proposed Special Resolution(s) at item no. 8.

The Board of Directors recommends the Special Resolution set out at item no. 8 of the accompanying Notice for the approval of the Members.

Item No.9, 10 and 11

The Equity shares of the Company are listed on BSE Limited. In order to facilitate the benefit of more liquidity and broad basing of small investors, the Board of Directors of the Company, in its meeting held on 24.08.2019 have approved the sub-division of the nominal value of Equity shares of the Company of Rs.10/- (Rupees Ten Only) each into smaller denomination of Rs. 5/- (Rupees Five Only) each, subject to the approval of Members. Accordingly, each Equity share of the Company of the nominal value Rs.10/-(Rupees Ten Only) each existing on the Record Date, as may be decided by the Board of Directors after obtaining the approval of the Members, shall stand sub-divided into 2 Equity shares of the nominal value of Rs. 5/- (Rupees Five Only) each.

Article 36 of the Articles of Association of the Company permits sub-division of shares subject to the approval of members.

The proposed sub-division of the Equity shares of the Company requires amendment to the existing Capital Clause V of the Memorandum of Association of the Company as set out in Item No. 10 of the accompanying Notice reflecting the corresponding changes in the Authorised Share Capital of the Company consequent to the proposed Sub-division i.e. from Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 1,00,00,000 (One Crore Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 5 /- (Rupee Five Only) each.

The Companies Act, 2013, had prescribed a new format of Memorandum of Association ("MOA") for public companies limited by shares. Accordingly, with a view to align the existing MOA of the Company with Table A of the Schedule I of the Act and in accordance with Section 4 and 13 of the Act, it is proposed to alter the MOA of the Company by merging the Objects under "Clause III (C) – Other Objects" with "Clause III (B) –Objects Incidental or Ancillary to the attainment of the Main Objects" and also to rename the Clause III (A) and III (B) of the Object Cause and make the other requisite changes in all other Clauses of the MOA. Further, reference of provisions of the Companies Act, 1956, wherever occurring in the Memorandum of Association, shall be replaced and substituted with the corresponding provisions of the Companies Act, 2013

Copy of existing and amended Memorandum of Association of the Company will be available for inspection by members during 11.00 a.m. to 5.00 p.m. at the registered office of the Company during working business days (except Saturday, Sunday and Public Holiday) till the date of Annual General Meeting.

None of the Directors, Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested in the proposed resolution except to the extent of their shareholding, if any in the Company.

The Board is of the opinion that the aforesaid sub-division of equity shares is in the best interest of the Company and its shareholders. Therefore it recommends the Ordinary resolution set out in Item No. 9 and Special Resolution(s) set out in item no. 10 and 11 of this Notice for the approval of the members.

Item No. 12

Mrs. Sarla Gupta is Whole Time Director in Gurgaon Infospace Limited (GIL), a Wholly Owned Subsidiary of the Company. Her term of appointment, as per resolution passed by the Members of of the Company at their 40th Annual General Meeting held on 29th September, 2016 will expire on 30.11.2019.

The Board of Directors of GIL in its meeting held on 13th August, 2019 considered and approved reappointment of Mrs. Sarla Gupta as Whole Time Director of Gurgaon Infospace Limited, for a further period of 3 years with effect from 01.12.2019, inter alia, subject to approval of the Shareholders of the Company in terms of Section 188 of the Companies Act, 2013

The Board of Directors of the Company, keeping in view the recommendations made by the Board of the Subsidiary Company, contribution made by Mrs. Sarla Gupta as Whole Time Director of the Subsidiary Company and the progress made by the Subsidiary Company, recommends the reappointment of Mrs. Sarla Gupta, as Whole Time Director of the Subsidiary Company for a further period of 3 years with effect from 01.12.2019 on remuneration and terms and conditions as given in the proposed resolution.

Except Mrs. Sarla Gupta herself, Shri Mayur Gupta and Shri Gaurav Gupta, relatives of Mrs. Sarla Gupta, 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 Resolution.

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE FORTHCOMING 43rd ANNUAL GENERAL MEETING

Name of the Director	Air Marshal (Retd.) Denzil Keelor	Mr. S.C. Jain	Mr. Mayur Gupta	Mr. Subhash Chander Jain	Brig. (Retd.) G.S. Sawhney	Lt. Col. N.L. Khitha (Retd.)
Date of Birth	07.12.1933	06.09.1945	27.03.1977	15.06.1949	26.02.1927	25.09.1937
Date of Appointment	27.05.1996	14.08.2012	01.10.2006	30.05.2015	29.03.1985	01.06.2011
Expertise in Specific functional Areas	Held various distinguished positions in Air Force and Civil Aviation and has vast experience in Administration.	B.Sc. (Hons), M.Sc. (Physics). Expertise in Business Development, Corporate Affairs and Administration.	MBA (MIS & E-Business) from Bentley College, Boston, USA Business Administration & Finance	Law, Banking, Finance, Accounts Business and Industry	Ex. Director of Quality Assurance (Armament) Fellow, Institute of Quality Assurance (U.K.)	Held various distinguished positions in Indian Army and Held various distinguished has vast experience in technical and administration field, business development.
List of Public Companies in which Directorship is held	1.IST Limited. 2.GPC Technology Ltd.	Whole Time Director, IST Limited, Director, GPC Technology Ltd. Director, Gurgaon Infospace Ltd. Director, IST Steel and Power Limited	Director, IST Limited Director, GPC Technology Limited	—	IST Limited	IST Limited, Whole Time Director
Chairman / Member of the Committees of the Board of Companies on which he / she is a Director	IST Limited Chairman, Shareholders Grievance Committee; and Member, Audit Committee GPC Technology Ltd. Member, Audit Committee; and Chairman, Shareholders Grievance Committee	IST Limited Member, Shareholders Grievance Committee;Chairman, Risk Management Committee GPC Technology Ltd. Member, Shareholders Grievance Committee IST Steel and Power Limited Member, Nomination and Remuneration Committee.	IST Limited, Member, Risk Management Committee GPC Technology Limited, Member, Shareholders Grievance Committee	Member, Audit Committee, IST Limited IST Limited, Chairman Nomination and Remuneration Committee	IST Limited, Member, Audit Committee	IST Limited, Member CSR Committee

BOARDS' REPORT

Dear Members,

Your Directors are pleased to present their 43rd Annual Report on your Company's operations and performance together with the audited statement of accounts for the year ended 31st March 2019.

Financial Results

The performance of the Company for the financial year ended March 31, 2019 and for the previous year ended March 31, 2018 are summarized below:

(Rs. In Lacs)

PARTICULARS	**For the year ended 31.03.2019**	**For the year ended 31.03.2018**
Revenue from Operations	**2,237.06**	2,466.02
Other Income	**1,058.13**	1,178.05
Total Income	**3,295.19**	3,644.07
Earnings before Interest, depreciation, tax and amortization (EBIDTA)	**1,228.63**	1,581.48
Less :- Finance Cost	**6.76**	19.65
Less :- Depreciation	**275.29**	276.43
Earning before tax (EBT)	**946.58**	1,285.40
Tax Expenses		
- Current tax	**189.89**	320.00
- Tax for earlier years	**16.16**	(40.90)
- Deferred Tax	**(20.73)**	0.03
Profit After Tax	**761.26**	1,006.27
Add: Balance brought forward from previous year	**5,961.08**	4,954.81
Surplus carried to Balance Sheet	**6,722.34**	5,961.08

State of Company's Affairs

Your Company is primarily engaged in the business of manufacturing of high precision engineering components / assemblies for Automobile 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, the operating revenue of your company declined to 2,237.06 Lacs as against Rs. 2,466.02 Lacs achieved in the previous year. The net profit after tax (PAT) for the year has also declined to Rs. 761.26 Lacs as compared to Rs. 1,006.27 Lacs in the previous year. The Earnings before interest, depreciation, tax & amortizations (EBIDTA) declined to Rs.1,228.63 Lacs as compared to Rs. 1,581.48 Lacs in the previous year. The Basic and Diluted Earnings Per Share (EPS) for the year was Rs. 13.05 per share.

The 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 2018-19.

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, 2018 and 31st March, 2019 remained unchanged.

Deposits

The Company has not accepted any deposits, within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 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 2018-19 and its subsidiary(ies), which forms part of the Annual Report have been prepared in the same form and manner as that of its own and in accordance with the Indian Accounting Standards (Ind AS), form part of the Annual Report.

Subsidiaries and Associate Companies

The Company has one wholly owned Subsidiary namely ‘Gurgaon Infospace Limited’, and one Associate namely ‘IST Steel & Power Limited’ as on March 31, 2019. 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 2018-19.

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 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 website www.istindia.com.

Board of Directors

In accordance with the provisions of Section 152 of the Companies Act 2013 and the Articles of Association of the Company, Mr. Suresh Chand Jain Whole time Director designated as Executive Director (DIN: 00092079) and Mr. Mayur Gupta, Director (DIN: 00131376) shall retires by rotation at the ensuing Annual General Meeting and being eligible has offered themselves for re-appointment, subject to approval of the shareholders. The brief detail of Mr. Suresh Chand Jain and Mrs. Sarla Gupta is furnished in the explanatory statement to the notice of the AGM under the head “Directors Seeking Appointment / Re-appointment at this Annual General Meeting”.

In terms of section 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and on recommendation of Nomination and Remuneration Committee, the Board of Directors at its Meeting held on 30th May, 2019 had re-appointed Mr. N.L. Khitha, whole time director designated as Director (Technical), for a further term of 2 years w.e.f. 1st June, 2019 to 31st May, 2021 subject to approval by the shareholders. Further on recommendation of Nomination and Remuneration Committee the Board of Directors at its meeting held on 14th August, 2019 had re-appointed Mr. Suresh Chand Jain, whole time director designated as Executive Director, for a further term of 1 year w.e.f. 14th August, 2019 to 13th August, 2020, subject to approval by the shareholders.

As per the provisions of Companies Act, 2013, the first term of Air Marshal (Retd.) Denzil Keelor, Brig. (Retd.) Gurcharan Singh Sawhney and Mr. Subhash Chander Jain, Independent Directors of the Company will expire on the date of forthcoming Annual General Meeting. The Nomination and Remuneration Committee of the Board in its meeting held on 14th August, 2019 has recommended to the Board the re-appointment of Air Marshal (Retd.) Denzil Keelor, Brig. (Retd.) Gurcharan Singh Sawhney and Mr. Subhash Chander Jain for the second term. The Board of Directors in its meeting held on 14th August, 2019 has approved their re-appointment as Independent Directors for the second term of 5 years.

The Company has received declaration from all the independent directors stating that they continue to meet the criteria of independence laid down under the Companies Act, 2013 and Listing Regulations. Further, all the Directors has confirmed that they have complied with the Company's code of conduct.

The Board of Directors devise operational and financial strategies for the organization and monitor the effectiveness of the practices adopted by the Company. The members of the Board are judgmental, responsible and experienced and have varied industrial expertise. The diversity of the Board enhances the quality of the decisions making by utilizing the different skills, qualification, professional experience, knowledge etc., necessary for achieving sustainable and balanced development as well as ensuring 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.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out Annual Performance Evaluation of its own performance, each of Director individually and that of its Committees. The performance 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 of any member, the views of executive directors and non-executive directors were also taken into consideration.

Familiarization Program for Independent Directors

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company regularly appraises the Directors at the meetings about the changes and updates in the regulatory and business environment to enable them to familiarize with the Company's procedure and practices. 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.

Number of Meetings of the Board

During the year under review, the board of the directors of the company met 6 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, 2019 to review the matters as provided in the aforesaid Schedule and Regulations.

Key Managerial Personnel

In terms of the provisions of Section 203 of the Companies Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Suresh Chand Jain, Executive Director, Lt. Col. (Retd.) N.L. Khitha, Director (Technical), Mr. D.N. Tulshyan, Chief Financial Officer and Mr. Bhupinder Kumar, Company Secretary are the Key Managerial Personnel (KMP's) of the Company.

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 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 for the financial year ended 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) that the Directors 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 internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

f) 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

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 Guptaa

(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 this Board Report.

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, M/s Gupta Vigg & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company at the 41st Annual General Meeting of the Company held on 29th September, 2017, for a first term of

5 consecutive years from the conclusion of 41st Annual General Meeting till the conclusion of 46th Annual General Meeting of the Company to be held in the year 2022.

The report given by M/s Gupta Vigg & Co. statutory auditors on the financial statement of the Company for the year 2018-19 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, adverse remark or disclaimer.

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.

Internal Audit

Pursuant to Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, M/s Jinender & Co., Chartered Accountants were re-appointed as the Internal Auditors of the Company for the financial year 2018-19.

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 2018-19. 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 31st March, 2019 is annexed herewith which form part of this Report as Annexure – C.

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

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.

Internal financial control systems and their adequacy

The Internal Control Systems are inherent in the Company and are working effectively and efficiently and in the best interest of the Company. 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. 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, 2019, 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. IFC ensures the accuracy and completeness of the accounting record and the timely preparation of reliable financial information.

Vigil Mechanism

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors, employees and business associates to report to the management, 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 the business and administrative activities of the Company. Therefore, the Company has a system in place for identifying and mitigating the Risk associated with the nature of Businesses undertaken by the Company. 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. Further the detail is also provided in the standalone financial statement under notes 8 and note 13.

Related Parties transactions

All the related party transactions were entered in ordinary course of business and are done on arm's length. Transactions with related parties are conducted in a transparent manner and in the best interest of the Company 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 Audit Committee, 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. Detail of the Related Party Transactions are given in Note No. 42 to the financial statement.

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 except for those disclosed in the Note no. 42 of Notes to the Financial Statement.

Accordingly particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contracts or arrangements in Form AOC-2 does not form part of this report.

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.

Statements of Subsidiary / Associate Companies

The Operational income of wholly owned subsidiary of the Company, namely Gurgaon Infospace Limited during the year was Rs. 9,378.48 Lacs as against Rs. 8,702.01 lacs during the previous year and the Net Profit after tax was Rs. 9,027.97 lacs as against Rs. 9,001.23 lacs during the previous year.

Your Company has an Associate entity named IST Steel and Power Limited, in which the Company holds 25.48% Equity Shares. The operational income of the said associate company during the year was Rs. 183.18 Lacs as compared to 350.18 Lacs during the previous year. The Company's Net Profit after tax was Rs. 191.89 Lacs as against Rs. 163.58 lacs in the previous year.

A statement containing the salient features of the financial statement of the subsidiary and associates in the form AOC – 1 is attached with the financial statements of the Company as per the requirement of Section 129(3) of the Companies Act, 2013.

Material Changes and Commitments

No other material changes and commitments affecting the financial position of the Company have occurred between 1st April, 2019 and the date on which this report has been signed.

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 provisions of section 124(5) of the Companies Act, 2013 read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, 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, 2018. 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. The prescribed certificate regarding compliance of the conditions 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 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, 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 valuable resource. The management of the Company lays continuous focus on human resources, their training and personal development so as to attain the required standards as well as the organizational goals. The Company always strives to attract and retain the best technical / professional manpower.

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

The statement of particulars of appointment and remuneration of Key Managerial Personnel as per Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed vide Annexure VI forming part of this report.

Pursuant to Section 136(1) of the Companies Act, 2013, the report of the Board of Directors is being sent to the Shareholders of the Company excluding the statement prescribed under Rule 5 of the Companies (Appointment and Remuneration) Rules, 2014. The statement is available for inspection by the shareholders at the Registered Office of the Company during business hours up to the date of ensuing annual general meeting

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. The policy has been widely disseminated all employees are made aware of the same. During the year under review, there was no case of sexual harassment reported

In term of the said act the Company has also constituted the Internal Complaint Committee for Prevention of Sexual Harassment (ICC). The Committee meets as and when required.

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.
- All efforts are made to conserve the energy through various means such as use of low energy consuming lighting systems etc.
- 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 by 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	2018-19	2017-18
Earnings in Foreign Exchange	**98.07**	45.11
Value of imports (CIF Value)	**204.16**	34.43
Expenditure in Foreign Exchange	**7.21**	2.27

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.

Compliance of Secretarial Standards

The Company has complied with the Secretarial Standard – 1 for Meeting of Board of Directors and Secretarial Standard – 2 for General Meeting issued by the Institute of Company Secretaries Of India.

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

Air Marshal Denzil Keelor (Retd.)
Chairman
DIN: 00380111

Place: New Delhi
Dated: 14.08.2019

ANNEXURE 'A'

FORM NO. MGT.9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2019
[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, OKHLA INDL. AREA, NEW DELHI-110020 Contact : +91-11-26387281-83 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 of Auto Parts & Equipments	2930	67.67%

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 A-23, New Office Complex 2nd Floor, Defence Colony New Delhi-110024	U72900DL2006PLC151879	Subsidiary	100%	2(87)
2.	IST Steel & Power Limited A-23, New Office Complex 2nd Floor, Defence Colony New Delhi-110024	U27102DL2005PLC139741	Associate	25.46%	2(6)

IV. **SHAREHOLDING PATTERN (Equity Share Capital Break up as % 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.	1459811	704	1460517	25.04	1459811	704	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)	1459811	704	1460517	25.04	1459811	704	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.	2913221	0	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)	2913221	0	2913221	49.952	2913221	0	2913221	49.952	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	4373032	704	4373736	74.99	4373032	704	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 Ventures Capital Funds	0	0	0	0	0	0	0	0	0
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	306852	487275	794127	13.62	304666	455008	759674	13.03	-.59
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	31415	0	31415	0.54	29800	0	29800	0.51	-.03
c. Any Others	628876	3602	632478	10.84	664944	3602	668546	11.46	.62
Sub-total (B)(2)	**956375**	**501645**	**1458020**	**25.00**	**999410**	**458610**	**1458020**	**25.00**	**.00**
Total Public Shareholding (B) = (B)(1) + (B)(2)	**956425**	**501895**	**1458320**	**25.01**	**999460**	**458860**	**1458320**	**25.01**	**.00**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**5329455**	**502601**	**5832056**	**100**	**5340225**	**491831**	**5832056**	**100**	**0**

ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total Shares	
1	Smridhi Realty and Trade LLP (formerly Antique Investment Co. Ltd.)	110700	1.90	—	110700	1.90	—	—
2	Delux Associates LLP (formerly Delux Investment Pvt. Ltd.	619375	10.62	—	619375	10.62	—	—
3	Galaxy International Hotels LLP (Formerly Galaxy International Hotels Pvt. Ltd.	106	—	—	106	—	—	—
4	GPC Technology Limited	168950	2.90	—	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.	377352	6.47	—	377352	6.47	—	—
8	Lubetec India Pvt. Ltd.	20002	0.34	—	20002	0.34	—	—

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total Shares	
NIL								

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	% of total shares of the company	No. of shares	% of total shares of the company
1.	Saubhagya Realty and Trade LLP	2,88,888	4.95	2,88,888	4.95
2.	Edge Infratech LLP	2,51,502	4.312	2,51,502	4.312
3.	HB Stockholdings Limited	17,890	0.307	40,767	0.70
4.	Aquarious Portfolios Pvt. Ltd	38,991	0.67	32,941	0.56
5.	Merwanjee Securities Limited	31,120	0.53	31,120	0.53
6.	Rajiv Malhotra	15,489	0.266	14,905	0.26
7.	Shanti Girdhar	10,660	0.18	10,775	0.18
8.	Ashok Pandit	6,184	0.10	8,849	0.15
9.	Deepak Thakran	8,772	0.15	8,796	0.15
10.	Vivek Kumar Khemka	5,426	0.09	5,426	0.09

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. 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	8,48,000	—	1,11,28,000	1,19,96,000
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i)+(ii)+(iii)	8,48,000	—	1,11,28,000	1,19,96,000
2 **Change in Indebtedness during the financial year**				
Additions	—	—	23,60,000	23,60,000
Reduction	(8,29,000)	—	—	(8,29,000)
3 **Net Change**	(8,29,000)	—	23,60,000	(15,31,000)
4 **Indebtedness at the end of the financial year**				
i) Principal Amount	19,000	—	1,34,88,000	1,35,07,000
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i)+(ii)+(iii)	19,000	—	1,34,88,000	1,35,07,000

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Particulars of Remuneration			Name of Whole Time Director	
Sl. No.	**Gross salary**		**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.	19,53,337	10,56,000
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		—	—
	others (specify)		—	—
7	Others, please specify			
	-	Employer's contribution to PF		
	-	Encashment of earned leaves	—	—
	Total (A)		**19,53,337**	10,56,000
	Ceiling as per the Act			1,28,51,000

B. Remuneration to other directors:

Sl No	Name	Sitting Fees (Rs)	Commission (Rs)	Total Compensation (Rs)
I	**Non-Executive Directors**			
1	Mrs. Sarla Gupta	5,000	—	**5,000**
2	Mr. Mayur Gupta	10,000	—	**10,000**
3	Mr. Gaurav Gupta	10,000	—	**10,000**
	Total (I)	25,000	—	**25,000**
II	**Independent Directors**			
1	Mr. Denzel Keelor	12,500	—	**12,500**
2	Mr. G.S. Sawhney	7,500	—	**7,500**
3	Mr. Subhash Chander Jain	12,500	—	**12,500**
	Total (II)	**32,500**	**—**	**32,500**
	Grand Total (I + II)	**57,500**	**—**	**57,500**

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel: Mr. D.N. Tulshyan CFO	Key Managerial Personnel: Mr. Bhupinder Kumar Company Secretary	Total Amount Paid
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	11,47,688	11,18,467	22,66,155
	(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	**11,47,688**	**11,18,467**	**22,66,155**

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**			NONE		
	Penalty					
	Punishment					
	Compounding					
B.	**DIRECTORS**			NONE		
	Penalty					
	Punishment					
	Compounding					
C.	**OTHER OFFICERS IN DEFAULT**			NONE		
	Penalty					
	Punishment					
	Compounding					

ANNEXURE - B

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2018-19 (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 complaince 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 Guptaa Lt. Col. N.L. Khitha (Retd.)	Category of Director — Chairman / Member Independent — Chairman Non-Executive — Member Executive — Member
3.	Average net profit of the Company for last three financial year	Rs. 9,64,52,100/-
4.	**Prescribed** CSR Expenditure (2% of the amount as in item 2 above)	Rs. 19,29,042/-
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 2018-19.	 Rs. 19,29,042/- Rs. 19,29,042/- 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 in the Current year as well as 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.

Air Marshal Denzil Keelor (Retd.)
Chairman of the Board
& CSR Committee
DIN: 00999470

Place: New Delhi
Dated: 14.08.2019

ANNEXURE – C

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019

[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. 100000000

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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IST LIMITED (CIN L33301HR1976PLC008316) **(hereinafter called the Company)**. Secretarial Audit was conducted in a manner that provided by me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 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:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by company for the financial year ended on 31st March, 2019 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made there under;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made 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. Employees Provident Fund and Miscellaneous Provisions Act, 1952
viii Payment of Bonus Act, 1965
ix. 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

I 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 except to the extent as mentioned below:

The company has fails to spend the CSR amount of Rs. 46,54,663 during the financial year ended 31st March, 2019 as per provisions of Section 135 of the Companies Act, 2013 and rules made there under.

I 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.

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.

I 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 my letter of even date which is annexed as **'*Annexure A*'** and Forms an integral part of this report.

FOR VINOD KUMAR & CO.
COMPANY SECRETARIES

PLACE :- NEW DELHI
DATED:- 13.08.2019

CS VINOD KUMAR
(CP 5740 FCS 5740)

'Annexure A'

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

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I 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. My examination was limited to the verification of procedure on test basis.
6. 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.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of 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:- 13.08.2019

CS VINOD KUMAR
(CP 5740 FCS 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 to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year:**

Name of Director	Designation	Ratio of remuneration to median remuneration of all employees	% increase in remunerationin the Financial Year 2018-19
Independent Directors			
Air Marshal D. Keelor (Retd.)[1]	Director	N.A.	N.A.
Mr. Subhash Chander Jain[1]	Director	N.A.	N.A.
Mr. Brig. G.S. Sawhney (Retd)[1]	Director	N.A.	N.A.
Whole Time Directors / Executive Directors			
Mr. S.C. Jain	Executive Director	12.45	32.88
Mr. Lt. Col. N.L. Khitha (Retd.)	Director (Technical)	6.73	3.73
Non-Executive Directors			
Mrs. Sarla Gupta[1]	Director	N.A.	N.A.
Mr. Mayur Gupta[1]	Director	N.A.	N.A.
Mr. Gaurav Guptaa[1]	Director	N.A.	N.A.
Key Managerial Personnels (KMP's)			
Deoki Nandan Tulshyan	Chief Financial Officer	7.31	12.65
Bhupinder Kumar	Company Secretary	7.13	21.32

[1]*Only sitting fees was paid.*

2. The percentage increase in median remuneration of employees in the financial year : 8.96%

3. The number of permanent employees on the roll of Company as on March 31, 2019: 209

4. **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 salary & wages of the employees other than the managerial personnel has increased by approximately 3.50%. This marginal increase is due to decrease in number of employees and effect of annual increments during the year. The average percentile increase in the managerial remuneration is approximately 20.95%. The managerial remuneration have increase during the year due to revision in the remuneration of Sh. S. C. Jain, Executive Director of the Company w.e.f. 14th August, 2018 for the remaining period of his tenure., which was duly approved by the shareholders at their 42th Annual General Meeting held on 29th September, 2018.

5. **It is hereby affirmed that 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: 14.08.2019

Air Marshal Denzil Keelor (Retd.)
Chairman

ANNEXURE – E

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

(Fig. in Rs. Lacs)

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	Indian Rupees
4	Share Capital (Paid up Share Capital)	Rs. 100.00
5	Reserve & Surplus	Rs. 54,790.62
6	Total Assets	Rs. 59,133.64
7	Total Liability	Rs. 59,133.64
8	Investment	Rs.32,737.82
9	Turnover	Rs. 11,891.03
10	Profit before taxation	Rs. 10,912.29
11	Provision for taxation	Rs. 1,884.32
12	Profit after taxation	Rs. 9,027.97
13	Proposed Dividend	NIL
14	% of shareholding	100%
Part B: Associate Company		
1	Name of the Associate Company	IST Steel and Power Limited
2	Latest Audited Balance Sheet Date	31.03.2019
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	Net Worth attributable to shareholding as per latest audited balance sheet	Rs. 1,241.93
7	Profit / (Loss) for the year	—
	i) Considered in Consolidation	Rs. 48.89
	ii) Not considered in Consolidation	—

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

1. Name of the subsidiary which are yet to commence operations — NIL
2. Names of subsidiary which have been liquidated or sold during the year — NIL

For and on behalf of the Board of Directors

D.N. Tulshyan	Bhupinder Kumar	S.C. Jain	Mayur Gupta
C.F.O.	Company Secretary	Executive Director	Director
		DIN - 00092079	DIN - 00131376

CORPORATE GOVERNANCE REPORT

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 business practices, ensure 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 monitoring of performance on an ongoing basis.

2. BOARD OF DIRECTORS

The Board of Directors is resoponsible for 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 corporate goals. Being in the fiduciary relationship the Board ensures that the rights of all stakeholders are protected. It 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, 2019 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.

During the year under review 5 Board meetings were held on 30.05.2018, 13.08.2018, 13.11.2018, 12.12.2018 and 14.02.2019. 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 Regulation 17(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

In addition, a meeting of Independent Directors was held on 14.02.2019 without the attendance of non-independent directors and members of the management.

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, 2019 are given below:-

Directors / Category	Shares held	Attendance: Board Meetings[1]	Attendance: Last AGM	No. of other Directorships and Committee Memberships / Chairmanships in other public Companies: Director-ships[2]	Committee Member-ships[3]	Committee Chairman-ships
Air Marshal (Retd.) D. Keelor, Chairman Non-Executive / Independent	—	5	Yes	3	3	3
Mr. S.C. Jain, Executive	—	5	Yes	3	1	—
Mr. N.L. Khitha, Executive	—	5	Yes	—	—	—
Mr. Mayur Gupta, Non Independent, Non Executive	—	4	No	2	—	—
Mr. Gaurav Guptaa, Non Independent, Non Executive	—	4	Yes	3	1	—
Brig. (Retd.) G.S. Sawhney Non-Executive / Independent	—	3	No	—	1	—
Mrs. Sarla Gupta, Non Independent, Non Executive	—	2	No	2	—	—
Mr. Subhash Chander Jain Non-Executive / Independent	125	5	Yes	—	2	—

[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:

1. None of the Directors except Mrs. Sarla Gupta, Mr. Mayur Gupta and Mr. Gaurav Guptaa, are related to any Director.
2. 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).
3. 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).
4. 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 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 Marchal D. Keelor (Retd.), Chairman and Brig. G.S. Sawhney (Retd.) Member of the Committee are financially literated 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 5 (Five) times. The audit committee meetings were held on 30.05.2018, 13.08.2018, 13.11.2018 and 14.02.2019.

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.	3
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.

Composition and attendance

The Nomination and Remuneration Committee consists of four Directors out of which three are Independent Directors and one is Non Executive Director with Independent Director being the Chairman. The Committee held one meeting during the financial year on 13.08.2018. The particulars of members and attendance at the Committee Meetings are as under:

Members	Category	No. of meetings attended
Mr. Subhash Chander Jain[1]	Chairman, Non-Executive & Independent.	—
Mr. Gaurav Guptaa	Non-Executive, Non-independent	1
Air Marshal (Retd.) D. Keelor	Member, Non-Executive & Independent.	1
Brig. (Retd.) G.S. Sawhney	Member, Non-Executive & Independent.	1

[1]Appointed as the member of the Committee during the year.

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 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 w.r.t. the services of RTA.

Composition

The Stakeholders Relationship Committee consists of Three Directors out of which One is Independent Directors and one is Non Executive Director with Independent Director being the Chairman. The Committee held four meeting during the financial year on 05.07.2018; 09.10.2018; 05.01.2019 and 31.03.2019. The particulars of members and attendance at the Committee Meetings are as under:

Members	Category	No. of meetings attended
Air Marshal (Retd.) D Keelor	Chairman, Non Executive & Independent	2
Mr. S.C. Jain	Member, Executive	4
Mr. Gaurav Guptaa	Member, Non Executive / Promoter	4

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 01.04.2018 to 31.03.2019	3
Number of Complaints resolved during the year	3
Number of complaints not solved to the satisfaction of shareholders	Nil
Number of pending complaints as on 31.03.2019.	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 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, 2019. 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 Guptaa	Member, Non Executive / Promoter	1
Lt. Col. N.L. Khitha (Retd.)	Member, Executive	1

v) Risk Management

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, 2019, the Company was 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. The Independent / Non-executive directors of the Company are paid sitting fees for attending the meetings of the Board, 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 of Key Managerial Personnel(s) and other senior management personnel(s), subject to approval of board and / or shareholders, as may be applicable.

Details of Remuneration paid to Executive Directors / Whole Time Directors during the financial year ended 31st March, 2019:

Name & Designation	Salary (in Rs.)	Perquisites (Rs.)	Total (Rs.)	Tenure of appointment
Mr. S.C. Jain, Executive Director / Whole Time Director	19,53,337	—	19,53,337	14.08.2016 to 13.08.2019
Mr. N.L. Khitha, Director (Technical) /Whole Time Director	10,56,000	—	10,56,000	01.06.2017 to 31.05.2019

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

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

Director	Sitting Fee (Rs.)
Air Marshal (Retd.) D. Keelor	12,500/-
Mrs. Sarla Gupta	5,000/-
Mr. Mayur Gupta	10,000/-
Mr. Gaurav Guptaa	10,000/-
Brig. G.S. Sawhney	7,500/-
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 objectives 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 objective 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) **Code of Conduct**

The Company has adopted a Code of Conduct for all Board Members and Senior Management Personnel of the Company in accordance with the requirements of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Board Members and the Senior Management Personnel have given affirmation of compliance with the said Code of Conduct for the financial year ended 31st March, 2019. The Code of Conduct has been posted on the website of the Company.

i) **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, 2019 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.

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) **CEO/CFO Certification**

Mr. Suresh Chand Jain, Whole Time Director and Mr. Deoki Nandan Tulshyan, Chief Financial Officer, have furnished a certificate relating to financial statements and internal control systems as per the format prescribed under SEBI (LODR), Regulations, 2015 and the Board took the same on record.

l) **Directors with materially pecuniary or business relationship with the Company**

There has been no materially relevant pecuniary transaction or relationship between the Company and its nonexecutive and/or independent Directors for the period under review.

m) **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
2017-18	28.09.2018	11:30 AM	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana)
2016-17	29.09.2017	03:30 PM	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana)
2015-16	29.09.2016	11:30 AM	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana)

Ms Neetu Saini., Practicing Company Secretary (Membership No. 8446), of Neetu Saini & Associates, Company Secretaries (COP 9158) 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
2017-18	Following Special Resolution was passed in the AGM held on 28.09.2018: To approve Revision in the remuneration of Mr. S.C. Jain, Executive Director the remaining period of his tenure.
2016-17	Following Special Resolution was passed in the AGM held on 29.09.2017: To approve Re-appointment of Lt. Col. (Retd.) N.L. Khitha as Director (Technical) and remuneration payable
2015-16	Following Special Resolution was passed in the AGM held on 29.09.2016: To approve Re-appointment of Mr. S.C. Jain as Executive Director and remuneration payable

(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 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) 43rd Annual General Meeting

Day, Date & Time	Monday, the 30th September, 2019 at 11.30 A.M.
Venue	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana)
ii) Financial year	1st April to 31st March
iii) Financial Calendar (Tentative):	1st April, 2019 to 31st March, 2020
	Financial reporting
	Approval and Adoption of Financial Results for the quarter ended:On or before
30th June, 2019	14th August , 2019
30th September, 2019	14th November, 2019
31st December, 2019	14th February, 2020
31st March, 2020	30th May, 2020
iv) Book Closure	23.09.2019 to 30.09.2019 (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 annual listing fee for the year 2019-20 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 2018-19 on Bombay Stock Exchange is as under:

	BSE			SENSEX	
Month and Year	**High (Rs.)**	**Low (Rs.)**	**Volume (Nos.)**	**High**	**Low**
Apr' 18	1176.00	857.00	10555	35213.30	32972.56
May' 18	982.00	816.10	6739	35993.53	34302.89
Jun' 18	948.95	755.20	5509	35877.41	34784.68
Jul' 18	899.95	700.00	11535	37644.59	35106.57
Aug' 18	920.00	748.80	14107	38989.65	37158.99
Sep' 18	809.00	690.00	2653	38934.35	35985.63
Oct' 18	724.00	623.00	3854	36616.64	33291.58
Nov' 18	710.35	616.00	3318	36389.22	34303.38
Dec' 18	689.35	584.60	5376	36554.99	34426.29
Jan' 19	649.95	518.00	3963	36701.03	35375.51
Feb' 19	624.45	475.05	6219	37172.18	35287.16
Mar' 19	559	495.00	12837	38748.54	35926.94

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, 2019**

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 5000	6,940	97.760	588506	10.091
5001-10000	91	1.282	67386	1.155
10001-20000	32	0.451	43316	0.743
20001-30000	11	0.155	26255	0.450
30001-40000	4	0.056	14670	0.252
40001-50000	2	0.028	8972	0.154
50001-100000	5	0.070	34953	0.599
100001 and above	14	0.197	5047998	86.556
GRAND TOTAL	**7,099**	**100**	**5832056**	**100**

xi) **Shareholding pattern as on 31st March, 2019:**

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	5,40,390	9.26
Indian Public	9,07,914	15.57
NRIs/ OCBs	9,716	0.17
Others	-	-
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, 2019, out of the total equity shares, 53,72,492 (92.12%) 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.

Mas Services Limited, Registrar and Share Transfer Agents 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	**IST Limited** **Registered Office:** Dharuhera Indl. 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.

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.

DECLARATION BY THE EXECUTIVE DIRECTOR ON CODE OF CONDUCT AS REQUIRED BY REGULATION 26(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

This is to declare and confirm that the Company has received affirmations of compliances with the provisions of Company's code of conduct for the financial year ended March 31, 2019 from all the Directors and Senior Management personnel of the Company.

For IST Limited
Suresh Chand Jain
Executive Director
DIN: 00092079

Date: 13.08.2019
Place: New Delhi

CERTIFICATION BY EXECUTIVE DIRECTOR (CEO) AND CHIEF FINANCIAL OFFICER

To
The Board of Directors,
IST Limited

We, Suresh Chand Jain, Executive Director and Deoki Nandan Tulshyan, Chief Financial Officer of IST Limited ("the Company") hereby certify that:

A. We have reviewed the financial statements and the cash flow statement of the Company for the financial year ended March 31, 2019 and that to the best of our knowledge and belief:

   (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that are misleading; and

   (b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we are aware of, and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee, wherever applicable:

   (i) significant changes in internal control over financial reporting during the year;

   (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For IST Limited

Place: New Delhi	(Suresh Chand Jain)	(Deoki Nandan Tulshyan)
Date: 30.05.2019	Executive Director	Chief Financial Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of
IST Limited
Dharuhera Industrial Complex,
Delhi – Jaipur Highway No. 8,
Kapriwas, Dharuhera,
Rewari – 123106, Haryana.

1. That IST Limited (CIN: L33301HR1976PLC008316) is having registered office at Dharuhera Industrial Complex, Delhi – Jaipur Highway No. 8, Village Kapriwas, Dharuhera, Rewari – 123106, Haryana (hereinafter referred as "the Company"). The equity shares of the Company are listed on BSE Limited.

2. I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the Company, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31st March, 2019, the Board of Directors of the Company comprises of the following directors:

Sl. No.	Name of Director	Director Identification No. (DIN)
1.	Air Marshal Denzil Keelor	00380111
2.	Mr. Suresh Chand Jain	00092079
3.	Lt. Col. (Retd.) Narinder Lal Khitha	01128275
4.	Mr. Mayur Gupta	00131376
5.	Mr. Gaurav Guptaa	00047372
6.	Mrs. Sarla Gupta	00069053
7.	Brig. (Retd.) Gurcharan Singh Sawheny	01037821
8.	Mr. Subhash Chander Jain	00169972

3. Based on verification and examination of the disclosures/ register under section 184/ 189, 170, 164, 149 of the Companies Act, 2013 (the Act) and DIN based search on MCA Portal (www.mca.gov.in), I certify as under:

4. None of the above named Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority for the Financial Year ended 31st March, 2019.

5. Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

6. This certificate is based on the information and records available up to date of this certificate and I have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

For Vinod Kumar & Co.,
Company Secretaries

Date: 13.08.2019
Place: New Delhi

CS Vinod Kumar Aneja
CP: 5740, FCS 5740

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANACE

To the Members of
IST Limited

I have examined the compliance of conditions of corporate governance by IST Limited for the year ended 31st March 2019 as stipulated as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the year ended 31st March, 2019.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

I have conducted my review on the basis of the relevant records and documents maintained by the Company and furnished to me for the review and the information and explanations given to me by the Company.

In my opinion and to the best of my information and according to the explanations given to me , I 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.

I 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 VINDO KUMAR & CO.,
COMPANY SECRETARIES

Date: 13.08.2019
Place: New Delhi

CS VINOD KUMAR ANEJA
CP: 5740, FCS 5740

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a) Overall Economic View

The Indian economy witnessed testing time post demonetization, implementation of GST and other structural reforms during the past few years. The economy however stabilized and has regained its status as the fastest growing major economy. The GDP growth 7% in the fiscal 2018-19 as against 6.6% in 2017-18 and is expected to continue its impressive growth.

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 and in terms of production. The auto-components industry accounted for 2.3 per cent of India's Gross Domestic Product (GDP) in 2017-18. During the same period, 1.5 million people directly and 1.5 million people indirectly were employed in the auto-components industry. The auto components sector has been observing robust growth with a turnover of US$ 51.2 billion in FY18 and turnover is anticipated to reach US$ 200 billion by FY26. India's exports of auto components could account for as much as 26 per cent of the market by 2021. Auto-component production in 2018-19 is expected to increase 12-14 per cent in FY19, on the back of robust growth in domestic and export markets. Favourable government policies such as Auto Policy 2002, Automotive Mission Plan 2016-2026, National Automotive Testing and R&D Infrastructure Projects (NATRiPs), have helped the Indian auto components industry achieve considerable growth. The government has also extended the FAME Scheme from September 2018 to March 2019.

(Source: www.ibef.org)

Development of Infrastructure for IT / ITES Sector

India is the preferred offshore destination for global IT companies. India has vast and readily available pool of IT professionals, who are not only highly qualified talent but also cost effective as compared to man-power available in developed countries. Having proven its capabilities in delivering both on-shore and off-shore services to global clients, the Indian 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 ancillary support functions. More importantly, the Industry has led the economic transformation of the Country and altered the perception of India in the global economy. With several global IT firms setting up their innovation centers in India, the country has become the digital capabilities hub of the world with around 75 per cent of global digital talent present in the country.

Rapidly growing urban infrastructure has fostered several IT centers across the country and the sector is expected to create direct employment opportunities of 10 million and indirect employment opportunities of 40 million by 2020. India's IT industry contributed around 7.7 per cent to the country's GDP and is expected to contribute 10 per cent of India's GDP by 2025. India accounts for approximately 55 per cent of the market share of US$185-190 billion global services sourcing business in FY 2017-18. Indian IT / ITeS companies are spreading their wings globally and have set-up over 1000 global delivery centers in about 80 countries across the world. India's IT & ITeS industry grew to US$ 181 billion in 2018-19. The Exports from the industry increased to US$ 137 billion in FY19 while domestic revenues (including hardware) advanced to US$ 44 billion. According to the report the Industry is expected to reach US$ 200 billion to US$ 225 billion in revenues by 2020 and over US$ 350 billion by 2025, from a base of US$ 154 billion in 2017.

(Source: www.iebf.org.)

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 March, 2019 were recorded at US$ 21.38 billion. [Source: Department for promotion of industry and internal trade(DPIIT}]

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 and International manufacturers who have the potential for the large scale production and give price competition. New technology coming-in through the global players and large domestic companies, makes the environment challenging for smaller size companies. 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 it has been the endeavor of the Company to remain Competitive and adaptive to the rapid diversification, technology upgradation and customer demand. 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

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. 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)

The increase in economic activities across the world, companies in US, Europe and other developed economies are opening up opportunities for the IT related service providers in India. 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 High Precision Auto Components. During the year under review the gross revenue stood at Rs. 3,295.19 and profit after tax stood at Rs. 761.26. The earning per share was at Rs. 13.25 per share.

The wholly owned subsidiary of the Company engaged in Development and operations of IT & ITES SEZ continue to have steady growth. The gross revenue of Rs. 11891.03 Lacs and the net profit after tax was Rs. 9027.91 Lacs. The earning per share was at Rs. 9027.97 per share.

e) Risk and Concerns and its Management

Stiff competition both from domestic and overseas auto component manufactures, uncertainty arising from currency volatility, rise in input cost, 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 rapid technological advancement are one of the major concern for the business. In addition the growth of the Company dependent on the automobile sector which makes the market uncertain at times. General economic conditions also effect the performance of the Company. Change in regulatory environment always and government policy may also impact the Industry.

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. The Company has inherent system for identifying and mitigating the Risk associated. The senior management meets periodically to discuss various operational matters and risks involved therein.

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 internal audit system, documented policies, guidelines and procedures and are reviewed by the management on regular basis. 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 believed that the health, safety and security of everyone who works for the Company is critical to the success of the business operations. Constant Human Resource training and development is important for the growth of the Company. Employees relations continue to be harmonious and positive.

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 AUDITOR'S REPORT

TO THE MEMBERS OF IST LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of IST Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditors' Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Investments as on 31st March, 2019 *(Refer to Note no.8 and 13 to the notes to the standalone financial statements)*	
This is the largest asset on the balance sheet. Our audit effort has increased in this area and in particular, there is significant focus on considering whether the underlying investments are valued appropriately. These included investments in quoted and unquoted equity shares, mutual funds, preference shares and tax free bonds. Investments also include investment in wholly owned subsidiary and in associate company. The valuation of investments is based on a range of inputs. Many of the inputs required can be obtained from readily available liquid market prices and rates. Where observable market data is not available, estimates must be developed based on the most appropriate source data and are subject to a higher level of judgement. Accordingly, investment was determined to be a key audit matter in our audit of standalone financial statements.	Our audit procedure included the following: • Testing whether associated controls in respect of the valuation process are operating properly and assessing whether the valuation process is appropriately designed and captures relevant valuation inputs. • Assessing the availability of quoted prices in liquid markets. • Performing our own independent price checks using external quotes for liquid positions and to identify any potential impairment. • We also assessed whether the Company's disclosures in relation to the valuation of investments are compliant with the relevant accounting requirements.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, but does not include the standalone financial statements and our auditors' report thereon. The Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read the Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our

opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
   e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would impact its financial position.

   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.

For Gupta Vigg & Co.
Chartered Accountants
Firm's Registration Number: 001393N
(CA. Deepak Pokhriyal)
Partner
Membership Number: 524778

Place of Signature: New Delhi
Date: 30 May, 2019

Annexure 'A' To the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2019, we report that:

(i) In respect of fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of verification of fixed assets. All the fixed assets have been physically verified by the management during the year except furniture and fixtures and office equipments, which in our opinion is reasonable having regard to size of the Company and nature of fixed assets. No material discrepancies were noticed on such verification.

(c) On the basis of information and explanation provided by the management, the title deeds of immovable properties are held in the name of the Company and the title deed in respect of sub lease of Commercial Property at Noida is pending for Registration.

(ii) On the basis of information and explanation provided by the management, inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on physical verification of inventories by the management.

(iii) According to the information and explanations given to us, the Company has granted an unsecured loan to one party in the past covered under Section 189 of the Act.

(a) The terms and conditions on which loan has been granted to the borrower company covered under Section 189 of the Act is not, prima facie, prejudicial to the interest of the Company.

(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.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. In our opinion and according to the information and explanations given to us, there are no guarantees or security provided by the Company.

(v) The Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records for the Company under section 148(1) of the Companies Act, 2013. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and service tax, cess and other applicable statutory dues with the appropriate authorities.

There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, duty of customs, goods and services tax, cess and other applicable statutory dues in arrears as at March 31 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, value added tax, service tax, goods and services tax, duty of customs and duty of excise, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have any outstanding loans or borrowings from financial institutions or government and there are no dues to debenture holders during the year.

(ix) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) The Company has paid or provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to Act.

(xii) The Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) The Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For Gupta Vigg & Co.
Chartered Accountants
Firm's Registration Number: 001393N
(CA. Deepak Pokhriyal)
Partner
Membership Number: 524778

Place of Signature: New Delhi
Date: 30 May, 2019

Annexure 'B' To the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of IST Limited)

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 March 31, 2019 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 ('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") 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 auditors' 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, to the best of our information and according to the explanations given to us, 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, 2019, 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 Gupta Vigg & Co.
Chartered Accountants
Firm's Registration Number: 001393N
(CA. Deepak Pokhriyal)
Partner
Membership Number: 524778

Place of Signature: New Delhi
Date: 30 May, 2019

BALANCE SHEET AS AT 31ST MARCH, 2019

(All amounts in rupees lakhs unless otherwise stated)

ASSETS	Note	As at 31 March, 2019	As at 31 March, 2018
Non-current assets			
Property, plant and equipment	5	**855.26**	791.35
Investment property	6	**5,696.96**	5,791.02
Intangible assets	7	**3.36**	2.85
Intangible assets under development	7A	**—**	0.25
Financial assets			
Invetsments	8	**8,530.09**	8,593.03
Loans	9	**555.08**	502.60
Other financial assets	10	**8.64**	8.14
Other non current assets	11	**92.35**	520.35
		15,741.74	16,209.59
Current assets			
Inventories	12	**725.24**	745.92
Financial assets			
Investments	13	**1,928.05**	446.99
Trade receivable	14	**374.37**	543.71
Cash and cash equivalents	15	**65.65**	370.79
Loans	16	**—**	3.60
Other financial assets	17	**14.87**	11.50
Current tax assets (net)	18	**24.53**	—
Other current assets	19	**212.09**	26.10
		3,344.80	2,148.61
TOTAL		**19,086.54**	18,358.20
EQUIY & LIABILITIES			
Equity			
Equity share capital	20	**584.68**	584.68
Other equity	21	**17,860.87**	17,100.24
		18,445.55	17,684.92
Non-current liabilities			
Financial liabilities			
Other financial liabilities	22	**134.88**	111.28
Provisions	23	**109.94**	110.23
Deferred tax liabilities (net)	24	**22.71**	43.69
Other non-current liabilities	25	**30.26**	84.98
		297.79	350.18
Current liabilities			
Financial liabilities			
Borrowings	26	**0.19**	8.48
Trade payables	27		
Total outstanding dues to micro enterprises and small enterprises		**15.90**	8.28
Total outstanding dues to creditors other than micro enterprises and small enterprises		**22.96**	35.42
Other financial liabilities	28	**156.25**	124.77
Other current liabilities	29	**39.26**	57.68
Provisions	30	**108.64**	84.85
Current tax liabilities (net)	31	**—**	3.62
		343.20	323.10
		19,086.54	18,358.20

Accompanying notes form an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

For Gupta Vigg & Co.
Chartered Accountants
Firm Registration NO. 001393N

For and on behalf of the Board of Directors of IST Limited

CA. Deepak Pokhriyal	D.N.Tulshyan	Bhupinder Kumar	Mayur Gupta	S.C.Jain
Partner	Chief Financial Officer	Company Secretary	Director	Executive Director
Membership No. 524778			DIN-00131376	DIN-00092079

Place:New Delhi
Dated: 30 May, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(All amounts in rupees lakhs unless otherwise stated)

	Note	Year ended 31 March, 2019	Year ended 31 March, 2018
Income			
Revenue from operations	32	**2,237.06**	2,466.02
Other income	33	**1,058.13**	1,178.05
Total Income		**3,295.19**	3,644.07
Expenses			
Cost of materials consumed	34	**473.01**	469.48
Changes in inventories of work-in-progress and finished goods	35	**47.15**	32.12
Excise duty on sale goods		**—**	67.43
Employee benefits expense	36	**917.38**	880.36
Finance costs	37	**6.76**	19.65
Depreciation and amortisation expense	38	**275.29**	276.43
Other expenses	39	**629.02**	613.20
Total expenses		**2,348.61**	2,358.67
Profit before tax		**946.58**	1,285.40
Tax expense	40		
Current tax		**189.89**	320.00
Deferred tax		**(20.73)**	(40.90)
Income tax for earlier years		**16.16**	0.03
		185.32	279.13
Profit after tax		**761.26**	1,006.27
Other comprehensive income/(loss)			
Items that will not be reclassified to profit and loss			
- Remeasurement income/(loss) on defined benefit plans		**(0.89)**	1.75
- Income tax relating to above items		**0.26**	(0.48)
Total comprehensive income for the year		**760.63**	1,007.54
Earnings per equity share (in Rs.)			
Equity shares of par value Rs.10/- each	41		
Basic		13.05	17.25
Diluted		13.05	17.25

Accompanying notes form an integral part of these financial statements.

This is the Statement of profit and loss referred to in our report of even date.

For Gupta Vigg & Co.
Chartered Accountants
Firm Registration NO. 001393N

For and on behalf of the Board of Directors of IST Limited

CA. Deepak Pokhriyal
Partner
Membership No. 524778
Place:New Delhi
Dated: 30 May, 2019

D.N.Tulshyan
Chief Financial Officer

Bhupinder Kumar
Company Secretary

Mayur Gupta
Director
DIN-00131376

S.C.Jain
Executive Director
DIN-00092079

Cash Flow Statement for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

Particulars		Year ended 31 March 2019	Year ended 31 March 2018
Cash flows from operating activities			
Profit before tax		**946.59**	1,285.40
Adjustments for:			
Depreciation and amortisation expense		**275.29**	276.43
Finance costs		**3.25**	16.80
Interest income		**(376.89)**	(391.16)
(Gain)/Loss on fair value of investments measured at FVTPL		**(102.36)**	43.68
Loss on sale of investments measured at FVTPL		**3.42**	—
Amount receivable written off/(Amount payable written back)(net)		**5.64**	6.51
Investment written off		**—**	0.20
Discount & liquidated damages		**15.09**	13.22
(Profit)/ Loss on disposal of property, plant and equipment (net)		**(2.36)**	(13.22)
(Profit)/Loss on sale of current investment		**3.16**	(0.41)
Dividend income		**(2.03)**	(0.02)
Operating profit before working capital changes		**768.80**	1,237.43
Movement in working capital changes			
Inventories		**20.68**	12.76
Trade receivables		**148.61**	40.53
Trade payables		**(4.84)**	(3.82)
Loans		**(47.24)**	(8.85)
Other financial assets		**238.39**	(63.66)
Provisions		**22.61**	14.05
Financial & other liabilities		**(21.29)**	21.03
Cash generated from operations		**1,125.72**	1,249.47
Income tax refunded /(paid) (net)		**(234.20)**	(325.24)
Net cash generated from operating activities	**A**	**891.52**	924.23
Cash flows from investing activities			
Purchase of property, plant, and equipment		**(255.97)**	(46.15)
Sale of property, plant, and equipment		**13.87**	17.71
Purchase of intangible assets		**(0.95)**	(3.17)
Purchase of current investments		**(2,198.86)**	(1,425.17)
Sale of current investments		**876.32**	935.20
Purchase of non- current investments		**—**	(300.00)
Interest received		**375.21**	387.71
Dividend income		**2.03**	0.02
Net cash generated from/(used in) investing activities	**B**	**(1,188.35)**	(433.85)

Particulars		Year ended 31 March 2019	Year ended 31 March 2018
Cash flows from financing activities			
Proceeds from/(Repayment of) short term borrowings		**(8.29)**	8.48
Repayment of long term borrowings		**—**	(400.00)
Finance cost paid		**(0.02)**	(11.97)
Net cash used in financing activities	**C**	**(8.31)**	(403.49)
Net (decrease)/increase in cash and cash equivalents	**D=(A+B+C)**	**(305.14)**	86.89
Cash and cash equivalents at the beginning of the year	**E**	**370.79**	283.90
Cash and cash equivalents at the end of the year (D+E) {refer note 15 }		**65.65**	370.79

Accompanying notes form an integral part of these financial statements.

Note: The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) Statement of Cash Flow.

This is the Cash flow statement referred to in our report of even date.

For Gupta Vigg & Co.
Chartered Accountants
Firm Registration NO. 001393N

For and on behalf of the Board of Directors of IST Limited

CA. Deepak Pokhriyal
Partner
Membership No. 524778
Place:New Delhi
Dated: 30 May, 2018

D.N.Tulshyan
Chief Financial Officer

Bhupinder Kumar
Company Secretary

Mayur Gupta
Director
DIN-00131376

S.C.Jain
Executive Director
DIN-00092079

Statement of Changes in Equity for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

A	Equity share capital	Amount
	Balance as at 1 April 2017	**584.68**
	Changes during the year	—
	Balance as at 31 March 2018	**584.68**
	Balance as at 1 April 2018	**584.68**
	Changes during the year	—
	Balance as at 31 March 2019	**584.68**

B Other Equity

Particulars	Reserves and Surplus			Total
	General reserve	Securities premium reserve	Retained earning	
Balance as at 1 April, 2017	11,080.04	60.59	4,952.07	16,092.70
Profit for the year	—	—	1,006.27	1,006.27
Other comprehensive income (net of tax)	—	—	1.27	1.27
Balance as at 31 March, 2018	**11,080.04**	**60.59**	**5,959.61**	**17,100.24**
Balance as at 1 April, 2018	11,080.04	60.59	5,959.61	17,100.24
Profit for the year	—	—	761.26	761.26
Other comprehensive income (net of tax)	—	—	(0.63)	(0.63)
Balance as at 31 March, 2019	**11,080.04**	**60.59**	**6,720.24**	**17,860.87**

The accompanying notes are an integral part of these financial statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For Gupta Vigg & Co.
Chartered Accountants
Firm Registration NO. 001393N

For and on behalf of the Board of Directors of IST Limited

CA. Deepak Pokhriyal
Partner
Membership No. 524778
Place:New Delhi
Dated: 30 May, 2019

D.N.Tulshyan
Chief Financial Officer

Bhupinder Kumar
Company Secretary

Mayur Gupta
Director
DIN-00131376

S.C.Jain
Executive Director
DIN-00092079

Summary of significant accounting policies and other explanatory information for the year ended 31st March 2019

1. Corporate information and statement of compliance with Indian Accounting Standards (Ind AS)

IST Limited ("the Company") a public limited company domiciled in India and having its registered office at Dharuhera Industrial Complex, Delhi-Jaipur Highway no. 8, Kapriwas, Dharuhera, Rewari 123106, was incorporated under the provisions of Companies Act, 1956. The Company is primarily engaged in the business of manufacturing of high precision engineering components / assemblies including auto components.

The financial statements of the Company have been prepared to comply in all material respects with accounting principles generally accepted in India, including Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

2. Basis of preparation and significant accounting policies

a. Basis of preparation

The financial statements have been prepared on accrual and going concern basis under historical cost convention except for certain financial instruments which are measured at fair values.

The significant accounting policies and measurement bases have been summarised below.

Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and as per terms of agreements wherever applicable. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

b. Revenue recognition

Revenue arises mainly from the sale of manufactured and traded goods.

To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and service tax, etc.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

Sale of goods

Revenue from sale of goods is recognised when the control of goods is transferred to the buyer as per the terms of the contract, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods.

Rendering of services

Revenue from services is recognised as and when the services are rendered and on the basis of contractual terms with the parties.

Interest

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Dividend income

Dividend are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Rental income

Rental income is recognized on a straight-line basis over the terms of the lease, except for contingent rental income which is recognized when it arises and where scheduled increase in rent compensates the lessor for expected inflationary costs.

c. Inventories

Finished goods, work in progress, raw material, stores, spares and components are valued at lower of cost and net realisable value. Cost of inventory has been arrived at by using the weighted average cost formula. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) & all other costs incurred to bring the inventories to their present condition and location. Tools and instruments are valued at cost less depletion in value. Stock of scrap is valued at estimated realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d. Income taxes

Tax expense recognised in the statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income (OCI) or directly in equity.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Current tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (i.e. in OCI or equity depending upon the treatment of underlying item).

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside statement of profit and loss (in OCI or equity depending upon the treatment of underlying item).

e. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

f. Foreign currency transactions

The financial statements are presented in Indian Rupee ('INR' or 'Rs.') which is also the functional currency of the Company.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income/expenses, as the case maybe.

g. Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below:

Non-derivative financial assets

Subsequent measurement

i. **Financial assets carried at amortised cost** – A financial asset is measured at the amortised cost, if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. **Fair value through OCI**-A financial asset is measured at FVTOCI if both of the following conditions are met:

- The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely paymentsof principal and interest on the principal amount outstanding.

iii. **Fair value through profit or loss** – Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables: In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets: In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

De-recognition of financial assets

A financial asset is primarily de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

i. Property, plant and equipment ('PPE')

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, taxes(non recoverable) borrowing cost if capitalisation criteria are met and other expenses directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and definition of asset is met. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognised as interest expense and not included in cost of asset.

Subsequent measurement (depreciation and useful lives)

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.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

j. Investment properties

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful lives (as set-out below) prescribed in Schedule II to the Act:

Asset Category	Useful Life (in years)
Buildings and related equipments	60

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

k. Intangible assets

Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Subsequent measurement (depreciation and useful lives)

Amortisation 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.

De-recognition

An item of intangible assets and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

l. Capital work-in progress

Cost of material consumed and erection charges thereon along with other direct cost incurred by the Company for the projects are shown as capital work-in-progress until capitalisation. Claims for price variation / exchange rate variation in case of contracts are accounted for on acceptance / receipt of claim.

m. Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For this purpose, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash generating units). If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

n. Operating leases as a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease, unless the increase in rent is to compensate the lessor for the effects of inflation.

o. Borrowing costs

Borrowing costs directly attributable to the acquisitions, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption.

p. Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises when there is a presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

q. Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard 19- Employee Benefits.

Defined benefit plans

Gratuity

The Company operates one defined benefit plan for its employees, viz. gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gain and loss for the defined benefit plan is recognized in full in the period in which they occur in other comprehensive income.

Other long term benefits

Accumulated leave expected to be carried forward beyond twelve months, is treated as long term employee benefit. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short term employee benefit.

Liability under continuity linked key resource and deferred salary schemes is provided for on actuarial valuation basis, which is done as per the projected unit credit method at the end of each financial period.

Defined contribution plans

Provident Fund

The Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which services are rendered by the employee.

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

r. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

s. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting done to the chief operating decision maker. The Company operates in a single operating segment and geographical segment.

t. Investment in Subsidiary and Associate Companies

The Company has elected to recognize its investments in subsidiary and associate companies at cost in accordance with the option available in Ind AS 27, ‘Separate Financial Statements’.

3 Recent accounting pronouncement

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying amendments to Ind AS 12, ‘Income taxes’, Ind AS 19, ‘Employee benefits, Ind AS 23, ‘Borrowing costs and also Ind AS 116 ‘Leases’. These amendments rules are applicable to the Company from 1 April 2019.

Ind AS 116- Leases:

On 30 March 2019, MCA has notified Ind AS 116, Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of ’low-value’ assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today’s accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application

Ind AS 116, which is effective for annual periods beginning on or after 01 April 2019, requires lessees and lessors to make more extensive disclosures than under Ind AS 17. The Company is evaluating the requirements of this new standard on its financial statements.

Appendix C to Ind AS 12, Uncertainty over income tax treatment:

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed.

The standard permits two possible methods of transition:

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The interpretation is effective for annual reporting periods beginning on or after 01 April 2019. The Company is evaluating the impact of this amendment on its financial statements.

Amendments to Ind AS 19, Plan amendment, curtailment or settlement:

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss. An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 01 April 2019, with early application permitted. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Company. The Company does not expect any impact on its financial statements of such amendment.

Amendments to Ind 23 Borrowing costs:

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 01 April 2019, with early application permitted. The Company is evaluating the impact of this amendment on its financial statements.

4. Significant accounting judgements, estimates and assumptions

When preparing the financial statements management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgments, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:

Significant judgements:

(i) Evaluation of indicators for impairment of non-financial assets

The evaluation of applicability of indicators of impairment of non-financial assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

(ii) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised. The recognition of deferred tax assets and reversal thereof is also dependent upon management decision relating to timing of availment of tax holiday benefits available under the Income Tax Act, 1961 which in turn is based on estimates of future taxable profits.

Sources of estimation uncertainty:

(i) Provisions

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from management's estimates.

(ii) Fair valuation of financial instruments

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Notes to the Financial Statements as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

5. Property, Plant and Equipment

Particulars	Plant & Machinery	Furniture	Vehicles	Office equipment	Total
Gross carrying value					
As at 1 April 2017	969.28	32.43	75.89	41.28	1,118.88
Additions	18.59	0.35	18.73	8.48	46.15
Disposals/Adjustments	(44.84)	—	(13.84)	—	(58.68)
Total as at 31 March, 2018	943.03	32.78	80.78	49.76	1,106.35
As at 1 April 2018	943.03	32.78	80.78	49.76	1,106.35
Additions	213.36	0.06	33.51	9.04	255.97
Disposals/ adjustments	—	—	(66.25)	-	(66.25)
Total as at 31 March, 2019	**1,156.39**	**32.84**	**48.04**	**58.80**	**1,296.07**
Accumulated depreciation					
As at 1 April 2017	150.14	4.88	20.49	13.70	189.21
Charge for the year	150.03	4.84	13.63	11.48	179.98
Disposals/Adjustments	(42.60)	—	(11.59)	—	(54.19)
Total as at 31 March, 2018	257.57	9.72	22.53	25.18	315.00
As at 1 April 2018	257.57	9.72	22.53	25.18	315.00
Charge for the year	154.34	4.65	12.31	9.25	180.55
Disposals/Adjustments	—	—	(54.74)	—	(54.74)
Total as at 31 March, 2019	**411.91**	**14.37**	**(19.90)**	**34.43**	**440.81**
Net carrying value					
As at 31 March, 2019	**744.48**	**18.47**	**67.94**	**24.37**	**855.26**
As at 31 March, 2018	685.46	23.06	58.25	24.58	791.35

Notes:

(i) The Company has contractual commitments of Rs.43.21 lakhs for the year eneded 31 March 2019 (31 March 2018 Rs.Nil).

(ii) The company has not capitalised any borrowing cost during the year ended 31 March 2019 (31 March 2018:Nil).

Notes to the Financial Statements as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

6. Investment property

Particulars	Freehold Land	Building**	Total
Gross carrying value			
As at 1 April 2017	361.95	5,617.19	5,979.14
Additions	—	—	—
Disposals/Adjustments	—	—	—
Total as at 31 March, 2018	361.95	5,617.19	5,979.14
As at 1 April 2018	361.95	5,617.19	5,979.14
Additions	—	—	—
Disposals/Adjustments	—	—	—
Total as at 31 March, 2019	**361.95**	**5,617.19**	**5,979.14**
Accumulated depreciation			
As at 1 April 2017	—	94.06	94.06
Charge for the year	—	94.06	94.06
Disposals/Adjustments	—	—	—
Total as at 31 March, 2018	—	188.12	188.12
As at 1 April 2018	—	188.12	188.12
Charge for the year	—	94.06	94.06
Disposals/Adjustments	—	—	—
Total as at 31 March, 2019	**—**	**282.18**	**282.18**
Net carrying value			
As at 31 March, 2019	**361.95**	**5,335.01**	**5,696.96**
As at 31 March, 2018	361.95	5,429.07	5,791.02

* Building includes commercial property at Noida, Uttar Pardesh amounting of Rs 4694.79 lakhs (31 March 2018: 4694.79), whose registration is pending.

(i) Amount recognised in profit and loss for investment properties

Particulars	31 March 2019	31 March 2018
Rental income	**541.41**	734.75
Direct operating expenses that did not generate rental income	**4.82**	2.68
Profit from leasing of investment properties	**536.59**	732.07
Depreciation for the year	**94.06**	94.06
Profit after depreciation	**442.53**	638.01

(ii) Fair value of investment properties

Particulars	31 March 2019	31 March 2018
Fair value	**5,011.02**	4,865.07

(iii) Leasing arrangements

The aforementioned investment property is leased to a tenant under long term operating lease agreement with rentals payable monthly. Minimum payments expected to be received under non-cancellable subleases at the balance sheet date:

Particulars	31 March 2019	31 March 2018
Not later than one year	**341.99**	707.49
Later than one year but not later than five years	**—**	823.63
Later than five years	**—**	—

Notes to the Financial Statements as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

7. Intangible assets

- Intangible assets consist of computer softwares

Particulars	Amount
Gross carrying value	
As at 1 April 2017	5.60
Additions	2.92
Disposals/Adjustments	—
Total As at 31 March, 2018	8.52
As at 1 April 2018	8.52
Additions	1.20
Disposals/Adjustments	—
Total As at 31 March, 2019	**9.72**
Accumulated amortisation	
As at 1 April 2017	3.28
Charge for the year	2.39
Disposals/Adjustments	
Total As at 31 March, 2018	5.67
As at 1 April 2018	5.67
Charge for the year	0.69
Disposals/Adjustments	—
Total As at 31 March, 2019	**6.36**
Net carrying value	
As at 31 March, 2019	**3.36**
As at 31 March, 2018	2.85

(i) The Company does not have any contractual commitments for the year eneded 31 March 2019(31 March 2018: Rs.0.95 Lakhs)

7A. Intangible assets under development

Particulars	As at 31 March, 2019	As at 31 March, 2018
Intangible assets under development	—	0.25

Notes to the Financial Statements as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

		As at 31 March, 2019	As at 31 March, 2018
8	**Investment - Non current**		
	Investment in equity instruments (fully paid-up)		
	Unquoted, equity shares of subsidiary company (measured at cost)		
	Gurgaon Infospace Ltd *	**100.00**	100.00
	1,00,000 (March,31 2018, 1,00,000) Equity shares of Rs.100/- each		
	Unquoted, equity shares of associate company (measured at cost)		
	IST Steel & Power Ltd	**884.00**	884.00
	88,40,000 (March,31 2018, 88,40,000) equity shares of Rs.10/- each		
	Quoted, equity shares (measured at fair value through profit and loss)		
	J.C.T.Ltd	**0.08**	0.13
	4,800 (March,31 2018, 4,800) equity shares of Rs.2.50 each		
	Rossell India Ltd.	**5.40**	7.32
	8,000 (March,31 2018 , 8,000) equity shares of Rs.10/- each		
	Indian Oil Corporation Ltd	**32.29**	34.99
	19,845 (March,31 2018, 19,845) equity shares of Rs.10/- each		
	Pertronet LNG Ltd	**—**	69.39
	Nil (March,31 2018, 30,000) equity shares of Rs.10/- each		
	Investment in preference shares (fully paid-up)		
	Unquoted, non-convertible preference shares		
	(measured at fair value through profit and loss)		
	Associate company		
	IST Steel & Power Ltd		
	Debt portion of 15,00,000 (March,31 2018, 15,00,000)		
	9% non cumulative, non convertible Preference shares of		
	Rs.100/- each, redeemable at par	**1,526.70**	1,528.80
	Other company		
	Subham Infra developers (P) Ltd		
	Debt portion of 11,50,000 (March,31 2018, 11,50,000)		
	9% non cumulative, non convertible preference shares of Rs.100/- each	**1,173.58**	1,172.31
	Investments in government or trust securities		
	Quoted, investment in tax free bonds (measured at amortised cost)		
	1,50,000 (March,31 2018, 1,50,000) 7.51%,		
	HUDCO 15 years Tax-free bonds Rs.1,000/- each	**1,513.58**	1,513.58
	12,491 (March,31 2018 , 12,491) 7.28% , NTPC		
	15 years Tax free bond series 2A Rs.1,000/- each	**129.34**	129.34
	Unquoted, investment in tax free bonds (measured at amortised cost)		
	100 (March,31 2018, 100) 7.15% IRFC		
	10 years Tax free bond series 100 Rs.10,00,000/-each	**1,068.76**	1,068.96
	100 7.00%,(March,31 2018, 100) HUDCO 10 years Tax-free bonds series C		
	Rs.10,00,000/- each	**1,033.28**	1,033.28
	70 (March,31 2018, 70) 7.28% NHAI		

Notes to the Financial Statements as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

	As at 31 March, 2019	As at 31 March, 2018
15 years Tax free bond of Rs. 10,00,000/- each	**750.75**	750.75
Investment in mutual fund #		
Unquoted, (measured at fair value through profit and loss)		
SBI DAF-series-XXV reg-growth		
30,00,000 (March,31 2018, 30,00,000) units	**312.33**	300.18
Total	**8,530.09**	8,593.03
Total non-current investments		
Aggregate value of quoted investments	**1,680.69**	1,754.75
Market value of quoted investments	**1,808.29**	1,882.05
Aggregate value of unquoted investments	**6,849.40**	6,838.28
Aggregate value of impairment in the value of investments	**—**	—

* The company's investment in its wholly owned subsidary namely Gurgaon Infospace Ltd are held in its own name except six equity shares which are held in the name of its nominees.

#State Bank of India has created lien on this fund for accepting the cash margin for issuing bank guarantees.

9 Loans -Non current

(Unsecured, considered good unless otherwise stated)

Security deposits		
- Related parties	**19.48**	9.42
- Others	**21.90**	17.97
Loans		
- Related parties	**513.70**	475.21
	555.08	502.60

10 Other financial assets

Balance with banks		
Term deposits remaining maturity more than 12 months*	**8.64**	8.14
	8.64	8.14

*Pledged with Sales tax department Rs.2.06 lakhs (31 March 2018 Rs.1.94 lakhs) and State Bank of India Rs 6.58 lakhs (31 March 2018 Rs. 6.20 lakhs)

11 Other non current asset

Advance for capital goods	**7.20**	448.25
Prepaid expenses	**85.15**	72.10
	92.35	520.35

12 Inventories (valued at lower of cost and net realisable value)

Raw material	**96.78**	85.58
Work-in-progress	**442.79**	542.18
Finished goods	**48.11**	23.42
Stores & spares and consumables	**91.76**	76.49
Scrap (valued at net realisable value)	**45.80**	18.25
	725.24	745.92

Notes to the Financial Statements as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

		As at 31 March, 2019	As at 31 March, 2018
13	**Investments -Current**		
	Unquoted, at fair value through profit and loss		
	Investment in mutual funds		
	SBI liquid fund direct growth, 64128.464 (31March 2018, 16,406.94) Units	**1,878.05**	446.99
	SBI magnum ultra short duration fund regular growth 1206.291 (31March 2018, Nil.) Units	**50.00**	—
		1,928.05	446.99
14	**Trade receivables**		
	Unsecured, considered good	**374.37**	543.71
		374.37	543.71
15	**Cash and cash equivalents**		
	Cash on hand	**12.47**	4.98
	Cheques, drafts in hand	**—**	15.45
	Balance with banks		
	- in current accounts	**2.75**	11.83
	- held as margin money	**—**	338.53
	- in fixed deposits	**50.43**	—
		65.65	370.79
16	**Loans -Current**		
	(unsecured, considered good unless otherwise stated)		
	Security deposits		
	- Related parties	**—**	3.60
		—	**3.60**
17	**Others financial assets**		
	(unsecured considered good)		
	Staff advances	**14.87**	11.50
		14.87	11.50
18	**Current tax Assets (net)**		
	Advances income tax	**534.42**	**—**
	Less. Provision for taxation	**(509.89)**	**—**
		24.53	—

Notes to the Financial Statements as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

		As at 31 March, 2019	As at 31 March, 2018
19	**Other current assets**		
	Advances to suppliers	**5.98**	2.89
	Prepaid expenses	**10.54**	8.82
	Balance with govt authorities	**15.90**	4.75
	Other advances	**179.67**	9.64
		212.09	26.10
20	**Share capital**		
	Authorized share capital		
	1,00,00,000 (31 March 2018, 1,00,00,000) equity shares of Rs.10/- each	**1,000.00**	1,000.00
		1,000.00	1,000.00
	Issued share capital		
	60,27,728 (31 March 2018, 60,27,728) equity shares of Rs.10/- each	**602.77**	602.77
		602.77	602.77
	Issued, subscribed capital and fully paid up		
	58,32,056 (31 March 2018, 58,32,056) equity shares of Rs.10/- each fully paid up.	**583.21**	583.21
	Add : Shares Forfeited	**1.47**	1.47
		584.68	584.68

a) Reconciliation of number of equity shares outstanding at the beginning and end of the year

Description	31 March 2019		01 April 2018	
	No.	Amount	No.	Amount
Shares outstanding at the beginning of the year	**5,832,056**	**583.21**	5,832,056	583.21
Add: Shares issued during the year	**—**	—	—	—
Shares outstanding at the end of the year	**5,832,056**	583.21	5,832,056	583.21

b) Share holders holding more than 5% of the equity shares

Name of the shareholder	As at 31 March, 2019		As at 31 March, 2018	
	No.	% of Holding	No.	% of Holding
M/s Gupta International Investment Company Ltd	**2,913,221**	49.95	2,913,221	49.95
M/s Eastern India Power and Mining Co. Pvt Ltd	**377,352**	6.47	377,352	6.47
M/s Delux Associates LLP	**619,375**	10.62	619,375	10.62

c) **Terms and rights attached to equity shares**

The Company has only one class of equity shares having the par value of the each share is Rs.10. Each shareholder shall have voting right equal to shareholding percentage of the total of the shares issued. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amount, in proportion to their shareholdings.

d) The Company has not issued bonus shares, equity shares for considerations other than cash and also no shares has been bought back, during the immediately preceding five years.

Notes to the Financial Statements as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

		31 March, 2019	31 March, 2018
21	**Other Equity**		
	General reserve		
	Opening balance	**11,080.04**	11,080.04
	Additions during the year	**—**	—
	Closing balance	**11,080.04**	11,080.04
	General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income		
	Securities premium account		
	Opening balance	**60.59**	60.59
	Additions during the year	**—**	—
	Closing balance	**60.59**	60.59
	Securities premium account represents premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.		
	Surplus in the statement of profit and loss		
	Opening balance	**5,961.08**	4,954.81
	Add: profit for the year	**761.26**	1,006.27
	Closing balance	**6,722.34**	5,961.08
	Remeasurement of employee benefit obligations:		
	Opening balance	**(1.47)**	(2.74)
	Add: profit/(loss) for the year	**(0.63)**	1.27
	Closing balance	**(2.10)**	**(1.47)**
	Total	**17,860.87**	17,100.24
22	**Other financial liabilities**		
	Security deposit	**134.88**	111.28
		134.88	111.28
23	**Provisions - Non current**		
	Provision for employee benefits:		
	Provision for gratuity	**75.31**	73.79
	Provisions for compensated absences	**34.63**	36.44
		109.94	110.23

	As at 31 March, 2019	As at 31 March, 2018
24 Deferred tax liabilities (net)		
Deferred tax liabilities arising on account of:-		
Timing differences between written down value of fixed assets as per books and Income tax act, 1961	**53.78**	71.81
Financial assets measured at amortised cost	**2.65**	2.62
Fair valuation of investments	**35.75**	12.59
Deferred tax assets arising on account of:-		
Employee benefits:		
Provision for bonus	**5.82**	4.00
Provision for gratuity	**44.20**	39.33
Provision for compensated absence	**19.45**	—
	22.71	43.69

(i) Movement in deferred tax (assets)/liabilities for year ended 31 March 2019:

Particulars	As at 31 March, 2018	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March, 2019
Deferred tax liabilities arising on account of:-				
Timing difference between written down value of fixed assets as per books of accounts and income tax	71.81	(18.03)	—	**53.78**
Financial assets measured at amortised cost	2.62	0.03	—	**2.65**
Fair valuation of investments	12.59	23.16	—	**35.75**
Deferred tax liabilities (a)	87.02	5.16	—	**92.18**
Deferred tax assets arising on account of:-				
Employee benefits:				
Provision for bonus	4.00	(1.82)	—	**5.82**
Provision for compensated absence	—	(19.45)	—	**19.45**
Provision for gratuity	39.33	(5.13)	0.26	**44.20**
Deferred tax assets (b)	43.33	(26.40)	0.26	**69.47**
Net deferred tax (asset)/liabilities (a-b)	43.69	(21.24)	0.26	**22.71**

(i) Movement in deferred tax (assets)/liabilities for year ended 31 March 2018

Particulars	As at 1 April, 2017	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March, 2018
Deferred tax liabilities arising on account of:-				
Timing difference between written down value of fixed assets as per books of accounts and income tax	101.92	(30.11)	—	**71.81**
Financial assets measured at amortised cost	2.06	0.56	—	**2.62**
Fair valuation of investments	21.62	(9.03)	—	**12.59**
Deferred tax liabilities (a)	125.60	(38.58)	—	**87.02**
Deferred tax assets arising on account of:-				
Employee benefits:				
Provision for bonus	—	4.00	—	**4.00**
Provision for compensated absence	41.49	(1.68)	(0.48)	**39.33**
Provision for gratuity	—	—	—	**—**
Deferred tax assets (b)	41.49	2.32	(0.48)	**43.33**
Net deferred tax (asset)/liabilities (a-b)	84.11	(40.90)	(0.48)	**43.69**

Notes to the Financial Statements as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

		As at 31 March, 2019	As at 31 March, 2018
25	**Other non-current liabilities**		
	Deferred Income	**30.26**	84.98
		30.26	84.98
26	**Borrowings**		
	Secured loans		
	Loans repayable on demand		
	Cash Credit from Bank -State Bank of India*	**0.19**	8.48
	*Secured by hypothecation of charge on entire of raw material,semi-finished goods,finished goods, components/consumables /spares and, book debts. Interest rate is 12.95% p.a (31 March 2018 : 12.85% p.a)		
		0.19	8.48
27	**Trade payables**		
	Total outstanding dues to micro enterprises and small enterprises	**15.90**	8.28
	Total outstanding dues to creditors other than micro enterprises and small enterprises	**22.96**	35.42
		38.86	43.70
28	**Other financial liabilities**		
	Employees related payable	**63.34**	54.15
	Amount payable to directors	**2.39**	1.80
	Expenses payables	**90.52**	68.82
		156.25	124.77
29	**Other current liabilities**		
	Statutory dues	**30.28**	45.02
	Deferred income	**8.98**	12.66
		39.26	57.68
30	**Provisions -Current**		
	Provision for employee benefits:		
	Provision for gratuity	**76.47**	62.61
	Provisions for compensated absences	**32.17**	22.24
		108.64	84.85
31	**Current tax liabilities (net)**		
	Provision for taxation	—	3.62
	[Note : Provision is net of prepaid tax Rs.Nil (31 March 2018 Rs. 804.38 lakhs)]		
		—	3.62

Notes to the Financial Statements as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

	As at 31 March, 2019	As at 31 March, 2018
32 Revenue from operations		
Sale of products		
- Export	**98.07**	45.11
- Domestic	**2,089.75**	2,367.12
	2,187.82	2,412.23
Other operating revenues		
- Scrap sales	**49.24**	53.79
Net sales		
	2,237.06	2,466.02
33 Other income		
Interest income:		
- On loans from related party measured at amortized cost	**42.77**	39.56
- Tax free bonds measured at amortized cost	**314.20**	314.20
- Financial assets measured at amortized cost	**1.64**	2.93
- Bank deposits measured at amortized cost	**18.28**	16.88
- Others	**—**	17.59
Profit on sale of investments measured at FVTPL	**—**	0.26
Rental income	**541.41**	734.75
Gain on fair value of investments measured at FVTPL	**102.36**	—
Income received on arbitration settlement	**—**	26.41
Dividend income	**2.03**	0.02
Profit on disposal of property, plant & equipments	**2.36**	13.22
Miscellaneous income	**33.08**	12.23
	1,058.13	1,178.05
34 Cost of raw material consumed		
Opening stock	**85.58**	65.21
Add: Purchased during the year	**484.21**	489.85
	569.79	555.06
Less: Closing stock	**96.78**	85.58
	473.01	469.48

Notes to the Financial Statements as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

		As at 31 March, 2019	As at 31 March, 2018
35	**Change in inventory of finished goods and work in progress**		
	Inventories at the end of the year		
	Finished goods	**48.11**	23.42
	Work in progress	**442.79**	542.18
	Scrap	**45.80**	18.25
		536.70	583.85
	Inventories at the beginning of the year		
	Finished goods	**23.42**	15.13
	Work in progress	**542.18**	582.37
	Scrap	**18.25**	18.47
		583.85	615.97
		47.15	32.12
36	**Employee benefits expense**		
	Director's remuneration	**29.48**	23.60
	Salaries and allowances, wages and bonus	**783.49**	757.09
	Contribution to gratuity funds	**20.13**	17.94
	Contribution to provident fund and other funds	**41.49**	39.91
	Staff welfare expense	**42.79**	41.82
		917.38	880.36
37	**Finance cost**		
	Interest		
	- On loans	**0.02**	7.15
	- On financial liabilities measured at amortised cost	**3.23**	9.65
	Bank charges and commission	**3.51**	2.85
		6.76	**19.65**
38	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment	**180.54**	179.98
	Depreciation on investment property	**94.06**	94.06
	Amortisation on intangible assets	**0.69**	2.39
		275.29	**276.43**

Notes to the Financial Statements as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

		As at 31 March, 2019		As at 31 March, 2018
39. Other expenses				
Consumption of stores, spares and consumables		**142.15**		135.54
Rent		**92.10**		65.68
Rates and taxes		**1.95**		2.30
Repairs and maintenance:				
- Machinery	**24.14**		23.48	
- Building	**0.84**		11.36	
- Others	**16.25**	**41.23**	15.98	50.82
Electricity expense		**135.10**		119.93
Insurance		**8.07**		7.19
Legal and professional		**51.56**		34.16
Travelling and conveyance		**37.49**		26.49
Communication expenses		**8.69**		6.82
Auditors remuneration				
- Audit fee	**3.15**		3.15	
In other capacity				
- For tax audit	**0.35**		0.35	
- For certificates etc.	**0.75**		0.48	
- For reimbursement of expenses	**0.27**	**4.52**	0.72	4.70
Selling expenses		**14.59**		35.24
Internal audit expenses		**2.20**		1.80
Director's meeting expenses		**0.58**		0.50
Advertisement		**1.12**		2.40
Testing charges		**3.18**		1.94
Loss on foreign exchange rate fluctuation		**—**		1.47
Loss on fair value of investments measured at FVTPL		**—**		43.38
Loss on sale of investments measured at FVTPL		**3.16**		—
Miscellaneous expenses		**81.33**		72.84
		629.02		613.20

Notes to the Financial Statements as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

		For the year ended 31 March 2019	For the year ended 31 March 2018
40	**Tax expense**		
	Income tax expense recognised in statement of profit and loss		
	Current tax expense	**189.89**	320.00
	Deferred tax expense	**(20.73)**	(40.90)
	Previous year income tax	**16.16**	0.03
		185.32	279.13

The reconciliation of tax expense based on the domestic effective tax rate of at 29.12% (31 March 2018: 28.84%) and the reported tax expense in statement of profit or loss is as follows:

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Profit before tax	**946.58**	1,285.40
Income tax using the Company's domestic tax rate *	**29.12%**	28.84%
Expected tax expense [A]	**275.64**	370.71
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense.		
Non-deductible expenses	**35.32**	25.80
Non-taxable income	**(116.20)**	(134.01)
Change in tax rates during the year	**0.42**	6.05
Items taxable at different tax rates	**(5.80)**	2.46
Tax expense related to earlier years	**16.16**	0.03
Others	**(20.23)**	8.09
Total adjustments [B]	**(90.32)**	(91.58)
Actual tax expense [C=A-B]	**185.32**	279.13
* Domestic tax rate applicable to the Company has been computed as follows		
Base tax rate	**25%**	25%
Surcharge (% of tax)	**12%**	12%
Cess (% of tax)	**4%**	3%
Applicable rate	**29.12%**	28.84%

41	**Earning per share**		
	Net profit attributable to equity shareholders		
	Profit after tax	**761.26**	1,006.27
	Nominal value of equity share (In Rs.)	**10/-**	10/-
	Total number of equity shares outstanding as the beginning of the year	**5,832,056**	5,832,056
	Total number of equity shares outstanding as the end of the year	**5,832,056**	5,832,056
	Weighted average number of equity shares	**5,832,056**	5,832,056
	Basic and diluted earning per equity share (In Rs.)	**13.05**	**17.25**

(All amounts in rupees lakhs unless otherwise stated)

42. Related party disclosures

The nature of relationship and summary of transactions with related parties are summarised below

a) Name of the related party and nature of their relationship

Name of the related party	**Nature of relationship**
M/s Gurgoan Infospace Limited	Subsidiary Company
M/s IST Steel and Power Limited	Associate Company

Name of key managerial personnel (KMP)	**Designation**
Air Marshal Denzil. Keelor (Retd.)	Independent director
Mrs. Sarla Gupta	Non— executive director
Mr. Mayur Gupta	Non— executive director
Mr. Gaurav Guptaa	Non— executive director
Mr. S. C. Jain	Whole time director
Lt. Col. N. L. Khitha(Retd.)	Whole time director
Brig. G. S. Sawhney (Retd.)	Independent director
Mr. Subhash Chander Jain	Independent director
Mr. D. N. Tulshyan	Chief financial officer
Mr. Bhupinder Kumar	Company secretary
Mr. Prem Chand Gupta	Reletive of KMP
Mr. Anil Kumar Tulshyan	Reletive of KMP

Entities in which KMP/Relatives of KMP can exercise significant influence

GPC Technology Limited
Mercantile Realtors Private Limited
IST Technology Pvt. Ltd

Entities controlled by KMP/relatives of KMP

Delux Associates LLP
IST Softech Private Limited

b) The following transactions were carried out with related parties:—

Particulars	Year	Subsidiary Company	Associates Company	Key managerial personnel (KMP)	Relatives of key managerial personnel	Entities in which KMP/ Relatives of KMP can exercise significant influence	Entities controlled by KMP/ Reatives of KMP
Transactions during the year							
Remuneration	31 March 2019	—	—	52.02	10.54	—	—
	31 March 2018	—	—	(44.22)	(9.81)	—	—
Service charges paid	31 March 2019	—	—	—	—	15.47	—
	31 March 2018	—	—	—	—	(9.00)	—
Rent paid	31 March 2019	—	—	9.60	9.60	60.00	9.00
	31 March 2018	—	—	(7.20)	(7.20)	(41.96)	(6.23)
Interest income	31 March 2019	—	—	—	—	42.77	—
	31 March 2018	—	—	—	—	(39.56)	—
Director sitting fees	31 March 2019	—	—	0.58	—	—	—
	31 March 2018	—	—	(0.50)	—	—	—
Loan given	31 March 2019	—	—	—	—	—	—
	31 March 2018	—	—	—	(3.00)	—	—

Summary of significant accounting policies and other explanatory information for the year ended 31st March 2019

(All amounts in rupees lakhs unless otherwise stated)

Particulars	Year	Subsidiary Company	Associates Company	Key managerial personnel (KMP)	Relatives of key managerial personnel	Entities in which KMP/ Relatives of KMP can exercise significant influence	Entities controlled by KMP/ Reatives of KMP
Outstanding Balance							
Salary payable	31 March 2019	—	—	3.71	0.67	—	—
	31 March 2018	—	—	(2.99)	(0.59)	—	—
Deposits given	31 March 2019	—	—	—	—	60.00	3.60
	31 March 2018	—	—	—	—	(36.00)	(3.60)
Capital advances	31 March 2019	—	—	—	—	—	—
	31 March 2018	—	—	—	—	—	(417.00)
Loan given	31 March 2019	—	—	—	1.00	513.70	—
	31 March 2018	—	—	—	(0.25)	(475.21)	—
Other current assets	31 March 2019	—	—	—	—	—	—
	31 March 2018	—	—	—	—	(3.66)	—
Equity contribution	31 March 2019	100.00	884.00	—	—	—	—
	31 March 2018	(100.00)	(884.00)	—	—	—	—
Redeemable preference shares	31 March 2019	—	1,526.70	—	—	—	—
	31 March 2018	—	(1,528.80)	—	—	—	—

c) The following transactions were carried out with KMP:—

Description	31 March 2019	31 March 2018
Short term employee benefit		
Mr. S. C. Jain	**19.53**	14.70
Lt. Col. N. L. Khitha(Retd.)	**10.56**	10.18
Mr. D. N. Tulshyan	**11.48**	10.19
Mr. Bhupinder Kumar	**10.45**	9.15
	52.02	44.22

Notes to the Financial Statements as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

43. Leases

In case of assets taken on lease

Operating Lease:

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.

The total of minimum future lease payments under non-cancellable operating lease is as under:

Particulars	As at 31 March 2019	As at 31 March 2018
Lease payments for the year recognised in the statement of profit and loss	**92.10**	65.68
Minimum lease payments:		
Not later than one year	**88.20**	88.20
Later than one year but not later than five years	**227.12**	305.72
Later than five years	**—**	—

In case of assets given on lease

Operating lease:

The Company has entered in to various lease arrangements for property:i) One agreement dated.19.02.2017 is for a period of 3 years subject to early termination at the option of lessee by giving 3 months prior notice.ii) Other agreement is for Noida property, on sub-lease basis is receivable on percentage of sale or minimum guarantee, whichever is higher, for a period of five years from the date of commencement of lease. However, this premise has been vacated by the lessee during the current financial year on 26.09.2018.

There is no uncollectible minimum lease payments receivable at the balance sheet date.

Particulars	As at 31 March 2019	As at 31 March 2018
Lease income for the year recognised in the statement of profit and loss (net of lease rentals paid to investors)	**541.41**	734.75
Minimum lease incomes:		
Not later than one year	**341.99**	707.49
Later than one year but not later than five years	**—**	823.63
Later than five years	**—**	—

Notes to the Financial Statements as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

44 Fair value disclosures

(i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are classified into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Financial assets measured at fair value — recurring fair value measurements

	31 March 2019	31 March 2018	Level	Valuation techniques and key inputs
Investment in equity instruments	37.77	111.83	Level 1	Fair value of equity instruments have been determined using the quoted market price
Investment in mutual funds	2,240.38	747.17	Level 1	Net asset value (NAV) obtained from an active market.
Investment in preference shares	2,700.28	2,701.11	Level 3	Fair value of non—cumulative, non—convertible redeemable preference shares have been determined using discounted cash flow analysis. This method involves the projection of a series of cash flows from the project. To this projected cash flow series, a market—derived discount rate is applied to establish the present value of the income stream associated with the project.
Total	**4,978.43**	**3,560.11**		

(iii) The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements and sensitivity analysis if a change to such inputs was made keeping other variables constant:

Particulars		Discount rate	31 March 2019	31 March 2018
Investment in preference shares				
IST Steel & Power Ltd	Increase by	0.50%	**(55.65)**	(57.98)
	Decrease by	0.50%	**58.69**	61.32
Subham Infra developers Pvt Ltd	Increase by	0.50%	**(49.30)**	(45.05)
	Decrease by	0.50%	**52.62**	47.70

Notes to the Financial Statements as at 31st March 2019

(All amounts in rupees lakhs unless otherwise stated)

(iv) The following table presents the changes in level 3 items for the year ended 31 March 2019 and 31 March 2019:

Particulars	Preference shares
As at 31 March 2018	**2,701.11**
Gain/ (loss) recognised in statement of profit and loss	(0.84)
As at 31 March 2019	**2,700.27**

(v) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	Level	31 March 2019		31 March 2018	
		Carrying value	Fair value	Carrying Value	Fair value
Financial assets					
Investments	Level 3	**4,495.71**	**4,623.31**	4,495.91	4,623.21
Loans	Level 3	**555.08**	**555.08**	506.20	506.20
Trade receivable	Level 3	**374.37**	**374.37**	543.71	543.71
Other financial assets	Level 3	**89.16**	**89.16**	390.43	390.43
Total financial assets		**5,514.32**	**5,641.92**	5,936.25	6,063.55
Borrowings	Level 3	**0.19**	**0.19**	8.48	8.48
Trade payables	Level 3	**38.86**	**38.86**	43.70	43.70
Other financial liabilities	Level 3	**291.13**	**291.13**	236.05	236.05
Total financial liabilities		**330.18**	**330.18**	288.23	288.23

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short—term maturities of these instruments. Other non—current financial assets and non—current borrowings bear a market interest rate and hence their carrying amounts are also considered a reasonable approximation of their fair values.

45 Financial risk management

i) Financial instruments by category

Particulars	31 March 2019			31 March 2018		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial assets						
Investments*	**4,978.42**	**—**	**4,495.71**	3,560.11	—	4,495.91
Loan — security deposits	**—**	**—**	**41.38**	—	—	30.99
Loan — related parties	**—**	**—**	**513.70**	—	—	475.21
Other financial assets	**—**	**—**	**23.51**	—	—	19.64
Trade receivables	**—**	**—**	**374.37**	—	—	543.71
Cash and cash equivalents	**—**	**—**	**65.65**	—	—	370.79
Total	**4,978.42**	**—**	**5,514.32**	3,560.11	—	5,936.25
Financial liabilities						
Borrowings	**—**	**—**	**0.19**	—	—	8.48
Trade payable	**—**	**—**	**38.86**	—	—	43.70
Other financial liabilities	**—**	**—**	**291.13**	—	—	236.05
Total	**—**	**—**	**330.18**	—	—	288.23

*Investment in equity instrument of subsidiary and associate have been accounted at cost in accordance with Ind AS 27, not presented here.

Notes to the Financial Statements as at 31st March 2019

(All amounts in rupees lakhs unless otherwise stated)

ii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the company. The company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The company's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.

- cash and cash equivalents,
- trade receivables,
- loans & receivables carried at amortised cost, and
- deposits with banks

a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low
B: Medium
C: High

Assets under credit risk –

Credit rating	Particulars	31 March 2019	31 March 2018
A: Low	Loans	**555.08**	506.20
	Investments	**4,495.71**	4,495.91
	Other financial assets	**23.51**	19.64
	Cash and cash equivalents	**65.65**	370.79
	Trade receivables	**374.37**	543.71

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Trade receivables

Company's trade receivables are considered of high quality and accordingly no life time expected credit losses are recognised on such receivables.

Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes advances to employees. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Notes to the Financial Statements as at 31st March 2019

(All amounts in rupees lakhs unless otherwise stated)

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

31 March 2019	Less than 1 year	1-5 year	More than 5 years	Total
Borrowings including interest	0.19	—	—	0.19
Trade payable	38.86	—	—	38.86
Other financial liabilities	291.13	—	—	291.13
Total	**330.18**	**—**	**—**	**330.18**

31 March 2018	Less than 1 year	1-5 year	More than 5 years	Total
Borrowings including interest	8.48			8.48
Trade payable	43.70	—	—	43.70
Other financial liabilities	236.05	—	—	236.05
Total	288.23	—	—	288.23

C) Market risk

a) Interest rate risk

The Company is not exposed to changes in market interest rates as all of the borrowings are at fixed rate of interest. Also the Company's fixed deposits are carried at amortised cost and fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

b) Price risk

Exposure

The Company's exposure to price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments in mutual funds and equity investment, the Company diversifies its portfolio of assets.

Sensitivity

Below is the sensitivity of profit or loss and equity to changes in fair value of investments, assuming no change in other variables:

Particulars	31 March 2019	31 March 2018
Price sensitivity		
Price increase by 5%	**113.91**	42.95
Price decrease by 5%	**(113.91)**	(42.95)

Notes to the Financial Statements as at 31st March 2019

(All amounts in rupees lakhs unless otherwise stated)

46 Capital Management

The Company's capital management objectives are

- to ensure the company's ability to continue as a going concern
- to provide an adequate return to shareholders

Management assesses the company's capital requirements in order to maintain an efficient overall financing structure. This takes into account the subordination levels of the company's various classes of debt. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	31 March 2019	31 March 2018
Total borrowings	**0.19**	8.48
Less : cash and cash equivalent	**65.65**	370.79
Net debt	—	—
Total equity	**18,445.55**	17,684.92
Net debt to equity ratio	—	—

47 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") is as under:

	Particulars	As at 31 March 2019	As at 31 March 2018
i)	Principal amount remaining unpaid to any suppliers as at the end of the accounting year;	**15.90**	8.28
ii)	Interest due thereon remmaning unpaid to any suppliers as at the end of the accounting year;	**Nil**	Nil
iii)	The amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed date during each accounting year;	**Nil**	Nil
iv)	The amount of interest due and payable for the period of delay in making payment(which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act;	**Nil**	Nil
v)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	**Nil**	Nil
vi)	The amount of further interest remaining due and payable even in the succeeding years ,until such date when the interest due as above are actually paid to the small enterprise, for the purpose of disallowance as a deductiable expenditure under section 23.	**Nil**	Nil

The details of amounts outstanding to micro enterprises and small enterprises under the Micro, Small and Medium Enterprises Development Act (MSMED), 2006 are as per available information with the company.

48 Segment information

The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e. precision engineering components / assemblies, which as per Ind AS 108 on "Segment Reporting" as specified under Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) is considered to be the only operating segment. The Company is primarily operating in India which is considered as a single geographical segment.

Notes to the Financial Statements as at 31st March 2019

(All amounts in rupees lakhs unless otherwise stated)

49 Details of Corporate Social Responsibility (CSR) expenditure is as follows:

i) Gross amount required to be spent by the Company during the year (i.e. 2% of Average Net profits u/s 198 of Companies Act, 2013 of last three years): Rs.19.29 Lakhs (March 31, 2018: Rs.12.84 lakhs)

ii) Amount spent during the year

Purpose for which expenditure incurred	For the year ended 31 March, 2019	For the year ended 31 March, 2018
- Construction/acquisitions of any asset	**—**	—
- On purpose other than above mentioned	**—**	—
Amount yet to be spent	**19.29**	12.84
Total	**19.29**	12.84

50 Details of assets pledged/ hypothecated as security:

The carrying amounts of assets pledged/ hypothecated as security for current borrowings are:

Particulars	As at31 March 2019	As at31 March 2018
Current		
Inventories	**725.24**	745.92
Trade receivables	**374.37**	543.71
Cash and cash equivalents and other bank balances	**65.65**	370.79
Loans, other financial and other assets	**226.97**	41.20

51 Employee benefit obligations

Particulars	As at31 March 2019		As at31 March 2018	
	Current	Non-current	Current	Non-current
Gratuity	**76.47**	**75.31**	62.61	73.79
Compensated absences	**32.17**	**34.63**	22.24	36.44
Total	**108.64**	**109.94**	84.85	110.23

A Gratuity

Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following tables summarize the components of net benefit expense recognised in the Statement of Profit and Loss and amounts recognised in the balance sheet for the respective plans

(i) **Amount recognised in the statement of profit and loss is as under:**

Description	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	**9.76**	8.69
Net interest cost	**10.37**	9.25
Actuarial loss/(gain) recognised during the year	**0.89**	(1.75)
Return on plan assets	**—**	—
Amount recognised in the statement of profit and loss	**21.02**	16.19

Notes to the Financial Statements as at 31st March 2019

(All amounts in rupees lakhs unless otherwise stated)

(ii) **Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:**

Description	As at 31 March 2019	As at 31 March 2018
Present value of defined benefit obligation as at the start of the year	**136.40**	125.51
Current service cost	**9.76**	8.69
Interest cost	**10.37**	9.25
Actuarial loss/(gain) on obligation	**0.89**	(1.75)
Benefits paid	**(5.63)**	(5.30)
Present value of defined benefit obligation as at the end of the year	**151.79**	136.40

(iii) **Breakup of actuarial (gain)/loss:**

Description	For the year ended 31 March 2019	For the year ended 31 March 2018
Actuarial (gain)/loss from change in demographic assumption	**—**	—
Actuarial (gain)/loss from change in financial assumption	**0.05**	(1.19)
Actuarial (gain)/loss from experience adjustment	**0.84**	(0.56)
Total actuarial (gain)/loss	**0.89**	(1.75)

(iv) **Actuarial assumptions**

Description	As at 31 March 2019	As at 31 March 2018
Discount rate	**7.59%**	7.60%
Future Basic salary increase	**6.00%**	6.00%
Employee turnover		
- Upto 30 years	**3.00%**	3.00%
- From 31 to 44 years	**2.00%**	2.00%
- Above 44 years	**1.00%**	1.00%
Retirement age	**58**	58

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(v) **Sensitivity analysis for gratuity liability**

Description	For the year ended 31 March 2019	For the year ended 31 March 2018
Impact of the change in discount rate		
Present value of obligation at the end of the year	**151.79**	136.40
- Impact due to increase of 0.50 %	**(2.64)**	(2.53)
- Impact due to decrease of 0.50 %	**2.81**	2.70
Impact of the change in salary increase		
Present value of obligation at the end of the year	**151.79**	136.40
- Impact due to increase of 0.50 %	**2.84**	2.73
- Impact due to decrease of 0.50 %	**(2.69)**	(2.58)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defind benefit obligation to significant actuarial assumptions the same method (present value of the

Notes to the Financial Statements as at 31st March 2019

(All amounts in rupees lakhs unless otherwise stated)

defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(vi) Maturity profile of defined benefit obligation

Description	As at 31 March 2019	As at 31 March 2018
Within next 12 months	**76.47**	62.61
Between 1-5 years	**6.82**	5.23
More than 5 years	**68.50**	68.56

B Compensated absences

The earned leave liability arises on retirement, withdrawal, resignation and death-in-service of an employee. The actuary has used projected unit cost (PUC) actuarial method to assess the plan's liabilities of employees.

(i) Amount recognised in the statement of profit and loss is as under:

Description	Earned Leave	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	**9.24**	8.12
Net interest cost	**4.46**	4.22
Actuarial loss/(gain) recognised during the year	**5.55**	0.18
Amount recognised in the statement of profit and loss	**19.25**	12.52

(ii) Movement in net liability

Description	Earned Leave	
	As at 31 March 2019	As at 31 March 2018
Opening net liability	**58.68**	57.28
Expenses as above	**19.25**	12.52
Benefits paid	**(11.12)**	(11.12)
Closing net liability	**66.81**	58.68

(iii) Actuarial assumptions

Description	As at 31 March 2019	As at 31 March 2018
Discount rate	**7.59%**	7.60%
Future Basic salary increase	**6.00%**	6.00%

Notes:

(a) The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.

(b) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors on long term basis.

Notes to the Financial Statements as at 31st March 2019

(All amounts in rupees lakhs unless otherwise stated)

C Provident fund

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 has recognised Rs.27.97 lakhs, (31 March 2018: Rs.27.12 lakhs) for Provident Fund contributions and Rs.13.51 lakhs, (31 March 2018 Rs.12.79 lakhs) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss.

52 Contingent liabilities and comittments

		As at31 March 2019	As at31 March 2018
a)	Contingent liabilities		
	Claim against the company not acknowledged as debt		
	Tax matters in dispute	**—**	—
	Court case disputed with party	**—**	31.75
b)	Commitments		
	Gurantees given by the bank	**66.75**	147.61
	Capital contracts to be executed	**43.21**	0.95
	For lease commitments (refer note 43)		

53 Authorisation of financial statements

These standalone financial statements for the year ended 31 March 2019 (including comparatives) were approved by the Board of Directors on 30 May 2019***.***

This is the Summary of significant accounting policies and other explanatory information referred to in our report of even date.

For Gupta Vigg & Co.
Chartered Accountants
Firm Registration NO. 001393N

For and on behalf of the Board of Directors of IST Limited

CA. Deepak Pokhriyal	D.N.Tulshyan	Bhupinder Kumar	Mayur Gupta	S.C.Jain
Partner	Chief Financial Officer	Company Secretary	Director	Executive Director
Membership No. 524778			DIN-00131376	DIN-00092079

Place:New Delhi
Dated: 30 May, 2019

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IST LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of IST Limited (hereinafter referred to as the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as the "Group") and its associate company, which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

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 Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate company as at March 31, 2019, the consolidated profit (consolidated financial performance including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group and its associate company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Investments as on 31st March, 2019 *(Refer to Note no.8 and 15 to the notes to the consolidated financial statements)*	
This is the largest asset on the balance sheet. Our audit effort has increased in this area and in particular, there is significant focus on considering whether the underlying investments are valued appropriately. These included investments in quoted equity shares, mutual funds, preference shares, debentures and tax free bonds. Investments also include investment in associate company. The valuation of investments is based on a range of inputs. Many of the inputs required can be obtained from readily available liquid market prices and rates. Where observable market data is not available, estimates must be developed based on the most appropriate source data and are subject to a higher level of judgement. Accordingly, investment was determined to be a key audit matter in our audit of consolidated financial statements.	Our audit procedure included the following: • Testing whether associated controls in respect of the valuation process are operating properly and assessing whether the valuation process is appropriately designed and captures relevant valuation inputs. • Assessing the availability of quoted prices in liquid markets. • Performing our own independent price checks using external quotes for liquid positions and to identify any potential impairment. • We also assessed whether the Group's disclosures in relation to the valuation of investments are compliant with the relevant accounting requirements.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, but does not include the consolidated financial statements and our auditors' report thereon. The Holding Company's Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read the Holding Company's Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group and its associate company in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate company are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the each entity 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate company are responsible for assessing the ability of the Group and of its associate company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate company are responsible for overseeing the financial reporting process of the Group and of its associate company.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the holding company, its subsidiary company and its associate company, which are companies incorporated in India, have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its associate company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements/financial information of the subsidiary company, whose financial statements/ financial information reflect total assets of Rs.59,133.64 lakhs as at 31st March, 2019, total revenues of Rs.11,891.03 lakhs and net cash flows amounting to (Rs.178.62 lakhs) for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs.48.88 lakhs for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of an associate company, whose financial statements/financial information have not been audited by us. These financial statements/ financial information have been audited by the other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary company and associate company and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary company and associate company, is based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) 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 and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and associate company, which are companies incorporated in India, none of the directors of the Group and its associate company is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of internal financial controls over financial reporting of the Holding Company, its subsidiary company and associate company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) As required by Section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements of the subsidiary company and associate company, we report that the Holding Company, subsidiary company and associate company covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

i) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors') Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. There were no pending litigations which would impact the consolidated financial position of the Group and its associate.

   ii. The Group and its associate 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 Holding Company and its subsidiary company and associate company incorporated in India.

For Gupta Vigg & Co.
Chartered Accountants
Firm Registration Number: 001393N

Membership Number: 524778
Place of Signature: New Delhi

(CA. Deepak Pokhriyal)
Partner

Annexure 'A' To the Independent Auditors' Report of even date on the Consolidated Financial Statement of IST Limited

(Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements section of our report of even date to the Members of IST Limited)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of IST Limited (hereinafter referred to as "the Company" or the "Holding Company") and its subsidiary company and its associate company, 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, its subsidiary company and its associate company, 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 respective Companies 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 respective 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 of 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 auditors' 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 and the audit evidence obtained by the other auditors of the subsidiary company and associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, 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, its subsidiary company and its associate company, 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 March 31, 2019, based on "the internal control over financial reporting criteria established by the respective companies 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".

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary company and associate company, which are companies incorporated in India, is based solely on the corresponding reports of the other auditors. Our opinion is not modified in respect of this matter.

For Gupta Vigg & Co.
Chartered Accountants
Firm Registration Number: 001393N
(CA. Deepak Pokhriyal)
Partner

Membership Number: 524778
Place of Signature: New Delhi

Consolidated Balance Sheet as at 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

ASSETS	Note	As at 31 March, 2019	As at 31 March, 2018
Non-current assets			
Property, plant and equipment	5	**1,096.70**	1,046.80
Investment property	6	**21,035.09**	19,098.55
Intangible assets	7	**3.36**	2.85
Intangible assets under development	7A	**—**	0.25
Investments accounted for using the equity method		**1,296.63**	1,311.68
Financial assets			
Investments	8	**40,283.91**	33,858.59
Trade receivables	9	**1,141.79**	1,068.37
Loans	10	**561.92**	508.78
Other financial assets	11	**8.64**	8.14
Deferred tax asset (net)	12	**6,864.66**	6,295.64
Other non current assets	13	**1,808.76**	2,224.13
		74,101.46	65,423.78
Current assets			
Inventories	14	**725.24**	745.92
Financial assets			
Investments	15	**1,928.05**	446.99
Trade receivable	16	**658.49**	751.37
Cash and cash equivalents	17	**102.37**	586.13
Loans	18	**503.95**	701.44
Other financial assets	19	**227.42**	38.77
Current tax assets (net)	20	**24.53**	—
Other current assets	21	**238.59**	27.85
		4,408.64	3,298.47
TOTAL		**78,510.10**	68,722.25
EQUITY AND LIABILITIES			
Equity			
Equity share capital	22	**584.68**	584.68
Other equity	23	**73,064.12**	63,563.05
		73,648.80	64,147.73
Non-current liabilities			
Financial liabilities			
Other financial liabilities	24	**2,316.36**	2,095.41
Provisions	25	**125.78**	123.05
Other non-current liabilities	26	**1,412.30**	1,469.79
		3,854.44	3,688.25
Current liabilities			
Financial liabilities			
Borrowings	27	**0.19**	8.48
Trade payables	28	**—**	—
Total outstanding dues to micro enterprises and small enterprises		**15.90**	8.28
Total outstanding dues to creditors other than micro enterprises and small enterprises		**22.96**	35.42
Other financial liabilities	29	**392.27**	374.22
Other current liabilities	30	**271.16**	266.99
Provisions	31	**139.58**	110.67
Current tax liabilities (net)	32	**164.80**	82.21
		1,006.86	886.27
		78,510.10	68,722.25

The accompanying notes form an integral part of these consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For Gupta Vigg & Co.
Chartered Accountants
Firm Registration NO. 001393N

For and on behalf of the Board of Directors of IST Limited

CA. Deepak Pokhriyal	D.N.Tulshyan	Bhupinder Kumar	Mayur Gupta	S.C.Jain
Partner	Chief Financial Officer	Company Secretary	Director	Executive Director
Membership No. 524778			DIN-00131376	DIN-00092079

Place:New Delhi
Dated: 30 May, 2019

Consolidated Statement of Profit and Loss for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

	Note	For the Year ended 31 March, 2019	For the Year ended 31 March, 2018
Income			
Revenue from operations	33	**11,615.54**	11,168.03
Other income	34	**3,570.68**	2,817.33
Total Income		**15,186.22**	13,985.36
Expenses			
Cost of material consumed	35	**473.01**	469.48
Changes in inventories of work-in-progress and finished goods	36	**47.15**	32.12
Excise duty on sale of goods		**—**	67.43
Employee benefits expense	37	**1,051.21**	1,015.27
Finance costs	38	**321.01**	203.03
Depreciation and amortisation expense	39	**384.15**	361.78
Other expenses	40	**1,050.82**	1,142.86
Total expenses		**3,327.35**	3,291.97
Profit before share of net profits/(losses) of an associate and tax		**11,858.87**	10,693.39
Share of net profit of associate accounted for using the equity method		**48.88**	41.67
Profit before tax		**11,907.75**	10,735.06
Tax expense	41		
Current tax		**2,519.89**	2,258.00
Deferred tax		**(486.02)**	(1,578.98)
Income tax for earlier years		**35.77**	6.88
Total tax expense		**2,069.64**	685.90
Profit after tax		**9,838.11**	10,049.16
Other comprehensive income/ (loss)			
Item that will not to be reclassified to profit or loss			
(a) Remeasurement income on defined benefit plans		**(0.82)**	4.16
Income tax relating to above item		**0.24**	(1.31)
(b) Changes in fair value of FVOCI equity instruments		**(355.30)**	(41.83)
Income tax relating to above items		**82.77**	9.65
(c) Share of other comprehensive income of associates accounted for using the equity method		**(63.93)**	(10.46)
Other comprehensive income/ (loss) for the year		**(337.04)**	(39.79)
Total comprehensive income for the year		**9,501.07**	10,009.37
Profit is attributable to:			
Owners of the parent		**9,838.11**	10,049.16
Non-controlling interests		**—**	—
		9,838.11	10,049.16
Other comprehensive Income/ (loss) is attributable to:			
Owners of the parent		**(337.04)**	(39.79)
Non-controlling interests		**—**	—
		(337.04)	(39.79)
Total comprehensive Income/ (loss) is attributable to:			
Owners of the parent		**9,501.07**	10,009.37
Non-controlling interests		**—**	—
		9,501.07	10,009.37
Earnings per share (basic and diluted) (in Rs.)	**42**	**168.69**	172.31

The accompanying notes form an integral part of these consolidated financial statements.

This is the Consolidated Statement of profit and loss referred to in our report of even date.

For Gupta Vigg & Co.
Chartered Accountants
Firm Registration NO. 001393N

For and on behalf of the Board of Directors of IST Limited

CA. Deepak Pokhriyal
Partner
Membership No. 524778
Place:New Delhi
Dated: 30 May, 2018

D.N.Tulshyan
Chief Financial Officer

Bhupinder Kumar
Company Secretary

Mayur Gupta
Director
DIN-00131376

S.C.Jain
Executive Director
DIN-00092079

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(All amounts in rupees lakhs unless otherwise stated)

Particulars		Year ended 31 March 2019	Year ended 31 March 2019
Cash Flows from operating activities			
Profit before tax		**11,858.87**	10,693.39
Adjustments for:			
Depreciation and amortisation expense		**384.15**	361.77
Finance costs		**317.50**	200.18
Interest income		**(1,224.86)**	(1,256.40)
Gain on fair value of investments measured at FVTPL		**(882.80)**	(219.72)
Loss on sale of investments measured at FVTPL		**3.42**	-
Balances written off/(written back)		**7.97**	7.80
Discount and liquidated damages		**15.09**	13.22
(Profit)/ loss on disposal of property, plant and equipment (net)		**(2.36)**	(13.22)
(Profit)/loss on sale of current investment		**(51.45)**	67.69
Dividend income		**(98.33)**	(67.33)
Operating profit before working capital changes		**10,327.20**	9,787.38
Movements in working capital:			
Inventories		**20.68**	12.76
Trade receivables		**(3.58)**	142.30
Trade payables		**(4.84)**	(3.82)
Loans		**146.58**	(76.54)
Other financial assets		**53.11**	(64.67)
Other assets		**(37.38)**	1.18
Provisions		**30.82**	26.09
Financial and other liabilities		**(131.81)**	(218.32)
Cash generated from operating activities		**10,400.78**	9,606.36
Income tax refunded/(paid) (net)		**(2,497.61)**	(2,156.00)
Net cash generated from operating activities	**A**	**7,903.17**	7,450.36
Cash flows from investing activities			
Purchase of property, plant and equipment		**(292.67)**	(48.17)
Sale/ (purchase) of property, plant and equipment		**13.87**	17.71
Sale/ (purchase) of investment property		**(2,088.75)**	—
Purchase of intangible assets		**(0.95)**	(3.17)
Purchase of current investments		**(2,198.86)**	(1,425.17)
Sale of current investments		**876.32**	935.20
Purchase of non-current investments		**(6,008.50)**	(7,905.24)
Interest received		**1,222.59**	1,252.41
Dividend		**98.33**	67.33
Net cash used in investing activities	**B**	**(8,378.62)**	(7,109.10)
Cash flows from financing activities			
Proceeds from/(repayments of) short term borrowings		**(8.29)**	8.48
Repayment of long term borrowings		**—**	(400.00)
Finance cost paid		**(0.02)**	(11.97)

Particulars		Year ended 31 March 2019	Year ended 31 March 2019
Net cash used in financing activities	**C**	**(8.31)**	(403.49)
Net (decrease)/increase in cash and cash equivalents D=(A+B+C)		**(483.76)**	(62.23)
Cash and cash equivalents at the beginning of the year	**E**	**586.13**	648.36
Cash and cash equivalents at the end of the year (D+E) {refer note 17 }		**102.37**	586.13

Accompanying notes from an integral part of these consolidated financial statements.

Note: The above Consolidated Cash Flow Statements has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7)- Statement of Cash Flow.
This is the Consolidated Cash Flow Statement referred to in our report of even date.

For Gupta Vigg & Co.
Chartered Accountants
Firm Registration NO. 001393N

For and on behalf of the Board of Directors of IST Limited

CA. Deepak Pokhriyal
Partner
Membership No. 524778
Place:New Delhi
Dated: 30 May, 2019

D.N.Tulshyan
Chief Financial Officer

Bhupinder Kumar
Company Secretary

Mayur Gupta
Director
DIN-00131376

S.C.Jain
Executive Director
DIN-00092079

Consolidated Statement of Changes in Equity for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

A. Equity share capital	Amount
Balance as at 1 April 2017	**584.68**
Changes during the year	—
Balance as at 31 March 2018	**584.68**
Changes during the year	—
Balance as at 31 March 2019	**584.68**

B. Other Equity

Particulars	Reserves & Surplus			OCI	Total
	General Reserve	Securities premium account	Retained earning	Equity instruments reserve	
Balance as at 1 April, 2017	**11,080.04**	**60.59**	**42,271.64**	**141.41**	**53,553.68**
Profit for the year	—	—	10,049.16	—	10,049.16
Other comprehensive income/(loss) (net of tax)	—	—	(7.61)	(32.18)	(39.79)
Balance as at 31 March, 2018	**11,080.04**	**60.59**	**52,313.19**	**109.23**	**63,563.05**
Balance as at 1 April, 2018	**11,080.04**	**60.59**	**52,313.19**	**109.23**	**63,563.05**
Profit for the year	—	—	9,838.11	—	9,838.11
Other comprehensive income/(loss) (net of tax)	—	—	(64.51)	(272.53)	(337.04)
Balance as at 31 March 2019	**11,080.04**	**60.59**	**62,086.79**	**(163.30)**	**73,064.12**

Accompanying notes form an integral part of these consolidated financial statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For Gupta Vigg & Co.
Chartered Accountants
Firm Registration NO. 001393N

For and on behalf of the Board of Directors of IST Limited

CA. Deepak Pokhriyal
Partner
Membership No. 524778
Place:New Delhi
Dated: 30 May, 2019

D.N.Tulshyan
Chief Financial Officer

Bhupinder Kumar
Company Secretary

Mayur Gupta
Director
DIN-00131376

S.C.Jain
Executive Director
DIN-00092079

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

1. Group information and statement of compliance with Indian Accounting Standards (Ind AS)

The consolidated financial statements comprise financial statements of IST Limited (“the Company” or “the Holding Company”) and its subsidiary (collectively referred to as the ‘the Group’)for the year ended 31 March 2019.

IST Limited is a public limited company, domiciled in India and having its registered office at Dharuhera Industrial Complex, Delhi-Jaipur Highway no. 8, Kapriwas, Dharuhera, Rewari 123106,was incorporated under the provisions of Companies Act, 1956.The Group and its associate company are engaged in the manufacturing of precision engineering components/ assemblies, SEZ Developers and trading activities. Further, details about the business operations are provided inNote No.44- Segment Information.

The consolidated financial statements of the Group have been prepared to comply in all material respects with accounting principles generally accepted in India, including Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 under Section 133 of the Companies Act, 2013 (the “Act”) and other relevant provisions of the Act.

2. Basis of preparation and significant accounting policies

a. Basis of preparation

The consolidated financial statements have been prepared on accrual and going concern basis under historical cost convention except for certain financial instruments and plan assets, which are measured at fair values. The accounting policies are applied consistently to all the periods presented in theconsolidated financial statements.

The significant accounting policies and measurement bases have been summarised below.

Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle and as per terms of agreements wherever applicable. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

Basis of consolidation

Subsidiary company is an entity over which the holding company has control. The holding company controls subsidiary when the holding company is exposed to, or has rights to, variable returns from its involvement with its subsidiary and has the ability to affect those returns through its power to direct the relevant activities of the subsidiary. Subsidiary is fully consolidated from the date on which control is transferred to the holding company and it is deconsolidated from the date when control ceases. Profit/(loss) and OCI (‘OCI’) of subsidiary acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. The consolidated subsidiary has a consistent reporting date of 31 March 2019.

The Group combines the financial statements of the holding company and its subsidiary line by line adding together like items of assets, liabilities, other equity, income and expenses. Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiary company has been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary’s statement of profit and loss and net assets that is not held by the Group. Profit/(loss) and each component of OCI are attributed to the equity holders of the holding company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiary between the owners of the holding company and the non-controlling interests, if any, based on their respective ownership interests.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Investment in associate has been accounted under the Equity Method as per Ind AS 28- Investment in Associates.

b. Revenue recognition

Revenue arises mainly from the sale of manufactured and traded goods.

To determine whether to recognise revenue, the Groupfollows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and service tax, etc.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

Sale of goods

Revenue from sale of goods is recognised when the control of goods is transferred to the buyer as per the terms of the contract, in an amount that reflects the consideration the Group expects to be entitled to in exchange for those goods. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods.

Rendering of services

Revenue from services is recognised as and when the services are rendered and on the basis of contractual terms with the parties.

Interest

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Dividend

Dividend are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

Rental Income

Rental Income recognised on straight lining basis over the term of lease except for contingent rental income which is recognised when it arises and where schedule increase in rent compensates the lessor for expected inflationary costs.

Unbilled receivables

Unbilled receivables represent:

- Balance on account of straight lining of rental income over the rent-free period.

c. Inventories

Finished goods, works-in-process, raw material, stores, spares and components are valued at lower of cost and net realisable value. Cost of inventory has been arrived at by using the weighted average cost formula. Cost of inventory comprises all costs of purchase duties, taxes (other than those subsequent recoverable from tax authorities) & all other cost incurred to bring the inventories to their present condition & location. Tools and instruments are valued at cost less depletion in value. Stock of scrap is valued at estimated realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d. Income taxes

Tax expense recognised in the statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income (OCI) or directly in equity.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Current tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (i.e. in OCI or equity depending upon the treatment of underlying item).

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside statement of profit and loss (in OCI or equity depending upon the treatment of underlying item).

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the respective Group company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer aconvincing evidence to the effect that the company will pay normal income tax during the specified period.

e. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

f. Foreign currency transactions

The financial statements are presented in Indian Rupee (‘INR’ or ‘Rs.’) which is also the functional currency of the Group.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income/expenses, as the case may be.

g. Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below:

Non-derivative financial assets

Subsequent measurement

i. **Financial assets carried at amortised cost** – a financial asset is measured at the amortised cost, if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. **Fair value through OCI**- A financial assets measured at FVOCI if both of the following conditions are met:

- The Group’s business model objectives for managing the financial assets is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial assets given raise in specified dates to cash flows that are solely payments.

iii. **Fair value through profit or loss** – Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Further, the Group,through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTOCI. The Group has made such election on an instrument by instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI. However, the Group recognizes dividend income from such instruments in the Consolidated Statement of Profit and Loss.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables: In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets: In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

De-recognition of financial assets

A financial asset is primarily de-recognised when the contractual rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

h. Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

i. Property, plant and equipment ('PPE')

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, taxes (non-recoverable) borrowing cost if capitalisation criteria are met and other expenses, directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and definition of asset is met. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognised as interest expense and not included in cost of asset.

Subsequent measurement (depreciation and useful lives)

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.

De-recognition of PPE

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

j. Investment properties

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

Subsequent measurement (depreciation and useful lives)

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful lives (as set-out below) prescribed in Schedule II to the Companies Act:

Assets category	Useful life (in years)
Building and related equipment	60

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition of Investment properties

Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

k. Intangible assets

Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Subsequent measurement (amortised and useful lives)

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.

De-recognition

An item of intangible assets and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

l. Capital work-in progress

Cost of material consumed and erection charges thereon along with other direct cost incurred by the Group for the projects are shown as capital work-in-progress until capitalisation. Claims for price variation / exchange rate variation in case of contracts are accounted for on acceptance / receipt of claim.

m. Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.The recoverable amount is higher of an asset’s fair value less costs of disposal and value in use. For this purpose, assets are Grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Group of assets (cash generating units). If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

n. Operating leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the increase in rent is to compensate the lessor for the effects of inflation.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

o. Borrowing costs

Borrowing costs directly attributable to the acquisitions, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption.

p. Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises when there is a presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

q. Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard 19- Employee Benefits.

Defined benefit plans

Gratuity

The Group operates one defined benefit plan for its employees, viz. gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gain and loss for the defined benefit plan is recognized in full in the period in which they occur in other comprehensive income.

Other long-termbenefits

Accumulated leave expected to be carried forward beyond twelve months, is treated as long term employee benefit. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short term employee benefit.

Liability under continuity linked key resource and deferred salary schemes is provided for on actuarial valuation basis, which is done as per the projected unit credit method at the end of each financial period.

Defined contribution plans

Provident Fund

The Group makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which services are rendered by the employee.

Short-term employee benefits

Expense in respect of other short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

r. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

s. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting done to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments of the Group.

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

3. Recent accounting pronouncement

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying amendments to Ind AS 12, 'Income taxes', Ind AS 19, 'Employee benefits, Ind AS 23, 'Borrowing costs and also Ind AS 116 'Leases'. These amendments rules are applicable to the Group from 1 April 2019.

Ind AS 116- Leases:

On 30 March 2019, MCA has notified Ind AS 116, Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application

  Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application

Ind AS 116, which is effective for annual periods beginning on or after 01 April 2019, requires lessees and lessors to make more extensive disclosures than under Ind AS 17. The Group Company is evaluating the requirements of this new standard on its financial statements.

Appendix C to Ind AS 12, Uncertainty over income tax treatment:

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed.

The standard permits two possible methods of transition:

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The interpretation is effective for annual reporting periods beginning on or after 01 April 2019. The Group Company is evaluating the impact of this amendment on its financial statements.

Amendments to Ind AS 19, Plan amendment, curtailment or settlement:

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss. An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 01 April 2019, with early application permitted. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Company. The Company does not expect any impact on its financial statements of such amendment.

Amendments to Ind 23 Borrowing costs:

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 01 April 2019, with early application permitted. The Company is evaluating the impact of this amendment on its financial statements.

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

4. Significant accounting judgments, estimates and assumptions

When preparing the consolidated financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgments, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:

Significant judgments:

(i) Evaluation of indicators for impairment of non-financial assets

The evaluation of applicability of indicators of impairment of non-financial assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

(ii) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised. The recognition of deferred tax assets and reversal thereof is also dependent upon management decision relating to timing of Availment of tax holiday benefits available under the Income Tax Act, 1961 which in turn is based on estimates of future taxable profits.

Sources of estimation uncertainty:

(i) Provisions

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from management’s estimates.

(ii) Fair valuation of financial instruments

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

5. Property, plant and equipment

Particulars	Plant & Machinery	Furniture	Vehicles	Office equipment	Computers	Total
Gross carrying value						
As at 1 April 2017	1,034.83	312.20	75.89	43.29	0.22	1,466.43
Additions	18.59	0.35	18.73	10.05	0.44	48.16
Disposals/ Adjustments	(44.84)	—	(13.84)	—	—	(58.68)
Total as at 31 March 2018	1,008.58	312.55	80.78	53.34	0.66	1,455.91
Additions	213.36	0.06	68.54	10.22	0.49	292.67
Disposals/ Adjustments	—	—	(66.25)	—	—	(66.25)
Total as at 31 March 2019	**1,221.94**	**312.61**	**83.07**	**63.56**	**1.15**	**1,682.32**
Accumulated depreciation						
As at 1 April 2017	155.35	45.91	20.49	14.29	0.07	236.11
Depreciation charge during the year	155.24	45.87	13.63	12.28	0.17	227.19
Disposals/ Adjustments	(42.60)	—	(11.59)	—	—	(54.19)
Total as at 31 March 2018	267.99	91.78	22.53	26.57	0.24	409.11
As at 1 April 2018	267.99	91.78	22.53	26.57	0.24	409.11
Depreciation charge during the year	159.55	45.68	15.60	10.10	0.33	231.26
Disposals/ Adjustments	—	—	(54.74)	—	—	(54.74)
Total as at 31 March 2019	**427.54**	**137.46**	**(16.61)**	**36.67**	**0.57**	**585.63**
Net carrying value						
As at 31 March 2019	**794.40**	**175.15**	**99.68**	**26.89**	**0.58**	**1,096.70**
As at 31 March 2018	740.59	220.77	58.25	26.77	0.42	1,046.80

Notes:

(i) The Group has contractual commitments of Rs.43.21 lakhs for the year eneded 31 March 2019 (31 March 2018 Rs.Nil).

(ii) The Group has not capitalised any borrowing cost during the year ended 31 March 2019 (31 March 2018:Nil).

6 Investment property

Particulars	Freehold Land	Building**	Total
Gross carrying value			
As at 1 April 2017	11,462.11	7,900.82	19,362.93
Additions	—	—	—
Disposals/ Adjustments	—	—	—
Total as at 31 March, 2018	11,462.11	7,900.82	19,362.93
Additions	863.75	1,225.00	2,088.75
Disposals/ Adjustments	—	—	—
Total as at 31 March, 2019	**12,325.86**	**9,125.82**	**21,451.68**
Accumulated depreciation			
As at 1 April 2017	—	132.19	132.19
Depreciation charge during the year	—	132.19	132.19
Total as at 31 March, 2018	—	264.38	264.38
	—	—	—
Depreciation charge during the year	—	152.21	152.21
Total as at 31 March, 2019	**—**	**416.59**	**416.59**
Net carrying value			
As at 31 March 2019	**12,325.86**	**8,709.23**	**21,035.09**
As at 31 March 2018	**11,462.11**	**7,636.44**	**19,098.55**

***** Building includes commercial property at Noida amounting of Rs. 7725.42 lakhs (31 March 2018: Rs. 6674.73 lakhs), registration is pending.

(i) The Group has not capitalised any borrowing cost during the year ended 31 March 2019 (31 March 2018, Nil)

(ii) Depreciation has been charged off and presented in “depreciation and amortisation expenses” in statement of profit and loss.

(iii) Leasing arrangements: Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. **Refer note 45** for details on future minimum lease rentals.

(iv) Amount recognised in profit and loss for investment properties

Particulars	31 March 2019	31 March 2018
Rental income	**541.41**	734.75
Less: Direct operating expenses that generated rental income	**—**	—
Less: Direct operating expenses that did not generate rental income	**4.82**	2.68
Profit from leasing of investment properties	**536.59**	732.07
Depreciation for the year	**94.06**	94.06
Profit after depreciation	**442.53**	638.01

(v) Fair value of investment properties

Particulars	31 March 2019	31 March 2018
Fair value	**20,966.58**	18,555.44

(vi) Leasing arrangements

The aforementioned investments property is leased to a tenant under long term operating lease agreement with rentals payable monthly. Minimum payments expected to be received under non-cancellable subleases at the balance sheet date:

Particulars	31 March 2019	31 March 2018
Not later than one year	**341.99**	707.49
Later than one year but not later than five years	**—**	823.63
Later than five years	**—**	—

Fair value hierarchy and valuation technique

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The Group obtains independent valuations for its investment properties and fair value measurement has been categorized as level 3. Fair values of the properties are arrived using average of fair values calculation basis market rate approach to arrive at fair value.

7. Intangible assets

Intangible assets consist computer softwares

Particulars	Amount
Gross carrying value	
As at 1 April 2017	5.60
Additions	2.92
Disposals/Adjustments	—
Total as at 31 March 2018	8.52
Additions	1.20
Disposals/Adjustments	—
Total as at 31 March 2019	**9.72**
Accumulated amortisation	
1 April 2017	3.28
Amortisation charge during the year	2.39
Total as at 31 March 2018	5.67
Amortisation charge during the year	0.69
Total as at 31 March 2019	**6.36**
Net carrying value	
As at 31 March 2019	**3.36**
As at 31 March 2018	2.85

(i) The group does not have any contractual commitments for the year ended 31 March 2019 (31 March 2018:Rs. 0.95 lakhs).

7A. Intangible assets under development

	As at 31 March 2019	As at 31 March 2018
Intangible assets under development	**—**	0.25

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
8. Investments (Non current)		
Investment in equity instruments (fully paid-up)		
Quoted, equity shares (measured at fair value through profit and loss)		
J.C.T.Ltd	**0.08**	0.13
4,800 (31 March 2018: 4,800) equity shares of Rs.2.50 each		
Rossell India Ltd.	**206.05**	279.98
306,150 (31 March 2018: 306,150) equity shares of Rs. 2/- each		
Indian Oil Corporation Ltd	**725.13**	785.05
445,290 (31 March 2018: 445,290) Equity Shares of Rs.10/- each		
Pertronet LNG Ltd	**62.89**	508.86
25,000 (31 March 2018: 2,20,000) Equity Shares of Rs.10/- each		
IDFC bank limited	**111.00**	94.70
2,00,000 (31 March 2018: 2,00,000) Equity Shares of Rs.10/- each		
HPCL Limited	**923.93**	851.77
3,25,500 inclusive bonus 82,500 (31 March 2018: 2,47,500) Equity Shares of Rs.10/- each		
Berger Paints Limited	**195.07**	256.45
60,253 (31 March 2018: 100,000) Equity Shares of Rs.1/- each		
Lakshmi Vilas Bank Ltd.	**128.17**	177.18
1,80,518 (31 March 2018: 1,80,518) Equity Shares of Rs.10/- each		
Harrisons Malayalam Ltd.	**51.53**	36.78
72,824 (31 March 2018: 50,000) equity shares of Rs.10/- each		
Asian Paints Ltd.	**—**	112.04
Nil (31 March 2018: 10,000) equity shares of Rs.1/- each		
Housing & Urban Development Corporation Ltd.	**134.70**	199.05
3,00,000 (31 March 2018: 3,00,000) equity shares of Rs.10/- each		
Oil and Natural Gas Corporation Ltd.	**—**	26.67
Nil (31 March 2018: 15,000) equity shares of Rs.5/- each		
Reliance Industries Ltd.	**—**	44.14
Nil (31 March 2018: 5,000) equity shares of Rs.10/- each		
ABG Shipyard Ltd.	**0.90**	3.80
50,000 (31 March 2018: 50,000) equity shares of Rs.10/- each		
Rural Electrification Corporation Ltd.	**69.57**	56.90
45,500 (31 March 2018: 45,500) equity shares of Rs.10/- each		
L & T Finance Holding Ltd.	**627.44**	486.85
4,11,304 (31 March 2018: 3,10,000) equity shares of Rs.10/- each		
Steel Authority India Ltd.	**—**	9.13
Nil (31 March 2018: 13,000) equity shares of Rs.10/- each		
NBCC (India) Ltd.	**112.71**	161.80
1,70,000 inclusive bonus 85,000 (31 March 2018: 85,000) equity shares of Rs.1/- each		
Himachal Futuristic Communication Ltd.	**92.46**	41.44
4,10,000 (31 March 2018: 1,60,000) equity shares of Rs.1/- each		
GAIL (India) Ltd.	**—**	6.57
Nil (31 March 2018: 2,000) equity shares of Rs.10/- each		
State Bank of India.	**—**	50.02
Nil (31 March 2018: 20,000) equity shares of Rs.1/- each		
HDFC Standard Life Insurance Co. Ltd.	**22.71**	27.21

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
6,000 (31 March 2018: 6,000) equity shares of Rs.10/- each		
DLF Ltd.	**263.19**	201.55
130,000 (31 March 2018: 1,00,000) equity shares of Rs.2/- each		
Hindalco Industries Limited	**51.37**	—
25,000 (31 March 2018: Nil) equity shares of Rs.1/- each		
Indraprastha Gas Limited	**227.56**	—
74,500 (31 March 2018: Nil) equity shares of Rs.2/- each		
Fortis Healthcare Limited	**576.94**	—
4,25,000 (31 March 2018: Nil) equity shares of Rs.10/- each		
The Bombay Dyeing & Mfg. Company Limited	**86.37**	—
64,000 (31 March 2018: Nil) equity shares of Rs.2/- each		
Shriram Pistons & Rings Limited	**427.03**	—
41,540 (31 March 2018: Nil) equity shares of Rs.10/- each		
Ballarpur Industries Limited	**27.58**	—
9,35,000 (31 March 2018: Nil) equity shares of Rs.2/- each		
Investment in preference shares (fully paid-up) (measured at fair value through profit and loss)		
Unquoted, non-convertible preference shares of Associate Company		
IST Steel & Power Ltd		
15,00,000 : (31 March 2018: 15,00,000) Debt portion of 9% Non Cumulative, Non Convertible Preference Shares of Rs.100 each, redeemable at par	**1,526.70**	1,528.80
Other Company		
Subham Infra developers Pvt. Ltd.		
11,50,000 (31 March 2018: 11,50,000 Debt portion of 9% Non Cumulative, Non Convertible Preference Shares of Rs.100 each, redeemable at par	**1,173.58**	1,172.31
Related Parties		
IST Softech Pvt. Ltd.		
4,50,000 (31 March 2018: 4,50,000) 9% Non-Cumulative, Non Convertible Preference shares of face value of Rs. 100 each, redeemable at par	**459.05**	459.63
Investments in Government or trust securities		
Quoted, investment in tax free bonds (measured at amortised cost)		
1,58,255 (31 March 2018: 1,58,255) 7.51%, HUDCO 15 Years Tax-free Bonds Rs.1,000/- each	**1,597.40**	1,597.40
24,982 (31 March 2018: 24,982) 7.28% NTPC 15 Years Tax free bond series 2A Rs.1,000/- each	**258.68**	258.68
Unquoted, investment in tax free bonds (measured at amortised cost)		
100 (31 March 2018: 100) 7.15% IRFC 10 years tax free bond series 100 Rs.10,00,000/-each	**1,068.76**	1,068.96
200 (31 March 2018: 200) 7.00% HUDCO 10 years tax-free bonds series C Rs.10,00,000/- each	**2,066.85**	2,066.85
600 (31 March 2018: 600) 7.28% NHAI 15 years tax free bond of Rs.10,00,000/-each	**6,404.66**	6,404.66
205 (31 March 2018: 205) 7.07 %, HUDCO 10 years tax-free bond of Rs.10,00,000/- each	**2,107.76**	2,106.96

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
100 (31 March 2018: 100) 8.48 %, NHAI 12 years tax-free bond of Rs.10,00,000/- each	**1,186.50**	1,186.50
Investment in debentures-Quoted (measured at amortised cost)		
1,00,000 (31 March 2018: 1,00,000) 9.90% secured, redeemable, non-convertible debenture of Rs.1,000/-each of IFCL Ltd.	**1,032.82**	1,032.82
Investment in mutual funds (measured at fair value through profit & loss)		
Unquoted, investment in mutual funds		
SBI PLF-dir plan growth 1,92,834.316 (31 March 2018: 2,02,647.877) units	**5,647.29**	5,520.93
SBI magnum ultra short duration fund regular723.774 (31 March 2018: Nil) units	**30.00**	—
HDFC liquid fund-growth 6974.095 (31 March 2018: 32.79) units	**256.53**	1.12
SBI blue chip fund- dir plan growth 10,75,184.011 (31 March 2018: 3,13,501.759) units	**446.07**	122.30
SBI Debt Fund Series-C-10 (1150 days) 50,00,000 (31 March 2018: 50,00,000) units	**543.15**	505.92
SBI Debt Fund Series-C-7 (1190 days) 10,000,000 (31 March 2018: 10,000,000) units	**1,088.37**	1,016.39
SBI Debt Fund Series-C-8 (1175 days) 10,000,000 (31 March 2018: 10,000,000) units	**1,089.01**	1,014.91
SBI Debt Fund Series-C-9 (1150 days)1,500,000 (31 March 2018: 1,500,000) units	**162.97**	151.86
SBI PLF-Dir Plan Growth (New Plan)2,28,816.356 (31 March 2018: 70,596.936) units	**6,701.05**	1,923.34
SBI DAF-Series-XXV Reg-Growth *30,00,000 (31 March 2018: 30,00,000) units	**312.33**	300.18
*(State Bank of India has created lien on this fund for accepting the cash margin for issuing bank guarantees)	**40,283.91**	33,858.59
Total non-current investments		
Aggregate value of quoted investments	**8,013.28**	7,306.97
Market value of quoted investments	**8,126.69**	7,466.04
Aggregate value of unquoted investments	**32,270.63**	26,551.62
Aggregate value of impairment in the value of investments	**—**	—

9. Trade receivable (Non-current)

(Unsecured, considered goods unless otherwise stated)

Unbilled receivables	**1,141.79**	1,068.37
	1,141.79	1,068.37

10. Loans (Non-current)

(Unsecured, considered good unless otherwise stated)

Security deposits		
- Related parties (Refer Note No 43)	**19.48**	9.42
- Others	**28.74**	24.15
Loans		
- Related parties (Refer Note No. 43)	**513.70**	475.21
	561.92	508.78

11. Other financial assets (Non-current)

Balance with banks		
Term deposits remaining maturity more than 12 months*	**8.64**	8.14
	8.64	8.14

*Pledged with sales tax department Rs. 2.06 lakhs (31 March 2018 Rs.1.94 lakhs) and State Bank of India Rs 6.58 lakhs (31 March 2018 Rs. 6.20 lakhs)

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
12. Deferred tax asset (net)		
Tax effect of items constituting deferred tax liabilities		
Timing difference between written down value of fixed assets as per books and Income Tax Act, 1961	**(91.46)**	(113.34)
Financial assets measured at amortised cost	**(103.56)**	(117.11)
Fair valuation of investments	**(258.93)**	(145.55)
Unbilled receivables (rent straight lineng)	**(332.49)**	(369.74)
Total deferred tax liabilities (A)	**(786.44)**	(745.74)
Tax effect of items constituting deferred tax assets		
Employee benefits:		
Provision for bonus	**5.86**	4.05
Provision for gratuity	**53.40**	48.42
Provision for compensated absence	**23.87**	4.29
Financial assets measured at amortised cost	**0.67**	0.53
Net deferred tax assets (B)	**83.80**	57.29
Net deferred tax liabilities (A-B)	**(702.64)**	(688.45)
MAT credit	**7,567.30**	6,984.09
Net deferred tax assets	**6,864.66**	6,295.64

(i) Movement in deferred tax assets/(liabilities) for year ended 31 March 2019:

Particulars	As at 31 March 2018	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2019
Tax effect of items constituting deferred tax liabilities				
Timing difference between written down value of fixed assets as per books and Income Tax Act, 1961	(113.34)	21.88	—	**(91.46)**
Financial assets measured at amortised cost	(117.11)	13.55	—	**(103.56)**
Fair valuation of investments	(145.55)	(196.15)	82.77	**(258.93)**
Unbilled receivables (rent straight lineng)	(369.74)	37.25	—	**(332.49)**
Deferred tax liabilities (a)	(745.74)	(123.47)	82.77	**(786.44)**
Tax effect of items constituting deferred tax assets				
Employee benefits:				
Provision for bonus	4.05	1.81	—	**5.86**
Provision for gratuity	48.42	(5.13)	0.28	**53.40**
Provision for compensated absence	4.29	19.58	—	**23.87**
Financial assets measured at amortised cost	0.53	0.14	—	**0.67**
Unused tax credit (MAT credit)	6,984.09	583.21	—	**7,567.30**
Deferred tax assets (b)	7,041.38	599.61	0.28	**7,651.10**
Net deferred tax assets/(liabilities) (a - b)	6,295.64	476.14	83.05	**6,864.66**

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

(ii) Movement in deferred tax assets/(liabilities) for year ended 31 March 2018:

Particulars	As at 31 March 2017	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2018
Tax effect of items constituting deferred tax liabilities				
Timing difference between written down value of fixed assets as per books and Income Tax Act, 1961	(144.16)	30.82	—	(113.34)
Financial assets measured at amortised cost	(106.44)	(10.67)	—	(117.11)
Fair valuation of investments	(103.46)	(51.74)	9.65	(145.55)
Unbilled receivables (rent straight lineng)	(379.63)	9.89	—	(369.74)
Deferred tax liabilities (a)	(733.69)	(21.70)	9.65	**(745.74)**
Tax effect of items constituting deferred tax assets				
Employee benefits:				
Provision for bonus	0.09	3.96	—	4.05
Provision for gratuity	47.17	2.56	(1.31)	48.42
Provision for compensated absence	4.36	(0.07)	—	4.29
Financial assets measured at amortised cost	0.31	0.22	—	0.53
Unused tax credit (MAT credit)	5,390.09	1,594.00	—	6,984.09
Deferred tax assets (b)	5,442.02	1,600.67	(1.31)	**7,041.38**
Net deferred tax assets/(liabilities) (a - b)	4,708.33	1,578.97	8.34	**6,295.64**

	As at 31 March 2019	As at 31 March 2018
13 Other non current asset		
Advance for capital goods	**1,592.66**	2,033.71
Prepaid expenses	**116.10**	90.42
Other advances	**100.00**	100.00
	1,808.76	2,224.13
14 Inventories (Valued at lower of cost or net realisable value)		
Raw material	**96.78**	85.58
Work-in-progress	**442.79**	542.18
Finished goods	**48.11**	23.42
Stores & spares & consumables	**91.76**	76.49
Scrap (valued at net realisable value)	**45.80**	18.25
	725.24	745.92
15 Investments (Current)		
Unquoted, measured at fair value through profit and loss		
Investment in mutual funds		
SBI liquid fund direct growth 64128.464 (31 March 2018 : 16406.94)	**1,878.05**	446.99
SBI magnum ultra short duration fund, regular growth 1206.291 (31 March 2018: Nil) units	**50.00**	—
	1,928.05	446.99

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
16	**Trade receivables (Current)**		
	Unsecured, considered good	**658.49**	751.37
		658.49	751.37
17	**Cash and cash equivalents**		
	Cash on hand	**19.10**	5.28
	Cheques, drafts in hand	**—**	15.45
	Balance with banks		
	- in current accounts	**32.51**	76.85
	- as margin money	**—**	338.53
	- in fixed deposits	**50.43**	150.02
	Foreign currency in hand	**0.33**	—
		102.37	586.13
18	**Loans (Current)**		
	(Unsecured, considered good unless otherwise stated)		
	Intercorporate deposits	**363.98**	363.98
	Security deposits		
	- Related parties	**—**	3.60
	- Others	**503.95**	697.84
	Less: Provision for expected credit losses	**(363.98)**	(363.98)
		503.95	701.44
19	**Others financial assets (Current)**		
	(Unsecured considered good)		
	Staff advances	**14.87**	11.50
	Property tax receivable	**2.80**	27.27
	Advance receivable on sale of investment	**209.75**	—
		227.42	38.77
20	**Current tax assets**		
	Advance Income tax	**534.42**	—
	Less :- Provision for taxation	**(509.89)**	—
		24.53	—
21	**Other current assets**		
	Advances to suppliers	**5.98**	2.89
	Staff advances	**3.25**	—
	Prepaid expenses	**12.53**	10.57
	Balance with govt authorities	**15.90**	4.75
	Others advance	**179.77**	9.64
	Revenue with statutory authority	**21.16**	—
		238.59	27.85

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
22. Share capital		
Authorized share capital		
1,00,00,000 equity shares (31 March 2018: 1,00,00,000 equity shares; equity shares of Rs.10/- each)	**1,000.00**	1,000.00
	1,000.00	1,000.00
Issued share capital		
60,27,728 Equity Shares of Rs. 10/- each (31 March 2018: 60,27,728 equity shares; of Rs.10/- each)	**602.77**	602.77
	602.77	602.77
Issued, subscribed capital and fully paid up		
58,32,056 Equity Shares of Rs.10/-each fully paid up (31 March 2018:58,32,056 equity shares; of Rs.10/- each)	**583.21**	583.21
Add : Shares forfeited	**1.47**	1.47
	584.68	584.68

a) Reconciliation of number of equity shares outstanding at the beginning and end of the year

Description	As at 31 March 2019		As at 31 March 2018	
	No.	Amount	No.	Amount
Shares outstanding at the beginning of the year	**5,832,056**	**583.21**	5,832,056	583.21
Add: Share issued during the year	**—**	**—**	—	—
Shares outstanding at the end of the year	**5,832,056**	**583.21**	5,832,056	583.21

b) Share holders holding more than 5% of the shares

Name of the shareholder	As at 31 March 2019		As at 31 March 2018	
	No.	% of Holding	No.	% of Holding
M/s Gupta International Investment Company Ltd	**2,913,221**	**49.95%**	2,913,221	49.95%
M/s Delux Associates LLP	**619,375**	**10.62%**	619,375	10.62%
M/s Eastern India Power and Mining Company Pvt. Ltd.	**377,352**	**6.47%**	377,352	6.47%

c) Share held by Holding Company

Name of the shareholder	As at 31 March 2019		As at 31 March 2018	
	No.	% of Holding	No.	% of Holding
IST Limited	**1,00,000**	**100%**	1,00,000	100%

d) Terms and rights attached to equity shares

The Company has only one class of equity shares having the par value of the each share is Rs.10/-. Each shareholder shall have voting right equal to shareholding percentage of the total of the shares issued. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amount, in proportion to their shareholdings.

e) The Company has not issued bonus shares, equity shares for considerations other than cash and also no shares has been bought back, during the immediately preceding five years.

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
23	**Other equity**		
	General reserve		
	Opening balance	**11,080.04**	11,080.04
	Addition during the year	**—**	—
	Closing balance	**11,080.04**	11,080.04
	General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.		
	Securities premium account		
	Opening balance	**60.59**	60.59
	Additions during the year	**—**	—
	Closing balance	**60.59**	60.59
	Securities premium account represents premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.		
	Surplus in the statement of profit and loss		
	Opening balance	**52,313.19**	42,271.64
	Add: profit for the year	**9,838.11**	10,049.16
	Add: Items of other comprehensive income/(loss)		
	Remeasurement income on defined benefit plans (net of tax)	**(0.58)**	2.85
	Share of other comprehensive income of associate accounted for using the equity method	**(63.93)**	(10.46)
	Closing balance	**62,086.79**	52,313.19
	Reserve for equity instruments through other comprehensive income		
	Opening balance	**109.23**	141.41
	Add: Change in FVOCI equity instruments	**(355.30)**	(41.83)
	Add/Less: tax impact on above	**82.77**	9.65
	Closing balance	**(163.30)**	109.23
	Total other equity	**73,064.12**	63,563.05

The group has elected to recognise change in fair value of equity investments in other comprehensive income. These changes are accumulated within the "Reserve for equity instruments through other comprehensive income". The group transfer amounts from this reserve to retained earning when the relevant equity securities are derecognized.

24	**Other financial liabilities (Non-current)**		
	Security deposits	**2,316.36**	2,095.41
		2,316.36	2,095.41

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
25	**Provisions (Non current)**		
	Provision for employee benefits		
	Provision for gratuity	**84.52**	81.03
	Provision for compensated absence	**41.26**	42.02
		125.78	123.05
26	**Other non-current liabilities**		
	Deferred income	**1,412.30**	1,469.79
		1,412.30	1,469.79
27	**Borrowings (Current)**		
	Secured loans		
	Loans repayable on demand		
	Cash credit from bank -State Bank of India*	**0.19**	8.48
	*Secured by hypothecation of charge on entire of Raw material, semi-finished goods,finished goods, components/consumables /spares and, book debts. Interest rate is 12.95% p.a (31 March 2018 : 12.85% p.a)	**0.19**	8.48
28	**Trade payables**		
	Total outstanding dues to micro enterprises and small enterprises (refer note no 49)	**15.90**	8.28
	Total outstanding dues to creditors other than micro enterprises and small enterprises	**22.96**	35.42
		38.86	43.70
29	**Other financial liabilities (Current)**		
	Security deposits	**129.79**	148.50
	Employees related payable	**63.34**	54.15
	Amount payable to directors	**5.89**	3.64
	Expenses payables	**100.36**	80.68
	Other liability payable	**92.89**	87.25
		392.27	374.22
30	**Other current liabilities**		
	Statutory dues	**41.21**	47.90
	Deferred income	**229.95**	219.09
		271.16	266.99
31	**Provisions (Current)**		
	Provision for employee benefits		
	Provision for gratuity	**98.84**	81.62
	Provision for compensated absence	**40.74**	29.05
		139.58	110.67
32	**Current tax liabilities (net)**		
	Provision for taxation	**164.80**	82.21
		164.80	82.21

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

		For the year ended 31 March 2019	For the year ended 31 March 2018
33	**Revenue from operations**		
	Sales of products		
	- Export	**98.07**	45.11
	- Domestic	**2,089.75**	2,367.12
		2,187.82	2,412.23
	Sales of services		
	- Income from SEZ operations	**9,378.48**	8,702.01
	Other operating revenues		
	- Scrap sales	**49.24**	53.79
	Net sales	**11,615.54**	11,168.03
34	**Other income**		
	Interest income:		
	- On loans from related parties measured at amortized cost	**42.77**	39.56
	- Tax free bonds measured at amortized cost	**1,015.07**	1,015.07
	- Financial assets measured at amortized cost	**2.23**	3.47
	- Bank deposits measured at amortized cost	**18.49**	16.90
	- On current loan measured at amortized cost	**47.30**	64.81
	- On debentures measured at amortized cost	**99.00**	99.00
	- Others	**—**	17.59
	Profit on sale of investments measured at FVTPL	**128.93**	263.78
	Profit on Future & Option	**35.79**	—
	Rental income	**740.77**	914.56
	Gain on fair value of investments measured at FVTPL	**882.80**	263.40
	Income received on arbitration settlement	**—**	26.41
	Dividend income on current investment	**98.33**	67.33
	Profit on disposal of property, plant & equipment	**2.36**	13.22
	Non refundable amount	**423.73**	—
	Miscellaneous income	**33.11**	12.23
		3,570.68	2,817.33
35	**Cost of raw materials consumed**		
	Opening stock	**85.58**	65.21
	Add: Purchased during the year	**484.21**	489.85
		569.79	555.06
	Less: Closing stock	**96.78**	85.58
	Total	**473.01**	469.48

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

		For the year ended 31 March 2019	For the year ended 31 March 2018
36	**Change in inventory of finished goods and work in progress**		
	Inventories at the end of the year		
	Finished goods	**48.11**	23.42
	Works-in-progress	**442.79**	542.18
	Scrap	**45.80**	18.25
		536.70	583.85
	Inventories at the beginning of the year		
	Finished goods	**23.42**	15.13
	Works-in-progress	**542.18**	582.37
	Scrap	**18.25**	18.47
		583.85	615.97
		47.15	32.12
37	**Employee benefits expense**		
	Director's remuneration	**77.48**	71.60
	Salaries and allowances, wages and bonus	**862.71**	830.45
	Contribution to gratuity funds	**25.52**	30.20
	Contribution to provident fund and other funds	**41.49**	39.91
	Staff welfare expense	**44.01**	43.11
		1,051.21	1,015.27
38	**Finance cost**		
	Interest :		
	- On loans	**0.02**	7.15
	- On financial liabilities measured at amortised cost	**317.48**	193.03
	Bank charges and commission	**3.51**	2.85
		321.01	203.03
39	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment & investment property	**383.46**	359.38
	Amortisation on intangible asset	**0.69**	2.39
		384.15	361.77

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

		For the year ended 31 March 2019	For the year ended 31 March 2018
40	**Other expenses**		
	Consumptions of stores, spares & consumables	**142.15**	135.54
	Rent	**114.44**	66.87
	Rates and taxes	**1.95**	2.30
	Repairs and maintenance:		
	- Machinery	**24.14**	23.48
	- Building	**24.92**	11.36
	- Others	**16.25**	15.98
	Electricity expenses	**135.10**	119.93
	Insurance expenses	**8.87**	7.97
	Legal and professional	**227.67**	94.54
	Travelling and conveyance	**69.26**	70.99
	Communication expenses	**8.69**	6.82
	Auditors remuneration:		
	Audit fee	**7.15**	7.15
	In other capacity		
	- For tax audit	**1.70**	1.35
	- For certificates etc.	**0.75**	0.58
	- For taxation & other matters	**0.30**	0.25
	- For reimbursement of expenses	**0.52**	0.87
	- For service tax / swachh bharat cess	**—**	0.08
	Internal audit expenses	**2.20**	1.80
	Selling expenses	**14.59**	35.24
	Director's meeting expenses	**0.58**	0.50
	Advertisement	**1.12**	2.40
	Property tax	**8.00**	13.41
	Business promotion expenses	**7.86**	3.02
	Postage & courier expenses	**0.09**	0.10
	Sundry Dr/Cr balance written off	**2.32**	1.08
	Brokerage & commission	**51.34**	49.39
	Loss on sales of non current investments	**74.32**	331.62
	Testing charges	**3.18**	1.94
	Loss on exchange rate fluctuation	**0.09**	1.61
	Loss on fair valuation of investment measured at FVTPL	**3.16**	43.38
	Miscellaneous expenses	**98.11**	91.31
		1,050.82	1,142.86

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

		For the year ended 31 March 2019	For the year ended 31 March 2018
41	**Tax expense**		
	Income tax expense recognised in consolidated statement of profit and loss		
	Current tax expense	**2,519.89**	2,258.00
	Deferred tax expense	**(486.02)**	(1,578.98)
	Previous year income tax	**35.77**	6.88
		2,069.64	685.90

The reconciliation of tax expense based on the domestic effective tax rate of at 29.12% (31 March 2018: 28.84%) and the reported tax expense in consolidated statement of profit or loss is as follows:

Particulars	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Profit/(Loss) before tax	**11,907.75**	10,735.06
Income tax using domestic tax rate *****	**29.12%**	28.84%
Expected tax expense [A]	**3,467.54**	3,095.99
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense		
Non-deductible expenses	**36.58**	83.20
Non-taxable income	**(565.86)**	(405.35)
Change is tax rates during the year	**0.42**	6.05
Items taxable at different tax rates	**(4.91)**	(23.86)
Deferred tax not recognised for Share of net profit of associates	**(14.23)**	(12.02)
Income not tax taxable in pursuant to tax holiday	—	(2,742.26)
Tax paid in mat and tax credits	**(983.21)**	249.03
Tax expense related to earlier years	**35.77**	6.88
Tax rate difference of subsidiary company	—	397.31
Others	**97.54**	30.93
Total adjustments [B]	**(1,397.90)**	**(2,410.09)**
Actual tax expense [C=A-B]	**2,069.64**	**685.90**

***** Domestic tax rate applicable has been computed as follows:		
Base tax rate	**25%**	25%
Surcharge (% of tax)	**12%**	12%
Cess (% of tax)	**4%**	3%
Applicable rate	**29.12%**	28.84%

42	**Earning per share**		
	Net profit attributable to equity shareholders		
	Profit after tax	**9,838.11**	10,049.16
	Nominal value of equity share (In Rs.)	**10/-**	10/-
	Total number of equity shares outstanding as the beginning of the year	**5,832,056**	5,832,056
	Total number of equity shares outstanding as the end of the year	**5,832,056**	5,832,056
	Weighted average number of equity shares	**5,832,056**	5,832,056
	Basic and diluted earning per equity share (In Rs.)	**168.69**	**172.31**

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

43. Related party disclosures

The nature of relationship and summary of transactions with related parties as are summarised below:

a) Name of the related party and nature of their relationship

Name of the related party	**Nature of relationship**
M/s IST Steel and Power Ltd.	Associate Company
Name of key managerial personnel (KMP)	**Designation**
Mr. S. C. Jain	Whole time director
Lt. Col. N.L. Khitha(Retd.)	Whole time director
Mr. Mayur Gupta	Non-executive director
Mr. Gaurav Guptaa	Non-executive director
Mrs. Sarla Gupta	Non-executive director
Mr. Subhash Chander Jain	Independent director
Air Marshal Denzil Keelor (Retd.)	Independent director
Brig. Gurcharan Singh Sawhney (Retd.)	Independent director
Mr. N. M. Kakrania	Non-executive director
Mr. D. N. Tulshyan	Chief financial officer
Mr. Bhupinder Kumar	Company secretary
Mr. Prem Chand Gupta	Relatives of key managerial personnel
Mrs. Priyankka Guptaa	Relatives of key managerial personnel
Mrs. Shweta Gupta	Relatives of key managerial personnel
Mr. Anil Kumar Tulshyan	Relatives of key managerial personnel

Entities in which KMP/Relative of KMP can exercise significant influence

M/s GPC Technology Ltd.

M/s Mercantile Realtors (P) Ltd.

M/s IST Technology Infrastructure Pvt. Ltd.

Entities controlled by directors/relatives of directors

M/s Delux Associates LLP.

M/s IST Softech Pvt. Ltd.

b) The following transactions were carried out with related parties:-

Particulars	Year	Associates Company	KMP (Key managerial personnel)	Relatives of KMP (key managerial personnel)	Entities in which KMP/ Relatives of KMP can exercise significant influence	Entities controlled by KMP/ Reatives of KMP
Transactions during the year						
Remuneration	31 March 2019	—	100.02	69.34	—	—
	31 March 2018	—	(92.22)	(69.86)	—	—
Service charges paid	31 March 2019	—	—	—	15.47	—
	31 March 2018	—	—	—	(9.00)	—
Puchase of immovable property	31 March 2019	—	—	—	970.00	—
	31 March 2018	—	—	—	—	
Rent paid	31 March 2019	—	9.60	9.60	81.00	9.00
	31 March 2018	—	(7.20)	(7.20)	(41.96)	(6.23)
Interest income	31 March 2019	—	—	—	42.77	—
	31 March 2018	—	—	—	(39.56)	—
Reimbursement of expenses	31 March 2019	—	—	—	1.49	—
	31 March 2018	—	—	—	—	—

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

Particulars	Year	Associates Company	KMP (Key managerial personnel)	Relatives of KMP (key managerial personnel)	Entities in which KMP/ Relatives of KMP can exercise significant influence	Entities controlled by KMP/ Reatives of KMP
Director sitting fees	31 March 2019	—	0.58	—	—	—
	31 March 2018	—	(0.50)	—	—	—
Loan given	31 March 2019	—	—	—	—	—
	31 March 2018	—	—	(3.00)	—	—
Outstanding Balance						
Amount payable	31 March 2019	—	7.21	1.22	—	—
	31 March 2018	—	(4.83)	(4.26)	—	—
Security deposits given	31 March 2019				60.00	3.60
	31 March 2018	—	—	—	(36.00)	(3.60)
Capital advances	31 March 2019	—	—	—	—	—
	31 March 2018	—	—	—	—	(417.00)
Loan given	31 March 2019	—	—	1.00	513.70	—
	31 March 2018	—	—	(0.25)	(475.21)	—
Other current assets	31 March 2019	—	—	—	—	0
	31 March 2018	—	—	—	(3.66)	—
Equity contribution	31 March 2019	884.00	—	—	—	—
	31 March 2018	(884.00)	—	—	—	—
Redeemable preference shares	31 March 2019	1,526.70	—	—	459.05	—
	31 March 2018	(1,528.80)	—	—	(459.63)	—

Note:- Previous year figures have been reported in brackets

c) The following transactions were carried out with KMP:-

Short-term employee benefit

Description	For the year ended 31 March 2019	For the year ended 31 March 2018
Mrs. Sarla Gupta	**48.00**	48.00
Mr. S. C. Jain	**19.53**	14.70
Lt. Col. N.L. Khitha (Retd.)	**10.56**	10.18
Mr. D. N. Tulshyan	**11.48**	10.19
Mr. Bhupinder Kumar	**10.45**	9.15

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

44 Segment information

Description of segments and principal activities

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by reportable segments. The Group's reportable segments are as follows:

(a) Manufacturing segment, which engaged in manufacturing of high precision engineering components/ assemblies.

(b) SEZ segment, which engaged as SEZ Developer.

Year ended 31 March 2019

Particulars	Manufacturing Segment	SEZ Segment	Total Segments	Adjustment and eliminations	Consolidated
Revenue					
External customers	2,918.30	11,043.06	13,961.36	—	13,961.36
Total revenue	**2,918.30**	**11,043.06**	**13,961.36**	**—**	**13,961.36**
Income/Expenses					
Interest Income	376.89	847.97	1,224.86	—	1,224.86
Depreciation and amortisation expense	275.29	108.86	384.15	—	384.15
Finance costs	6.76	314.25	321.01	—	321.01
Income tax expense	185.32	1,884.32	2,069.64	—	2,069.64
Share of net profit of associate accounted for using equity method	48.88	—	48.88	—	48.88
Segment profit/(loss)	**810.13**	**9,027.97**	**9,838.10**	**—**	**9,838.10**
Segment Assets	**19,376.46**	**59,133.64**	**78,510.10**	—	**78,510.10**
Segment Liabilities	**618.28**	**4,243.02**	**4,861.30**	**—**	**4,861.30**

Year ended 31 March 2018

Particulars	Manufacturing Segment	SEZ Segment	Total Segments	Adjustment and eliminations	Consolidated
Revenue					
External customers	3,252.91	9,476.05	12,728.96	—	12,728.96
Inter-segment	—	—	—	—	—
Total revenue	**3,252.91**	**9,476.05**	**12,728.96**	**—**	**12,728.96**
Income/ Expenses					
Interest Income	391.16	865.24	1,256.40	—	1,256.40
Depreciation and amortisation expense	276.43	85.34	361.77	—	361.77
Finance costs	19.65	183.38	203.03	—	203.03
Income tax expense	279.13	406.77	685.90	—	685.90
Share of net profit of associate accounted for using equity method	41.67	—	41.67	—	41.67
Segment profit/(loss)	**1,047.93**	**9001.23**	**10,049.16**	—	**10,049.16**
Segment Assets	**18,642.19**	**50,080.06**	**68,722.25**	—	**68,722.25**
Segment Liabilities	**629.59**	**3944.93**	**4,574.52**	—	**4,574.52**

Notes:

(i) Inter-segment eliminations upon consolidation are reflected in the "adjustments and eliminations" column.

(ii) The Group has two reportable segments as per the requirements of Ind AS 108 – "Operating Segments". One is manufacturing segment and other is SEZ segment. Majority of the revenue from external customers of Rs. 4166.88 lakhs (31 March 2018: 5,086.68 lakhs) of SEZ segment is derived from three external customers.

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

45 Lease

In case of assets taken on lease

Operating Lease:

The Group 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.

The total of minimum future lease payments under non-cancellable operating lease is as under:

Particulars	31 March 2019	31 March 2018
Lease payments for the year recognized in the Statement of Profit and Loss	**92.10**	65.68
Minimum lease payments:		
Not later than one year	**88.20**	88.20
Later than one year but not later than five years	**227.12**	305.72
Later than five years	**—**	—

In case of assets given on lease

Operating lease:

The Group has entered in to various lease arrangements for property:i) One 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) Others agreement for Noida property , on sub-lease basis is receivable on percentage of sale or minimum guarantee, whichever is higher, for a period of five years from the date of commencement of lease.However, this premise has been vacated by the leasee during the current financial year on 26.09.2018.

There is no uncollectible minimum lease payments receivable at the balance sheet date.

Particulars	31 March 2019	31 March 2018
Lease income for the year recognized in the Statement of Profit and Loss (net of lease rentals paid to investors)	**541.41**	734.75
Minimum lease incomes:		
Not later than one year	**341.99**	707.49
Later than one year but not later than five years	**—**	823.63
Later than five years	**—**	—

The Group has entered into various operating lease arrangements for building situated in SEZ area and Noida.

Particulars	31 March 2019	31 March 2018
Lease income for the year recognized in the Statement of Profit and Loss	**9,219.10**	8,529.52
Minimum lease incomes:		
Not later than one year	**9,540.06**	8,547.84
Later than one year but not later than five years	**39,406.33**	36,150.14
Later than five years	**—**	—

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

46 Fair value disclosures

(i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are classified into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Financial assets measured at fair value - recurring fair value measurements

	31 March 2019	31 March 2018	Level	Valuation techniques and key inputs
Financial assets:				
Investment in equity instruments	**5,124.38**	4,418.07	Level 1	Fair value of equity instruments have been determined using the quoted market price.
Investment in mutual funds	**18,204.82**	11,003.94	Level 1	Net asset value (NAV) obtained from an active market.
Investment in preference shares	**3,159.33**	3,160.74	Level 3	Fair value of non-cumulative, non -convertible redeemable preference share have been determined using, discounted cash flow analysis. This method involves the projection of a series of cash flow from the project. To this projected cash flow series, a market-derived discounted rate is applied to establish the present value od the income stream associated with the project.
Total	**26,488.53**	**18,582.75**		

(iii) The following table summaries the quantitative information about the significant unobservable inputs used in level 3 fair value measurements and sensitivity analysis if a change to such inputs was made keeping other variables constant:

Particulars		Discount rate	31 March 2019	31 March 2018
Investment in preference shares				
IST Steel & Power Ltd.	Increase by	0.50%	**(55.65)**	(57.98)
	Decrease by	0.50%	**58.69**	61.32
Subham Infra developers Pvt. Ltd.	Increase by	0.50%	**(49.30)**	(45.05)
	Decrease by	0.50%	**52.62**	47.70
IST Softech Pvt. Ltd.	Increase by	0.50%	**(19.17)**	(19.67)
	Decrease by	0.50%	**20.48**	21.02

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

(iv) The following table presents the changes in level 3 items for the year ended 31 March 2019 and 31 March 2018:

Particulars	Preference shares
As at 1 April 2017	3,223.03
Less: Investment sold during the year	—
Gain/(loss) recognized in statement of profit and loss	(62.29)
As at 31 March 2018	3,160.74
Gain/(loss) recognized in statement of profit and loss	(1.42)
As at 31 March 2019	**3,159.32**

(v) Fair value of instruments measured at amortized cost

Fair value of instruments measured at amortized cost for which fair value is disclosed is as follows:

Particulars	Level	31 March 2019		31 March 2018	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Investments	Level 3	**15,723.43**	**15,851.03**	15,722.83	15,850.13
Loans	Level 3	**1,065.87**	**1,065.87**	1,210.22	1,210.22
Trade receivable	Level 3	**1,800.28**	**1,800.28**	1,819.74	1,819.74
Other financial assets	Level 3	**338.43**	**338.44**	633.04	633.04
Total financial assets		**18,928.01**	**19,055.62**	19,385.83	19,513.13
Borrowings	Level 3	**0.19**	**0.19**	8.48	8.48
Trade payables	Level 3	**38.86**	**38.86**	43.70	43.70
Other financial liabilities	Level 3	**2,708.63**	**2,708.63**	2,469.63	2,469.63
Total financial liabilities		**2,747.68**	**2,747.68**	2,521.81	2,521.81

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Other non-current financial assets and non-current borrowings bear a market interest rate and hence their carrying amounts are also considered a reasonable approximation of their fair values.

47 Financial risk management

i) Financial instruments by category

Particulars	31 March 2019			31 March 2018		
	FVOCI	FVTPL	Amortized cost	FVOCI	FVTPL	Amortized cost
Financial assets						
Investments	**5,086.61**	**21,401.91**	**15,723.43**	4,306.24	14,276.51	15,722.83
Trade receivables	**—**	**—**	**1,800.28**	—	—	1,819.74
Loans	**—**	**—**	**1,065.88**	—	—	1,210.22
Cash and cash equivalents	**—**	**—**	**102.37**	—	—	586.13
Other financial assets	**—**	**—**	**236.07**	—	—	46.91
Total	**5,086.61**	**21,401.91**	**18,928.03**	4,306.24	14,276.51	19,385.83
Financial liabilities						
Borrowings (including interest)	**—**	**—**	**0.19**	—	—	8.48
Trade payable	**—**	**—**	**77.72**	—	—	43.70
Other financial liabilities	**—**	**—**	**2,708.63**	—	—	2,469.63
Total	**—**	**—**	**2,786.54**	—	—	2,521.81

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

ii) Risk Management

Activities expose it to market risk, liquidity risk and credit risk. Board of directors of respective entities has overall responsibility for the establishment and oversight of risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the group. The group is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The group's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets. - cash and cash equivalents, - trade receivables, - loans & receivables carried at amortized cost, and- deposits with banks

a) Credit risk management

The Group assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the group, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

Assets under credit risk –

Credit rating	Particulars	31 March 2019	31 March 2018
A: Low	Loans	**1,065.88**	1,210.22
	Investments	**42,211.95**	34,305.58
	Other financial assets	**236.07**	46.91
	Cash and cash equivalents	**102.37**	586.13
	Trade receivables	**1,800.28**	1,819.74

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Trade receivables

Group's trade receivables are considered of high quality and accordingly no life time expected credit losses are recognized on such receivables.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes advances to employees. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains flexibility in funding by maintaining availability under committed facilities.Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

31 March 2019	Less than 1 year	1-5 year	More than 5 years	Total
Borrowings including interest	0.19	—	—	0.19
Trade payable	38.86	—	—	38.86
Other financial liabilities	530.21	867.50	3,260.45	4,658.16
Total	**569.26**	**867.50**	**3,260.45**	**4,697.21**
31 March 2018	**Less than 1 year**	**1-5 year**	**More than 5 years**	**Total**
Borrowings including interest	8.48	—	—	8.48
Trade payable	43.70	—	—	43.70
Other financial liabilities	485.54	936.42	2,969.72	4,391.68
Total	537.72	936.42	2,969.72	4,443.86

C) Market risk

a) Interest rate risk

The Group is not exposed to changes in market interest rates as all of the borrowings are at fixed rate of interest. Also the Group's fixed deposits are carried at amortized cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

b) Price risk

Exposure

The Group's exposure to price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments in mutual funds and equity investment, the Group diversifies its portfolio of assets.

Sensitivity

Below is the sensitivity of profit or loss and equity to changes in fair value of investments, assuming no change in other variables:

Particulars	31 March 2019	31 March 2018
Price sensitivity		
Price increase by 5%	**1,189.41**	794.08
Price decrease by 5%	**(1,189.41)**	(794.08)

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

48 Capital management

The Group' s capital management objectives are

- to ensure the Group's ability to continue as a going concern
- to provide an adequate return to shareholders

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	31 March 2019	31 March 2018
Total borrowings	**0.19**	8.48
Less : Cash and cash equivalents	**65.65**	370.79
Net debt	—	—
Total equity	**18,445.55**	17,684.92
Net debt to equity ratio	—	—

49 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") is as under:

	Particulars	As at 31 March 2019	As at 31 March 2018
i)	Principal amount remaining unpaid to any suppliers as at the end of the accounting year;	**15.90**	8.28
ii)	Interest due thereon remmaning unpaid to any suppliers as at the end of the accounting year;	**Nil**	Nil
iii)	The amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed date during each accounting year;	**Nil**	Nil
iv)	The amount of interest due and payable for the period of delay in making payment(which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act;	**Nil**	Nil
v)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	**Nil**	Nil
vi)	The amount of further interest remaining due and payable even in the succeeding years ,until such date when the interest due as above are actually paid to the small enterprise, for the purpose of disallowance as a deductiable expenditure under section 23.	**Nil**	Nil

The details of amounts outstanding to micro enterprises and small enterprises under the Micro, Small and Medium Enterprises Development Act (MSMED), 2006 are as per available information with the Group.

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

50 Details of Corporate Social Responsibility (CSR) expenditure is as follows:

i) Gross amount required to be spent by the Group during the year (i.e. 2% of average net profits u/s 198 of Companies Act, 2013 of last three years) : 19.29 lakhs (March 31, 2018: 12.84 lakhs)

ii) Amount spent during the year

Purpose for which expenditure incurred	For the year ended 31 March 2019	For the year ended 31 March 2018
- Construction/acquisitions of any asset	**—**	—
- On purpose other than above mentioned	**—**	—
Amount yet to be spent	**19.29**	12.84
Total	**19.29**	12.84

51 Details of assets pledged/ hypothecated as security:

The carrying amounts of assets pledged/ hypothecated as security for current and non-current borrowings are:

Particulars	As at31 March 2019	As at31 March 2018
Current		
Inventories	**725.24**	745.92
Trade receivables	**374.37**	543.71
Cash and cash equivalents and other bank balances	**65.65**	370.79
Loans, other financial and other assets	**226.97**	41.20
Non Current		
Investments	**—**	—

52 Employee benefit obligations

Particulars	As at31 March 2019		As at31 March 2018	
	Current	Non-current	Current	Non-current
Gratuity	**98.84**	**84.52**	81.62	81.03
Compensated absences	**40.74**	**41.26**	29.05	42.02
Total	**139.58**	**125.78**	110.67	123.05

A Gratuity

Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The following tables summarize the components of net benefit expense recognized in the consolidated statement of profit and loss and amounts recognized in the consolidated balance sheet for the respective plans.

(i) Amount recognized in the consolidated statement of profit and loss is as under:

Description	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	**13.10**	19.71
Net interest cost	**12.42**	10.49
Actuarial loss/(gain) recognized during the year	**0.83**	(4.16)
Return on plan assets		
Amount recognized in the consolidated statement of profit and loss	**26.35**	26.04

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

(ii) Movement in the present value of defined benefit obligation recognized in the consolidated balance sheet is as under:

Description	As at31 March 2019	As at31 March 2018
Present value of defined benefit obligation as at the start of the year	**162.65**	141.92
Current service cost	**13.10**	19.71
Interest cost	**12.42**	10.49
Actuarial loss/(gain) on obligation	**0.83**	(4.16)
Benefits paid	**(5.63)**	(5.31)
Present value of defined benefit obligation as at the end of the year	**183.37**	162.65

(iii) Breakup of actuarial (gain)/loss:

Description	For the year ended 31 March 2019	For the year ended 31 March 2018
Actuarial (gain)/loss from change in demographic assumption	**—**	—
Actuarial (gain)/loss from change in financial assumption	**(0.01)**	(3.60)
Actuarial (gain)/loss from experience adjustment	**0.84**	(0.56)
Total actuarial (gain)/loss	**0.83**	**(4.16)**

(iv) Actuarial assumptions

Description	As at31 March 2019	As at31 March 2018
Discount rate	**7.59% - 7.66%**	7.60% - 7.80%
Future Basic salary increase	**6.00%**	6.00%
Employee turnover		
- Upto 30 years	**3.00%**	3.00%
- From 31 to 44 years	**2.00%**	2.00%
- Above 44 years	**1.00%**	1.00%
Retirement age	**58**	58

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(v) Sensitivity analysis for gratuity liability

Description	For the year ended 31 March 2019	For the year ended 31 March 2018
Impact of the change in discount rate		
- Impact due to increase of 0.50 %	**(3.35)**	(3.10)
- Impact due to decrease of 0.50 %	**3.60**	3.33
Impact of the change in salary increase		
- Impact due to increase of 0.50 %	**3.64**	3.12
- Impact due to decrease of 0.50 %	**(3.42)**	(3.05)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognized in the consolidated balance sheet.

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(vi) Maturity profile of defined benefit obligation

Description	As at31 March 2019	As at31 March 2018
Within next 12 months	**98.84**	81.62
Between 1-5 years	**7.58**	5.83
More than 5 years	**76.96**	75.21

B Compensated absences

The earned leave liability arises on retirement, withdrawal, resignation and death-in-service of an employee. The actuary has used projected unit cost (PUC) actuarial method to assess the plan's liabilities of employees.

(i) Amount recognized in the consolidated statement of profit and loss is as under:

Description	Earned leave	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	**11.10**	9.90
Net interest cost	**5.43**	5.17
Actuarial loss/(gain) recognized during the year	**6.12**	(1.78)
Amount recognized in the consolidated statement of profit and loss	**22.65**	13.29

(ii) Change in present value of the defined benefit obligation is as follows:

Description	Earned leave	
	As at 31 March 2019	As at 31 March 2018
Present value of obligation as at the start of the year	**71.07**	69.88
Current service cost	**11.10**	9.90
Net interest cost	**5.43**	5.17
Actuarial loss/(gain) recognized during the year	**6.12**	(1.78)
Benefits paid	**(11.71)**	(12.10)
Present value of obligation at the year end	**82.01**	71.07

(iii) Actuarial assumptions

Description	As at 31 March 2019	As at 31 March 2018
Discount rate	**7.59%-7.66%**	7.53% - 7.60%
Future basic salary increase	**6.00%**	6.00%

Notes:

(a) The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.

(b) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors on long term basis.

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

C Provident fund

The Group makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognized Rs.27.97 lakhs (31March 2018: Rs.27.12 lakhs) for Provident Fund contributions and Rs.13.51 lakhs (31 March 2018: Rs.12.79 lakhs) for Employee State Insurance Scheme contributions in the Consolidated Statement of Profit and Loss.

53 Contingent liabilities and commitments

		As at31 March 2019	As at31 March 2018
a)	**Contingent Liabilities**		
	Claim against the company not acknowledged as debt		
	- Tax matters in dispute	—	—
	- Court case disputed with party	—	31.75
b)	**Commitments**		
	- Bank guarantees issued by the bank	**66.75**	147.61
	- Capital contracts to be executed	**241.74**	199.48
	- For lease commitments (refer note no. 43)	—	—

54 Interest in subsidiary

The Holding company's subsidiary at 31 March 2019 is as set out below. Unless otherwise stated, the subsidiary company has share capital consisting solely of equity shares that are held directly by the holding company, and the proportion of ownership held equals the voting right held by the holding company. The country of incorporation or registration is also their principal place of business.

			Ownership interest held by the Holding Company		Ownership interest held by non-controlling interests	
Name of the Subsidiary Company	Principal activities	Country of incorporation	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Gurgaon Infospace Limited	SEZ Developer	India	**100%**	100%	**0%**	0%

55. Interest in associate

Set out below is the associate of the group as at 31 March 2019 which is material to the group. The entity listed below have share capital consisting

equity shares and preference share, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

Name of the Associate Company	Principal activities	Country of incorporation	Ownership interest held by the group 31 March 2019	Ownership interest held by the group 31 March 2018	Accounting Method
IST Steel and Power Limited	Trading Activities	India	25.48%	25.48%	Equity method

(i) Summarised financial information for associate

Summarised balance sheet	As at 31 March 2019	As at 31 March 2018
Current assets		
Cash and cash equivalents	**20.60**	6.74
Other assets	**755.77**	582.28
Total current assets	**776.37**	589.02
Total non-current assets	**5,760.54**	6,090.04
Current liabilities		
Financial liabilities excluding trade payables and provisions	**1,506.31**	1,505.67
Other liabilities	**149.45**	157.73
Total current liabilities	**1,655.76**	1,663.40
Non-Current liabilities		
Financial liabilities excluding trade payables and provisions	**—**	—
Other liabilities	**6.99**	82.46
Total non-current liabilities	**6.99**	82.46
Net Assets	**4,874.16**	4,933.20

Summarised statement of profit and loss	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue	**183.18**	350.18
Depreciation and amortisation expense	**7.35**	7.79
Interest income	**238.73**	240.59
Finance costs	**—**	0.03
Income tax expense	**0.28**	35.11
Profit from continuing operations	**191.89**	163.58
Profit for the year	**191.89**	163.58
Other comprehensive income/(loss)	**(250.93)**	(41.05)
Total comprehensive income	**(59.04)**	122.53
Dividend received	**48.21**	81.70

(ii) Reconciliation to carrying amounts

Particulars	As at 31 March 2019	As at 31 March 2018
Opening net assets	**4,933.20**	4,810.67
Profit for the year	**191.89**	163.58
Other comprehensive income	**(250.93)**	(41.05)
Dividend paid	**—**	—
Closing net assets	**4,874.16**	4,933.20
Group's share in %	**25.48%**	25.48%
Group's share in INR	**1,241.71**	1,256.76
Goodwill	**54.92**	54.92
Carrying amount	**1,296.63**	1,311.68

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

56. Information required by Schedule III of the Companies Act 2013, with respect to consolidated financial statements

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive Income / (loss)		Share in Total Comprehensive Income	
	As % consolidated net assets	Amount	As % consolidated profit & loss	Amount	As % other comprehensive income/ (loss)	Amount	As % total comprehensive income	As % total comprehensive income
Holding								
IST Limited	23.71%	17,461.55	7.74%	761.26	0.19%	(0.63)	8.01%	760.63
Subsidiary								
Gurgaon Infospace Limited	74.53%	54,890.62	91.77%	9,027.97	80.85%	(272.48)	92.15%	8,755.49
Associate								
IST Steel and Power Limited	1.76%	1296.63	0.49%	48.88	18.97%	(63.93)	-0.16%	(15.05)
	100%	**73648.80**	**100%**	**9,838.11**	**100%**	**(337.04)**	**100%**	**9,501.07**

57 FORM NO. AOC.1 -Statement containing salient features of the financial statement of subsidiary/associate company(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiary

Particulars	As at 31 March 2019	As at 31 March 2018
1. Name of the subsidiary	Gurgaon Infospace Limited	
2. Reporting period	April to March	
3. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA	NA
4. Share capital	100.00	100.00
5. Reserves & surplus	54,790.62	46,035.13
6. Total assets	59,133.64	50,080.06
7. Total Liabilities	4,243.02	3,944.93
8. Investments	32,737.82	26,249.56
9. Turnover	9,378.48	8,702.01
10. Profit before taxation	10,912.29	9,408.00
11. Provision for taxation	1,884.32	406.77
12. Profit after taxation	9,027.97	9,001.23
13. Proposed Dividend	—	—
14. % of shareholding	100.00%	100.00%

Notes:-

1. **Names of subsidiaries which are yet to commence operations -Nil**
2. **Names of subsidiaries which have been liquidated or sold during the year-Nil**

Summary of Consolidated Significant Accounting Policies and other explanatory information for the year ended 31st March, 2019

(All amounts in rupees lakhs unless otherwise stated)

Part "B": Associate

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Company

		As at 31 March 2019	As at 31 March 2018
	Name of Associate	IST Steel & Power Limited	IST Steel & Power Limited
1.	Latest audited Balance Sheet Date	31 March 2019	31 March 2018
2.	Share of Associate held by the Company on the year end	8,840,000	8,840,000
	Amount of Investment in Associates	884.00	884.00
	Extend of Holding %	25.48%	25.48%
3.	Description of how there is significant influence	Not Applicable	Not Applicable
4.	Reason why the associate is not consolidated	Consolidated	Consolidated
5.	Net worth attributable to shareholding as per latest balance sheet	4,874.16	4,933.20
6.	Profit / Loss for the year		
	i. Considered in Consolidated	(59.04)	122.53
	ii. Not considered in Consolidated	—	—

Notes:-

1. Names of associates which are yet to commence operations - Nil

2. Names of associates which have been liquidated or sold during the year- Nil

58 Authorisation of consolidated financial statements

These consolidated financial statements for the year ended 31 March 2019 (including comparatives) were approved by the Board of Directors on 30 May, 2019.

This is the Summary of consolidated significant accounting policies and other explanatory information referred to in our report of even date

For Gupta Vigg & Co.
Chartered Accountants
Firm Registration NO. 001393N

For and on behalf of the Board of Directors of IST Limited

CA. Deepak Pokhriyal
Partner
Membership No. 524778
Place:New Delhi
Dated: 30 May, 2019

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 43rd Annual General Meeting of the Company held on Monday, the 30th September, 2019 at 11.30 A.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 43rd Annual General Meeting of the Company to be held on Monday, the 30th September, 2019 at 11.30 A.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. To consider and adopt the Audited Financial Statement (including Audited Consolidated Financial Statement) for the financial year ended 31st March 2019 and Boards Report and Auditors thereon			
2. To re-appoint Mr. Suresh Chand Jain (DIN: 00092079), who retires by rotation.			
3. To re-appoint Mr. Mayur Gupta (DIN: 00131376), who retires by rotation.			
B. SPECIAL BUSINESS 4. Re-appointment of Mr. Subhash Chander Jain (DIN: 00169972) as Independent Director			
5 Re-appointment of Air Marshal (Retd.) Denzil Keelor (DIN: 00380111) as Independent Director			
6 Re-appointment of Brig. (Retd.) G.S. Sawhney (DIN: 01037821) as Independent Director			
7. Re-appointment of Mr. S.C. Jain (DIN: 00092079) as Whole Time Director, designated as Executive Director			
8 Re-appointment of Lt. Col. (Retd.) N.L. Khitha (DIN: 01128275) as Whole Time Director, designated as Director (Technical)			
9 Sub-division of existing equity share capital of the Company			
10 Alteration to the Capital Clause (Clause V) of the Memorandum of Association of the Company			
11 Alteration of the Object Clause (Clause III) of the Memorandum of Association of the Company (MOA) and to align the MOA with the requirement of Companies Act, 2013			
12. Re-appointment of Mrs. Sarla Gupta (DIN: 00069053) as Whole Time Director of Gurgaon Infospace Limited, wholly owned subsidiary of the Company.			

Signed this ____________________________day of __________________________2019

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.

IST Limited

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

Venue of the 43rd Annual General Meeting

Source : Google Map

If undelivered, please return to :

IST Limited

A-23, New Office Complex, 2nd Floor,
Defence Colony, New Delhi-110024