



Date: **May 29, 2023**

HO-425-S

To
BSE Limited
Registered Office: Floor 25,
P J Towers, Dalal Street,
Mumbai - 400 001
Company Scrip Code: 533033

To
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051
Company Symbol: ISGEC

Furnishing of Information in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Subject: **Outcome of the Board Meeting held on Monday, May 29, 2023**

Dear Sir(s)/Madam(s),

1. This is in continuation to our earlier intimation dated May 16, 2023 informing about the Board Meeting scheduled on Monday, May 29, 2023 at 10:30 a.m. at A-4, Sector - 24, Noida-201301, Uttar Pradesh, India.
2. The meeting commenced as per its scheduled time i.e. 10:30 a.m.
3. Pursuant to Regulation 30, 33 and other Regulation(s), if applicable, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), the Board of Directors of the Company in its meeting held today i.e. May 29, 2023 has inter-alia considered and approved the following:
 - a. Audited **Standalone** Financial Results for the quarter and year ended on March 31, 2023 along with Auditors' Report thereon, which are enclosed with this letter as **Annexure-I**.
 - b. Audited **Consolidated** Financial Results for the quarter and year ended on March 31, 2023 along with Auditors' Report thereon, which are enclosed with this letter as **Annexure-II**.

Pursuant to Regulation 33 (3) (d) of Listing Regulations, We hereby declare that Statutory Auditors i.e. M/s SCV & Co. LLP, Chartered Accountants (Firm Registration No. 000235N/N500089), have submitted their Audit Reports with unmodified opinion on Standalone and Consolidated Financial Results for the year ended on March 31, 2023.

4. In the said meeting, the Board has recommended a Dividend of Rs. 3/- per equity share of Re. 1/- each, out of the profits of the Company, for the financial year 2022-23.

The Dividend recommended is subject to the approval of the shareholders at forthcoming Annual General Meeting.

The Dividend, if approved by the shareholders at forthcoming Annual general Meeting, will be paid on or before September 21, 2023 i.e., within a period of 30 days from the date of declaration at forthcoming Annual General Meeting.





ISGEC HEAVY ENGINEERING LTD.

A-4, Sector-24,
Noida - 201 301 (U.P.) India
(GST No.: 09AAACT5540K2Z4)
Tel.: +91-120-4085000 / 01 / 02
Fax: +91-120-4085100
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5. The Board Meeting was concluded at 03:25 p.m.
6. This intimation is being published / uploaded on the website of the Company at www.isgpec.com under "Financial Results" section.
7. The above is for your information and records please.

Thanking you,

Yours truly,
For Isgec Heavy Engineering Limited

CS Sachin Saluja
Company Secretary & Compliance Officer
Membership No. A24269
Address: A-4, Sector-24, Noida-201301,
Uttar Pradesh

Encl.: **As Above**

For Isgec Heavy Engineering Limited

CS Sachin Saluja
Company Secretary & Compliance Officer
Membership No. A24269
Address: A-4, Sector-24, Noida-201301,
Uttar Pradesh



Independent Auditor's Report on the Standalone Annual Financial Results of Isgec Heavy Engineering Limited for the year ended 31st March, 2023 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended.

INDEPENDENT AUDITORS' REPORT

To
 The Board of Directors of Isgec Heavy Engineering Limited
 Report on the audit of the standalone annual financial results

We have audited the accompanying standalone annual financial results of Isgec Heavy Engineering Limited (hereinafter referred to as "the Company"), for the year ended 31st March, 2023 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the year ended 31st March, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* 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 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 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 on the standalone annual financial results.

Responsibility of Management and Board of Director for the standalone annual financial results

These standalone annual financial results have been prepared on the basis of the standalone Ind AS financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 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 standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 annual financial results.

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 standalone annual financial results, 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 whether the Company has adequate internal financial controls with reference to standalone annual Ind AS financial statements 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 in the standalone annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results 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 auditor's 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 annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone annual financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone annual financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone annual financial results.

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.

Other Matter

The standalone annual financial results includes the results for the quarter ended 31st March, 2023 and the corresponding quarter ended of the previous year being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year and previous financial year, which were subject to limited review by us.

Our opinion is not modified in respect of this matter.

For SCV & Co. LLP
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No. 000235N/N500089

(ABHINAV KHOSLA)
PARTNER
MEMBERSHIP No. 087010
ICAI UDIN: 23087010BGZFE17135

PLACE: Noida
DATED: 29th May, 2023

ISGEC HEAVY ENGINEERING LIMITED

REGO. OFFICE : YAMUNANAGAR - 135001 (HARYANA), CIN: L23423HR1933PL0000097

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**STATEMENT OF STANDALONE FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED 31.03.2023**

A. Statement of Financial Results

(₹ in lakh except earnings per share)

Sl. No.	Particulars	Quarter ended		Year ended		
		31.03.2023 (Audited)	31.12.2022 (Unaudited)	31.03.2022 (Audited)	31.03.2023 (Audited)	31.03.2022 (Audited)
I	Revenue from operations	1,41,967	1,09,833	1,36,336	4,65,192	4,44,446
II	Other Income	576	482	264	3,499	2,604
III	Total Income (I+II)	1,42,543	1,10,318	1,36,570	4,68,691	4,47,050
IV	Expenses :					
	(a) Cost of materials consumed	25,868	19,871	24,750	92,463	75,674
	(b) Purchase of stock-in-trade	55,520	41,516	53,498	1,81,015	2,00,914
	(c) Erection & commissioning expenses	19,775	14,630	19,118	62,224	61,618
	(d) Change in inventories of finished goods and work-in-progress (increase)/decrease	27	572	3,859	(2,885)	(4,773)
	(e) Employee benefits expense	8,843	8,799	8,302	34,300	31,869
	(f) Finance costs	1,103	1,018	642	3,701	2,266
	(g) Depreciation and amortisation expense	1,634	1,583	1,678	6,311	6,539
	(h) Other expenses	21,365	16,984	19,995	68,122	58,237
	Total expenses (IV)	1,34,135	1,04,973	1,31,842	4,45,251	4,32,344
V	Profit before tax (III-IV)	8,408	5,345	4,728	23,440	14,706
VI	Tax expense					
	a) Current Tax	2,337	1,544	1,991	6,385	4,420
	b) Deferred Tax	(140)	(181)	(784)	(738)	(996)
VII	Profit for the period (V-VI)	6,211	3,982	3,521	17,793	11,282
VIII	Other Comprehensive Income					
	(i) Items that will not be reclassified to profit or loss	(227)	27	136	(99)	425
	(ii) Income tax relating to items that will not be reclassified to profit or loss	57	(2)	(34)	25	(107)
IX	Total Comprehensive Income (VII+VIII)	6,041	4,007	3,623	17,719	11,600
X	Paid up equity share capital (Face Value of the equity share ' 1/- each)	735	735	735	735	735
XI	Reserve excluding Revaluation Reserves				1,93,836	1,77,588
XII	Earnings per equity share (of ' 1/' each) (not annualised except for March, 31)					
	(a) Basic (in ')	8.45	5.42	4.79	24.20	15.34
	(b) Diluted (in ')	8.45	5.42	4.79	24.20	15.34

B. Statement of Assets and Liabilities

(in lakhs)

Particulars	As at	As at
	31.03.2023 (Audited)	31.03.2022 (Audited)
ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	41,431	42,091
(b) Right-of-use asset	3,880	3,218
(c) Capital work - in - progress	410	835
(d) Other intangible assets	1,794	2,152
(e) Intangible assets under development	1,257	-
(f) Financial assets		
(i) Investments	16,330	16,930
(ii) Loans	11,269	9,171
(iii) Trade receivables	6,957	18,675
(iv) Other financial assets	1,899	1,755
(g) Deferred tax assets (net)	3,051	2,287
(h) Other non - current assets	210	602
Sub Total - Non Current Assets	88,488	97,716
(2) Current assets		
(a) Inventories	64,111	55,155
(b) Financial assets		
(i) Investments	1,661	11,872
(ii) Trade receivables	2,78,818	2,27,910
(iii) Cash and cash equivalents	12,215	6,595
(iv) Bank balances other than (iii) above	1,407	1,228
(v) Loans	814	753
(vi) Other financial assets	1,882	1,142
(c) Current tax assets (net)	-	767
(d) Other current assets	85,960	88,952
Sub Total - Current Assets	4,46,868	3,94,374
Total Assets	5,35,356	4,92,090
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	735	735
(b) Other equity	1,93,836	1,77,588
Total Equity	1,94,571	1,78,323
LIABILITIES		
(1) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	10,000
(a) Lease liabilities	1,182	580
(ii) Other financial liabilities	112	119
(b) Provisions	7,608	4,695
(c) Other non - current liabilities	14,865	21,531
Sub Total - Non Current Liabilities	23,767	36,925
(2) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	44,677	33,365
(a) Lease liabilities	466	335
(ii) Trade payables		
• Total outstanding dues of micro enterprises and small Enterprises	5,968	11,480
- Total outstanding dues of creditors other than micro enterprises and small Enterprises	1,27,164	1,10,693
(iii) Other financial liabilities	5,931	5,655
(b) Other Current liabilities	1,22,051	1,01,704
(c) Provisions	10,026	13,610
(d) Current tax liabilities (net)	735	-
Sub Total - Current Liabilities	3,17,018	2,76,842
Total Equity & Liabilities	5,35,356	4,92,090

C. Statement of Cash Flows

Particulars	₹ in Lakhs	
	Year ended	
	31.03.2023 (Audited)	31.03.2022 (Audited)
A Cash flow from operating activities		
Profit before tax	23,440	14,706
Adjustments for :		
Depreciation and amortisation expenses	6,311	6,539
(Gain) / Loss on property, plant and equipment sold / written off	(9)	(4)
Liabilities no longer required written back	(73)	(203)
Provision for expected credit loss	1,805	2,819
Provision for impairment loss on investments	600	-
Finance income	(1,026)	(767)
Finance costs	3,701	2,266
Income From Investments- Dividends	(1,670)	(1,356)
(Gain) / Loss on sale of of financial instruments (investment)	(35)	{121}
Change in fair value of financial Instruments (investment)	100	-
Adjustment due to discounting in warranty provision	(305)	39
Unrealised (gain) / loss on foreign currency translation	(3,387)	(512)
Operating profit before working capital adjustments	29,452	23,406
Working capital adjustments		
(Increase) /Decrease in trade receivables	{36,780}	2,776
(Increase) /Decrease in other receivables	1,979	(6,477)
(Increase) /Decrease in inventories	(8,955)	(7,588)
Increase/(Decrease) in trade and other payables	24,784	(17,973)
Increase / (Decrease) in payables and provisions	(1,175)	(1,702)
Cash generated from operations	9,305	(7,558)
Income Tax paid (net of refund)	(4,883)	(5,872)
Net cash flow from / (used in) operating activities	4,422	(13,430)
B Cash flow from Investing activities		
Purchase of property, plant and equipment including capital work-in-progress and intangible assets	(5,686)	(5,568)
Proceeds from sale of property, plant and equipment	109	107
Net proceeds from (purchase) / sale of mutual funds	10,146	(7,418)
Loans repaid/ (given)	(858)	-
(Increase)/decrease in other bank balances	(178)	-
Interest received	359	767
Dividend received	1,670	1,356
Net cash flow from / (used in) investing activities	5,562	(10,756)
C Cash flow from financing activities		
Dividend paid on equity shares	(1,496)	(754)
Payment of lease liabilities	(547)	(428)
Finance cost	{3,633}	(2,183)
Proceeds from long term borrowings	-	8,830
Repayment of long term borrowings	(10,000)	(97)
Proceeds/(repayment) from short term borrowings (net)	11,312	14,748
Net cash flow from / (used in) financing activities	(4,364)	20,116
Net increase In cash and cash equivalents (A+B+C)	5,620	(4,070)
Cash and cash equivalents at the beginning of the year	6,595	10,665
Cash and cash equivalents at the end of the period	12,215	6,595
Components of cash and cash equivalents		
Balance with banks in current account	12,117	6,441
Cheques and drafts on hand	84	141
Cash on hand	14	13
Cash and cash equivalents	12,215	6,595



Notes

1. The above Standalone financial results of the Company were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 29, 2023.
2. The Standalone financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended thereafter.
3. The Board of Directors have recommended a final dividend of > 3/- (300%) per Equity Share of > 1/- each, out of the profits of the Company, for the year ended March 31, 2023, subject to approval of Shareholders in the Annual General Meeting of the Company.
4. The Indian Parliament has approved the Code on Wages, 2019 and the Code on Social Security, 2020 relating to employee benefits during employment and post employment benefits which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact once the subject rules are notified and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules are notified.
5. The results for the quarter ended March 31, 2023 and March 31, 2022, are the balancing figures between audited figures in respect of the full financial year ended March 31, 2023 and March 31, 2022 respectively and published and unaudited respectively year to date figures up to the third quarter of the respective financial year then ended.
6. The figures for the corresponding previous periods have been regrouped, wherever necessary, to make them comparable.

FORISGEC HEAVY ENGINEERING LIMITED

Date : May 29, 2023
Place: Neida



A. S. SRINIVAS
MANAGING DIRECTOR

Independent Auditor's Report on the Consolidated Annual Financial Results of Isgec Heavy Engineering Limited for the year ended 31st March 2023 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended.

INDEPENDENT AUDITORS' REPORT

To
 The Board of Directors of Isgec Heavy Engineering Limited

Report on the audit of the consolidated annual financial results

Opinion

We have audited the accompanying consolidated annual financial results of Isgec Heavy Engineering Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") and its associate, for the year ended March 31, 2023 ("the Statement" or "consolidated annual financial results"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and an associate as referred to in "Other Matters" paragraph below, the aforesaid consolidated annual financial results:

- (i) include the annual financial results of the entities listed in Annexure-I:
- (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under the section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group and its associate for the year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group and its associate, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules 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 obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.



Management's and Board of Directors' Responsibility for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated Ind AS financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group and its associate in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act; for safeguarding of the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are

[REDACTED]



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by the Management and Board of Directors of the Holding Company.
- Conclude on the appropriateness of the Management and Board of Directors 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 to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results 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 auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the consolidated annual financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, 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.

Materiality is the magnitude of misstatements in the consolidated annual financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated annual financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated annual financial results.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results 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.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matters

1. We did not audit the financial information / financial results of seventeen subsidiaries included in the consolidated annual financial results, whose financial information / financial results reflect total assets of Rs. 1,19,473 Lakhs as at March 31, 2023, total revenues of Rs. 5,260 Lakhs and Rs. 22,803 Lakhs, total net profit after tax of Rs. 344 Lakhs and total net loss of Rs. 4,221 Lakhs and total comprehensive Income of Rs. 953 Lakhs and Rs. (3607) Lakhs, for the quarter ended March 31, 2023 and for the year ended March 31, 2023, respectively and net cash inflows of Rs. 1921 Lakhs for the year ended March 31, 2023, as considered in the consolidated annual financial results. The consolidated annual financial results also include the Group's share of net profit of Rs. 2 Lakhs and Rs. 4 Lakhs for the quarter ended March 31, 2023 and for the year ended March 31, 2023, respectively, as considered in the consolidated annual financial results, in respect of one associate, whose financial information / financial results have not been audited by us. These financial information / financial results have been audited by other auditors whose auditors' reports have been furnished to us by the Management and our



conclusion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate is based solely on the reports of the other auditors.

Certain of the above mentioned subsidiaries and associate are located outside India whose financial information / financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial information / financial results of such subsidiaries and associate located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the financial information / financial results of such subsidiaries and associate located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

2. The consolidated annual financial results includes the results for the quarter ended March 31, 2023 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review by us. The results for the previous year's quarter ended March 31, 2022 are the balancing figure between the audited figures in respect of the full financial year and the unaudited year to date figures up to the third quarter of the previous financial year. (Refer Note 5 to the consolidated annual financial results).

Our opinion on the consolidated annual financial results 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 and the financial results/financial information certified by the Board of Directors.

For SCV & Co. LLP
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No. 000235N/N500089



Abhinav Khosla

(ABHINAV KHOSLA)
PARTNER
MEMBERSHIP No. 087010
ICAI UDIN: 23087010BGZFJEJ5585

PLACE: NEW DELHI
DATED: 29th May, 2023

Annexure I: List of entities consolidated

Holding Company

- i) Isgec Heavy Engineering Limited

Subsidiaries

- i) Saraswati Sugar Mills Limited
- ii) Isgec Covema Limited
- iii) Isgec Exports Limited
- iv) Isgec Engineering & Projects Limited
- v) Freelook Software Private Limited
- vi) Isgec Hitachi Zosen Limited
- vii) Isgec SFW Boilers Private Limited
- viii) Isgec Redecam Enviro Solutions Private Limited
- ix) Isgec Titan Metal Fabricators Private Limited
- x) Eagle Press & Equipment Co. Limited
- xi) Eagle Press America Inc.
- xii) 2197375 Ontario Inc.
- xiii) Isgec Investments Pte. Ltd.
- xiv) Bioeq Energy Holdings One
- xv) Bioeq Energy Pte. Ltd.
- xvi) Bioeq Energy B.V
- xvii) Bioeq Energy Holdings Corp.
- xviii) Bukid Verde Inc.
- xix) Cavite Biofuels Producers Inc.

Associate

- i) Penwood Project Land Corp.



ISGEC HEAVY ENGINEERING LIMITED

REGO. OFFICE : VAMUNANAGAR - 135 001 (HARVANA) CIN: L23423HR1933PLC000097

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**STATEMENT OF CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED 31.03.2023**

A. Statement of Financial Results

Sl. No.	Particulars	Q a enj "		H in lakhsexceptearnifg per hare)		
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		I Audited	I Un Audited	I Audited	(Audited)	Wudit
I	Revenue from operations	2,04,274	1,59,706	1,59,615	6,39,904	5,49,934
II	Other Income	565	91	113	1,267	1,32
III	Total Income (I+II)	2,04,839	1,59,797	1,59,728	6,41,171	5,51,258
IV	Expenses:					
	(a) Cost of materials consumed	61,439	48,173	63,972	1,84,054	1,59,315
	(b) Purchase of stock-in-trade	55,097	41,319	53,704	1,80,697	2,00,143
	(c) Erection & commissioning expenses	19,700	14,659	19,183	62,253	62,268
	(d) Change In inventories of finished goods and work-in-progress (increase)/decrease	10,381	9,563	(22,450)	28,401	(19,844)
	(e) Employee benefits expense	11,912	11,907	11,743	46,255	43,303
	(f) Finance costs	1,749	1,744	3,182	7,299	8,114
	(g) Depreciation and amortisation expense	2,677	2,620	2,741	11,110	10,136
	(h) Other expenses	29,306	21,310	22,811	92,783	73,613
	Total expenses (IV)	1,92,261	1,51,295	1,54,886	6,12,172	5,35,450
V	Profit before share of an associate and tax (III - IV)	12,578	8,502	4,842	28,999	15,808
VI	Share of profit/ (loss) of an associate	2	6	(2)	4	2
VII	Profit before tax (V+VI)	12,580	8,508	4,840	29,003	15,810
VIII	Tax expense					
	a) Current tax	3,325	2,042	1,176	8,503	5,078
	b) Deferred tax	(61)	(120)	(237)	(60)	(749)
	c) Earlier years tax			(18)	6	(18)
IX	Profit/(loss) for the period (VII-VIII)	9,316	6,586	3,919	20,554	11,499
X	Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit or loss	(196)	40	192	(80)	464
	(ii) Income tax relating to items that will not be reclassified to profit or loss	49	(3)	(49)	23	(115)
	B (i) Items that will be reclassified to profit or loss	189	14	(126)	213	(551)
XI	Total Comprehensive Income (IX+X)	9,358	6,147	3,936	20,710	11,297
	Profit for the period	9,316	6,586	3,919	20,554	11,499
	Attributable to:					
	Owners of the parent	8,613	6,296	3,704	19,649	10,882
	Non-controlling interests	703	290	155	905	617
	Other comprehensive Income for the period	42	161	17	156	(202)
	Attributable to:					
	Owners of the parent	37	161	8	160	(203)
	Non-controlling interests	5		9	(4)	1
	Total comprehensive Income of the period	9,358	6,747	3,936	20,710	11,297
	Attributable to:					
	Owners of the parent	8,650	6,457	3,772	19,809	10,679
	Non-controlling interests	708	290	164	901	618
XII	Paid up equity share capital (Face Value of the equity share 1/- each)	735	735	735	735	735
XIII	Reserve excluding Revaluation Reserves				2,29,696	2,11,358
XIV	Earnings Per Equity Share of 1/- each (not annualised except for March, 31)					
	(a) Basic (in)	11.71	8.56	5.12	26.72	14.80
	(If Diluted (In)	11.71	8.56	5.12	26.72	14.80

B. Statement of Assets and Liabilities

(€ in trkhs)

Particulars	at	
	31.03.2023 j Audited	31.03.2022 f Audited
ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	84,290	86,783
(b) Right-of-use assets	4,786	4,440
(c) Capital work-in-progress	79,221	70,154
(d) Goodwill	1,735	2,325
(e) Other intangible assets	3,776	4,106
(f) Intangible assets under development	1,257	-
(g) Biological assets other than bearer plants	155	56
(h) Investments accounted for using equity method	1,675	1,590
(i) Financial assets		
(i) Loans	371	311
(ii) Trade receivables	6,957	18,675
(iii) Other financial assets	2,380	2,198
(j) Deferred tax assets (net)	2,263	1,898
(k) Other non-current assets	2,440	1,719
Sub Total - Non Current Assets	1,91,306	1,94,255
(2) Current assets		
(a) Inventories	1,16,384	1,40,345
(b) Financial assets		
(i) Investments	1,660	11,871
(ii) Trade receivables	2,81,949	2,15,183
(iii) Cash and cash equivalents	16,815	10,128
(iv) Bank balances other than (iii) above	4,236	3,518
(v) Loans	855	800
(vi) Other financial assets	5,177	2,569
(c) Current tax assets (net)	1,296	1,651
(d) Other current assets	87,792	95,664
sub Total - current Assets	5,16,164	4,81,729
Total Assets	7,07,470	6,75,984
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	735	735
(b) Other equity	2,29,696	2,11,358
Equity attributable to owners of Parent	2,30,431	2,12,093
Non Controlling Interest	8,778	8,117
Total equity	2,39,209	2,20,210
LIABILITIES		
(1) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	43,286	46,521
(i)a) Lease liabilities	2,530	2,414
(ii) Other financial liabilities	6,587	3,339
(b) Provisions	7,900	5,671
(c) Deferred tax liabilities (net)	2,179	1,876
(d) Other non-current liabilities	14,886	21,651
Sub Total - Non Current Liabilities	77,368	81,472
(2) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	76,754	73,983
(i)a) Lease liabilities	960	401
(ii) Trade payables		
• Total outstanding dues of micro enterprises and small Enterprises	7,418	11,490
• Total outstanding dues of creditors other than micro enterprises and small Enterprises	1,42,288	1,33,036
(iii) Other financial liabilities	11,319	9,318
(b) Other Current liabilities	1,40,153	1,31,572
(c) Provisions	10,874	14,391
(d) Current tax liabilities (net)	1,127	111
Sub Total - Current Liabilities	3,90,893	3,74,302
Total Equity & Liabilities	7,07,470	6,75,984

C. Statement of Cash Flows

(₹ in lakh)

Particulars	Year ended	
	31.03.2023 (Audited)	31.03.2022 (Audited)
A Cash Flow from Operating Activities		
Profit before tax	29,003	15,810
Adjustments :		
Depreciation and amortization expenses	10,110	10,110
(Profit)/Loss on diminution in value of stores and investments	19	13
(Gain) / Loss on disposal of property, plant and equipment	-	(2)
(Gain) / Loss on sale of financial instruments	(152)	(127)
Change in fair value of financial instruments (investment)	100	-
Provision for expected credit loss	632	(233)
Impairment of goodwill	595	-
Bad debts written off	-	3
Liabilities no longer required written back	(445)	(1,031)
Interest income	(528)	(517)
Amortization of processing fees	41	(112)
Finance / Interest costs	7,299	6,516
Unrealised foreign exchange (gain)/ Loss	(2,714)	(351)
Adjustment for profit / (loss) from associate	(4)	(2)
Adjustment due to discounting in warrants / prov/sicm	(305)	16
Cash flow before working capital adjustments	43,971	30,139
Working capital adjustments		
Increase/(decrease) in trade receivables	(52,249)	(2,751)
(Increase)/decrease in current financial assets	4,078	1,531
(Increase)/decrease in inventories	23,941	(25,076)
Increase/(decrease) in financial liabilities	9,203	(1,926)
Increase/(decrease) in prov/sicm / other payables	(1,063)	(1,150)
Cash flow after working capital requirements	27,881	367
Income tax paid (net of refund)	(7,116)	17,397
Net cash from operating activities	20,765	(7,030)
B Cash flow from Investing activities		
Proceeds from sale of property, plant and equipment	152	136
Purchase of property, plant and equipment including capital work-in-progress	(14,154)	(5,630)
Purchase of intangible assets	(369)	(943)
Purchase of intangible assets under development	(1,257)	-
Sale/(Purchase) of equity shares / mutual funds	10,263	(7,412)
Proceeds from sale of financial instruments	(182)	(937)
(Increase)/decrease in other bank balances	(719)	-
Interest income received	502	557
Income received from investment in associates	(80)	86
Net cash flow from/ (used in) investing activities	(5,844)	(14,143)
C Cash flow from Financing activities		
Dividend paid on equity shares	(1,736)	(1,034)
Payments for lease liability	(697)	(612)
Finance / Interest cost - long term / short term	(5,509)	(7,581)
Proceeds from long term borrowings	8,437	13,060
Repayment of long term borrowings	(14,679)	(2,246)
Proceed / (repayment) from borrowings	4,407	15,988
Net cash flow from/ (used in) financing activities	(9,777)	17,774
Net increase/(decrease) in cash and cash equivalents (A+B+C)	5,144	(3,598)
Cash and cash equivalents at the beginning of the year	10,128	15,455
Effect of Foreign currency translation	1,543	(1,729)
Cash and cash equivalents at the end of the period	16,815	10,128
Components of cash and cash equivalents		
Balances with banks - In current accounts	16,636	9,022
Balances with banks - In fixed deposits accounts with original maturity of less than three months	74	945
Cheques and drafts on hand	84	142
Cash on hand	21	19
Cash and cash equivalents	16,815	10,128

D. Segment Reporting

Segment Information

The Group reports segment information as per Ind AS 108 "Operating Segments" read with applicable SEBI circular. The identification of Operating Segments is consistent with performance assessment and resource allocation by the Management. The management has identified

- Manufacturing of Machinery and Equipment Segment
- Engineering, Procurement and Construction Segment
- Sugar
- Ethanol
- Ethanol (Plant Under Construction) at Philippines

The composition of the Segments

Manufacturing of Machinery & Equipment Segment comprising manufacture of Process Plant Equipment, Presses, Castings, Boiler Tubes & Panels and Containers

Engineering, Procurement and Construction Segment consists of Projects and Turnkey Solutions for Sugar Plants, Distilleries, Power Plants, Boilers, Air Pollution Control Equipment, Buildings and Factories

Sugar consists of manufacture and sale of sugar and its by-products

Ethanol consists of manufacture of ethanol at Sarswati Sugar Mills Ltd.

Ethanol (Plant under construction) at Philippines consists of acquired business of Cavite Biofuels Producers Inc. which is constructing ethanol plant at Philippines.

Statement of Segment-wise Revenue, Results, Total Assets and Total Liabilities are as follows:

(₹ in Lakhs)

Sl. No.	Particulars	Quarter ended			Year ended	
		31.03.2023 (Audited)	31.12.2022 un-audited	31.03.2022 (Audited)	31.03.2023 (Audited)	31.03.2022 (Audited)
I	Segment Revenue					
	a) Manufacturing of Machinery & Equipment	83,51	5,754	54,193	2,29,072	1,69,824
	b) Engineering, Procurement and Construction	1,08,838	78,759	98,150	3,39,187	3,40,119
	c) Sugar	15,237	32,385	16,866	89,862	67,538
	d) Ethanol	5,165	5,588	5,381	21,796	5,384
	e) Ethanol (Plant Under Construction) at Philippines	43	21	(626)	122	(2,071)
	f) Unallocated	39	604	197	665	226
	Total	2,12,40	1,73,111	1,74,161	6,80,704	5,81,020
	Less: Inter segment revenue	8,566	13,405	14,546	40,890	31,086
	Net Sales/Income, from Operations	2,04,17	1,59,706	1,59,615	6,39,904	5,49,934
II	Segment Results (Profit(+)/Loss(-) before tax and interest from each segment)					
	a) Manufacturing of Machinery & Equipment	6,764	2,851	4,186	15,865	11,665
	b) Engineering, Procurement and Construction	4,120	3,609	4,072	14,794	9,949
	c) Sugar	2,812	2,703	953	9,484	6,894
	d) Ethanol	66	132	(3)	778	(205)
	e) Ethanol (Plant Under Construction) at Philippines	420	970	(1,254)	(3,651)	(4,089)
	f) Unallocated	244	(82)	(148)	(796)	(2,109)
	Total	14,426	10,833	7,806	36,474	22,105
	Less: i) Interest expense	1,662	1,499	2,833	6,821	5,888
	ii) Inter segment interest	184	176	133	650	407
	Total Profit Before Tax	12,580	8,508	4,840	29,003	15,810
	After Segmental remittance (been arrived at after considering inter-segment interest income)					
					As at 31.03.2023 (Audited)	As at 31.03.2022 (Audited)
III	Segment Assets					
	a) Manufacturing of Machinery & Equipment				1,89,994	1,98,535
	b) Engineering, Procurement and Construction				3,72,559	3,25,313
	c) Sugar				46,916	60,916
	d) Ethanol				22,352	22,327
	e) Ethanol (Plant Under Construction) at Philippines				87,836	75,587
	f) Unallocated				33,838	87,325
	Total				7,53,495	7,70,003
	Less: Inter-segment assets				46,025	94,019
	Total Assets				7,07,470	6,75,984
IV	Segment Liabilities					
	a) Manufacturing of Machinery & Equipment				1,10,036	1,49,763
	b) Engineering, Procurement and Construction				2,81,174	2,58,618
	c) Sugar				12,283	39,651
	d) Ethanol				9,531	13,461
	e) Ethanol (Plant Under Construction) at Philippines				84,363	68,119
	f) Unallocated				16,899	20,181
	Total				5,14,286	5,49,793
	Less: Inter-segment liabilities				46,025	94,019
	Total Liabilities				4,68,261	4,55,774

Notes

1. The above Consolidated financial results of the Group were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 29, 2023
2. The Consolidated financial results of the Group include the results of Isgec Heavy Engineering Limited (hereinafter referred to as "the Company") and its 19 subsidiaries and 1 Associate. The Company together with its subsidiaries is herein referred to as the Group.
3. The financial results of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended thereafter.
4. The Board of Directors have recommended a final dividend of 3% (300%) per Equity Share of ₹ 1/- each, out of the profits of the Company, for the year ended March 31, 2023 subject to approval of Shareholders in the Annual General Meeting of the Company.
5. The figures for the quarter ended March 31, 2023 and March 31, 2022 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2023 and March 31, 2022 respectively and published and unaudited respectively year to date figures up to the third quarter of the respective financial year then ended.
6. The Indian Parliament has approved the Code on Wages, 2019 and the Code on Social Security, 2020 relating to employee benefits during employment and post employment benefits which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact once the subject rules are notified and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules are notified.
7. The figures for the corresponding previous periods have been regrouped, wherever necessary, to make them comparable.

FOR ISGEC HEAVY ENGINEERING LIMITED

Date: May 29, 2023
Place: Noida


(ADITYA PURI)
MANAGING DIRECTOR

