

India Globalization Capital, Inc.  
Form 10-K  
July 16, 2013

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 10-K  
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- x Annual report under Section 13 or 15(d) of the Securities Exchange Act of 1934.  
For the fiscal year ended March 31, 2013
- o Transition report under Section 13 or 15(d) of the Exchange Act.

Commission file number 1-32830

INDIA GLOBALIZATION CAPITAL, INC.  
(Name of small business issuer in its charter)

Maryland  
(State or other jurisdiction of incorporation or  
organization)

20-2760393  
(I.R.S. Employer Identification No.)

4336 Montgomery Ave. Bethesda, Maryland 20814  
(Address of principal executive offices)

(301) 983-0998  
(Issuer's telephone number)

Securities registered under Section 12(b) of the Exchange Act:

Title of Each Class	Name of exchange on which registered
Common Stock	NYSE MKT
Common Stock Purchase Warrants	NYSE MKT

Securities registered under Section 12(g) of the Exchange Act: None.

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Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes  No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  No (the Registrant is not yet required to submit Interactive Data)

Indicate by check mark disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer  Accelerated Filer  Non-Accelerated Filer  Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter: \$10,304,952.

As of June 25, 2013 there were approximately 6,980,098 shares of common stock issued and outstanding. This amount and disclosures regarding share figures reflect the 10-to-1 reverse split effected on April 19, 2013.

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PART I

Item 1. Business

Background of India Globalization Capital, Inc. (IGC)

Hereafter referred to as “the Company” or “IGC,” we are a Maryland corporation, organized on April 29, 2005, as a blank check company formed for the purpose of acquiring businesses with operations primarily in India through a merger, capital stock exchange, asset acquisition, or other type of business combination or acquisition. We completed an initial public offering of our Common Stock on March 8, 2006.

On February 19, 2007, IGC incorporated India Globalization Capital, Mauritius, Limited (IGC-M). IGC-M was incorporated under the laws of Mauritius and became a wholly owned subsidiary of IGC.

On Mary 7, 2008, we consummated the acquisition of interests in two companies in India: Sricon Infrastructure Private Limited (Sricon) and Techni Bharathi Limited (TBL). TBL is focused on the infrastructure industry.

On February 19, 2009, IGC-M beneficially purchased 100% of IGC Mining and Trading Private Limited (IGC-IMT) based in Chennai, India. IGC IMT was formed on December 16, 2008, as a privately held company engaged in mining and trading. It currently operates iron ore shipping hubs and trades iron ore.

On July 4, 2009, IGC-M beneficially purchased 100% of IGC Materials, Private Limited (IGC-MPL) based in Nagpur, India and 100% of IGC Logistics, Private Limited (IGC-LPL) also based in Nagpur, India. IGC-MPL conducts IGC’s quarrying business, and IGC-LPL is involved in the transport and delivery of ore, cement, aggregate, and other materials.

Together, IGC-IMT, IGC-MPL, and IGC-LPL carry out our mining and trading business in India. Each was formed by third parties at the behest of IGC-M to facilitate the creation of the subsidiaries. The purchase price paid for each of IGC-IMT, IGC-MPL, and IGC-LPL was equal to the expenses incurred in incorporating the respective entities with no premium paid.

Linxi Hefei Economic and Trade Co incorporated on January 8, 2008, is a Sino-foreign Equity Joint Venture (EJV) engaged in processing and extracting iron ore from sand and dirt at its beneficiation plants in southwest Linxi in the eastern part of the autonomous region of Inner Mongolia. PRC Ironman owns four mining properties and operates three beneficiation plants on three separate Linxi properties. The four properties have an estimated \$500 million of iron ore reserves calculated at a price of about \$125 per metric ton.

On December 30, 2011, IGC acquired 100% of the equity of H&F Ironman Limited (HK Ironman), a Hong Kong company. Acquiring HK Ironman allowed IGC to then acquire a 95% equity interest in Linxi HeFei Economic and Trade Co., AKA Linxi H&F Economic and Trade Co. (PRC Ironman), a People’s Republic of China-based company (referred to herein as “PRC Ironman”). HK Ironman and PRC Ironman are collectively referred to as Ironman.

On June 21, 2012, IGC entered into a Memorandum of Settlement with Sricon and related parties, pursuant to which the Company gave up the 22% minority interest in Sricon in exchange for approximately five acres of land in Nagpur. The settlement is expected to close in this financial year.

As of March 31, 2013, IGC owns 100% of TBL after completing the acquisition of the remaining 23.13% of the TBL shares that were still owed by the founders of TBL.



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### Company Overview

We operate as a materials and infrastructure company in India and China. In India we engage in supplying and trading iron ore and in leasing construction equipment, and to a lesser extent constructing roads, highways and supply rock aggregate. In China we own and operate iron ore beneficiation plants and iron ore mines, and supply iron ore to steel mills, specifically in Inner Mongolia. We operate a shipping hub, at the border of China and Mongolia.

Our plan is to build a large portfolio of iron ore assets by consolidating, through acquisitions, the fragmented iron ore sector in mineral rich Inner Mongolia and neighboring parts of Mongolia. This plan includes acquiring interests, for a combination of stock and cash, both operating mines and mines that are past the exploration stage and in the final stages of obtaining a mining license. We believe that we have a unique and exciting opportunity and strategic positioning to build a sizable asset base and create sustainable value for our shareholders.

### Industry Overview

In India, illegal mining damaged the environment and led to unfair competition. In 2011, India's government halted mining in Karnataka in southern India and Goa in western India (the state of Goa was the leading iron ore producer in India). According to CNBC and the Wall Street Journal, the Supreme Court is expected to allow 100 mines in Karnataka and up to 60 mines in Goa to resume operations under new, more stringent standards. The worst violators, though, were stripped of their mining licenses. The exact timetable for the commencement of mining, while not certain is expected to be around October 2013. IGC has iron ore exporting infrastructure in India and will be ready to resume its business there when operations are allowed to recommence.

China's industrial revolution promises strong demand of infrastructure materials, like steel and its raw material iron ore, for decades to come. China's need for imported iron ore will continue to rise due to the decreasing quality of the country's own iron-ore reserves. Its domestic iron ore mining industry is also inadequate to support the growing needs of its steel industry. According to the London-based International Steel Statistic Bureau, China produced 46.3% of the world's steel supply in 2012, making it the world's largest steel industry. And Chinese steel production for the first three months of 2013 totaled 191.75 million tons, up 10.1% from last year.

According to Reuters, China imported roughly 60% of the world's iron ore supplies in 2011 (642 million tons). In 2012, its imports grew to 743.6 million tons. Part of the reason the Chinese steel industry requires so much iron ore is because of the prevalence of blast furnaces over electric arc furnaces. Blast furnaces blow oxygen through molten pig iron, which is formed out of iron ore, whereas electric arc furnaces recycle scrap steel and melt it down rather than use iron ore. According to the World Steel Association 2012 Steel Statistical Yearbook, 89.6% of steelmaking in China was done in blast furnaces in 2011 (in the U.S., by comparison, just 39.6% of steelmaking was done in blast furnaces that year).

China's exports of steel are crucial to the global economy. According to the International Steel Statistics Bureau, it exported more steel than any other country in 2011, and the 37.6 million metric tons it exported Q1-Q3 in 2012 represent an 11% increase over the 33.8 million metric tons it exported Q1-Q3 in 2011. Its steelmaking is also important to its own economy: according to the 2013 CIA World Factbook, the steel making industry comprised 45.3% of China's 2012 GDP (China's GDP itself was \$8.38 trillion in 2012, making it the third largest in the world behind the U.S. and the E.U.).

China faces economic challenges such as low domestic demand, sustaining job growth, reducing corruption, fraud, and other economic crimes, and containing environmental damage and social strife. In 2011, China adopted its 12th Five-Year Plan, which specifically outlined the need to increase domestic consumption in order to be more independent on exports. However, China has made only marginal progress on this issue so far.

Projections for China's economy must be viewed in a global and slightly longer-term perspective. According to A.T. Kearney's Foreign Direct Investment Confidence Index, China has led the world in foreign direct investment since 2002 and in 2013 slipped to second place behind the U.S. Projections by the Boston Consulting Group (BCG) on May 25, 2010 have China's current \$5.9 trillion economy is tripling to \$17.7 trillion (more than the size of the current U.S. economy) in 20 years. Especially important for predicting future iron ore consumption is a forecast by Global Construction Perspectives and Oxford Economics, which states that China will be the largest construction market by 2018, representing 19.1% of global construction output. Even if these projections are lowered, the demand for iron ore, a key ingredient of steel, will continue to be very strong and IGC believes that the current uncertainty in the global markets is an opportune time to increase its iron ore facilities, assets, and market share, and build stockholder value.

Mongolia's iron ore industry is still emerging, and represents an unprecedented opportunity. For instance, the government recently amended the Foreign Investment Law, making it easier for private (as in not state-owned) enterprises to invest in Mongolia by exempting them from the scope of the law. According to Reuters, foreign state-owned enterprises now need Cabinet approval for an investment of any size and Parliamentary approval for an acquisition of more than 49% equity, but private companies do not need any level of approval for any level of ownership (so the Company is untouched by these restrictions).

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The potential in Mongolia is recognized by others as well, for example Australian mining giant Rio Tinto is currently developing Oyu Tolgoi, which will become one of the largest mines in the world and a significant part of Mongolia's GDP once it is operational.

Resource nationalism in Mongolia is a divisive and important topic in politics. President Elbegdorj's administration has, at times, drawn a strict line with foreign mineral resource companies, but overall it has sought to attract foreign investment. It pushed through the reform of the Foreign Investment Law when the previous version, which required government approval for ownership even by private companies, led to lower levels of foreign investment. Elbegdorj was reelected on June 26, 2013. He will likely continue a friendly business climate. We are looking at acquisition opportunities in Mongolia, especially those that are on a major highway or railroad to the border town where we operate a shipping hub.

## Core Business Competencies

Our thesis is that as the infrastructures of India and China are built out and modernized, the demand for basic raw materials like iron ore used in the production of steel is expected to increase. We offer an integrated set of services to our customers based upon several core competencies.

1. A sophisticated and integrated approach to bidding, modeling, costing, management, and monitoring of mining and construction projects.
  2. Knowledge, history, and ability to work in the iron ore sector in India, Inner Mongolia, and Mongolia.
3. Knowledge of low-cost logistics for moving commodities across long distances in specific parts of India, Inner Mongolia, and Mongolia.
4. Knowledge of the licensing process for mines in India and Inner Mongolia and a growing understanding of licensing process in Mongolia.
5. Strong relationships with several important construction companies and mine operators in southern and central India and Inner Mongolia, Mongolia, and strong relationships at the appropriate levels of government in India and Inner Mongolia.
  6. Access to the sand ore in the hills of Inner Mongolia and ore in the hills of northern Mongolia.

## Business Areas

1. Mining and Trading ("M&T").

Our mining, trading and quarrying activity currently centers on a) sale of iron ore beneficiated at our plants in China, and b) sale of iron ore to customers in India and in China. India is the fourth largest producer of iron ore while China is the world's largest steel producer. The Freedonia Group projected in May 2010 that China's \$1.15 trillion construction industry would grow 9.1% every year until 2014. A Reuters' poll published on the week of September 10, 2012, reports that the market consensus is for growth in 2012 to come in at 7.7 percent, with the last three months of the year picking up from 7.4 to 7.6 percent. However, China's government has also announced a one trillion yuan (\$158 billion) infrastructure spending drive. This stimulus package is projected to rekindle China's demand for steel. According to the World Steel Association, China accounted for 648 million metric tons of steel production in 2010. As The Wall Street Journal reported, this production was almost half of total global output. On August 6, 2012, The Wall Street Journal stated that China produced 683 million metric tons in 2011 and was expected to produce about 679 million metric tons in 2012. China is also a net importer of iron ore from Australia, Brazil, India and other countries. According to Reuters, September 11, 2012, "China produces about 1 billion tons a year of iron ore and buys 60 percent of the steelmaking raw material traded globally."



Global prices for iron ore are set through negotiations between China Steel and the large suppliers Rio Tinto, BHP Billiton and Vale. Once prices are set, the rest of the global markets follow that pricing. Prices for iron ore have increased about seven fold from 2003 to a high of \$180 per metric ton at the end of 2010. However in fiscal 2013, iron ore prices dropped to between \$95 and \$125 per metric ton.

IGC is positioning itself to consolidate the fragmented iron ore sector in Inner Mongolia. We have relationships and in some cases agreements with mine owners in Inner Mongolia as well as Mongolia and India specifically the iron belt in Orissa and Karnataka. In addition, we have experience operating facilities at seaports on the east and west coasts of India as well as a shipping port at the border of Mongolia and China.

In China we are engaged in the processing and extraction of iron ore from sand and dirt at our beneficiation plants. These plants convert low-grade ore to high-grade ore through a dry and wet separation process. This provides IGC with a platform in China to expand its business. Our goal is to ship low-grade iron ore, when available from India, to China, convert the ore to higher-grade ore and sell it to customers in China. This allows us to maximize our capacity at the beneficiation plants. Our customers include local traders and steel mills near the port of Tianjin and steel mills located there. This area has excellent access roads consisting of multi-lane highways. Our staff is experienced in delivering and managing the logistics of ore transport. We are also building a similar expertise in parts of Mongolia, which border Inner Mongolia. Our share of the mining and trading market is significantly less than 1%. However, we have an opportunity to consolidate and grow our market share in a specific geographic area, and that is our focus.

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2. Construction: highway and heavy construction. According to the global market researcher eMpulse, the size of the construction industry in India is approximately \$53 billion. The Indian government has developed a plan to build and modernize Indian infrastructure. Through our subsidiary, TBL, we have been engaged in highway and heavy construction. We have, in the past, constructed highways, rural roads, tunnels, dams, airport runways and housing complexes, mostly in southern states. We are pre-qualified by the National Highway Authority of India (NHAI) and other agencies for construction contracts. Our share of the overall Indian construction market is very small. However, the prequalification and prior track record provides a way to grow the Company in highway and heavy construction. Currently, our focus is on the recovery of construction delay claims that we are pursuing against the Airport Authority of Cochin and the Orissa State Works. Our share of the overall market in India is significantly less than 1%. The board continues to evaluate the strategic value associated with the construction business. In the meantime, our focus is to supply the construction industry in the state of Kerala, India with iron ore and lease out the fleet of construction equipment that we have.

## Revenue Contribution

The following table sets out the revenue contribution from our subsidiaries:

Subsidiary	Business Area	Year Ended March 31, 2013
TBL	Construction	10%
IGC-IMT	Mining/Trading	0%
IGC-MPL	Mining/Trading	0%
IGC-LPL	Mining/Trading	0%
HK – Ironman	Mining/Trading	83%
IGC	Mining/Trading	7%
Total IGC		100%

## Customers

In China, our present and past customers include several steel mills, including local traders and steel mills near the port of Tianjin. In India, our present and past customers include the National Highway Authority of India, several state highway authorities, the Indian railways, and private construction companies.

## Growth Strategy and Business Model

1. Leverage our expertise in the logistics and supply of iron ore by increasing the number of beneficiation plants, shipping hubs, and iron ore reserves.
2. Increase our supply chain to procure low-grade ore that can be beneficiated in our plants in Inner Mongolia, China.
  3. Expand our iron ore assets by acquiring more mines and beneficiation plants.

## Competition

Mining is a significantly competitive business. We compete with local companies in Inner Mongolia and may compete with them in northern Mongolia.

In Inner Mongolia, the competition in the immediate area consists of three other operators and is fairly limited mainly because demand for ore within China is high and the market can absorb almost any amount of ore that is produced. We compete on prices, quantity, and quality. While the iron ore industry is an established and relatively efficient

market, we remain competitive because we have a geographic advantage in a region of Inner Mongolia, with around \$500 million of reserves and benefications plants.

#### Employees and Consultants

As of March 31, 2013, we employed a work force of approximately 85 employees and contract workers in the U.S., India, China, and Hong Kong. The Company has a total of 25 full-time employees.

#### Environmental Regulations

India, China, and Mongolia have strict environmental, occupational, health, and safety regulations. In most instances, the contracting agency regulates and enforces all regulatory requirements. As part of the mandate in the area, Ironman has undertaken a conservation effort as well as an effort to create a sustainable environment. Ironman actively plants grass and shrubs in the hills after they are excavated and uses the water from the processing plant to irrigate the area. In addition, a certain portion of our revenue is set aside as a reserve fund for environmental development.

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Item 1A. Risk Factors

You should carefully consider the following risk factors, together with all of the other information included in this report in evaluating us and our Common Stock and other securities. If any of the following risks and uncertainties develops into actual events, they could have a material adverse effect on our business, financial condition or results of operations. In that case, the trading price of our Common Stock and other securities also could be adversely affected. We make various statements in this section, which constitute “forward-looking statements.” See “Forward-Looking Statements.”

Risks Associated With Our Industry and Specifically the Iron Ore Business

We are subject to numerous risks and hazards associated with the mining industry.

Our mining operations are subject to a number of risks and hazards including:

- § industrial accidents;
- § unusual or unexpected geologic formations;
- § explosive rock failures; and
- § flooding and periodic interruptions due to inclement or hazardous weather conditions.

Such risks could result in a variety of issues that could affect our operations, such as damage to or destruction of mineral properties or production facilities, environmental damage, delays in our mining operations, personal injury or death, monetary losses and possible legal liability. In order to mitigate these risks we are consulting with attorneys about the possibility of creating several subsidiaries and structurally isolating each mine so that liability can be limited. No assurance can be given that we will be able to avoid any or all of the hazards discussed above and any such occurrence may substantially affect our business and financial operations.

Our operations are highly susceptible to hazardous weather conditions and seasonal weather conditions.

India, specifically the east and west coasts where our supply chains are located, northern Mongolia, and northeastern China where Ironman’s processing chain is located, potentially experience severe weather conditions. Severe weather conditions could cause our supply chain and/or processing chain to temporarily curtail or stop operations materially affecting our quarterly results. During periods of curtailed activity due to adverse weather conditions, our operations in both countries may continue to incur operating expenses, reducing profitability. Certain weather conditions may affect mining operations. The Ironman beneficiation plant is located in a region with a typical subtropical climate characterized mainly by high precipitation and high evaporation and humid conditions. The rainy season occurs from May to August of each year, which may make the plant inaccessible or unusable during such rainy season due to flooding caused by insufficient drainage necessary to release the excess water that has accumulated. During the last rainy season there was a particularly rainy season marked by much flooding in China and a halt in business operations for several months. In northern Mongolia, temperatures can dip to as low as -30 degrees Celsius in the winter, making certain operations difficult. As such, mining operation may be interrupted due to inclement or hazardous weather conditions experienced during such rainy season.

We may not be able to obtain necessary raw materials at competitive price and this may negatively affect our profits.

On the supply side, including procuring sufficient raw materials, we may have difficulties procuring low-grade iron ore at specific sizes at competitive prices. In the event we are unable to secure steady suppliers, it could negatively affect our profitability. The processing plant in China requires water for the wet separation. While there is currently and for the foreseeable future an adequate supply of water, any discrepancy with the supply of water could lead to curtailing operations, which could affect our profitability. Likewise, construction contracts are primarily dependent on adequate and timely supply of raw materials, such as cement, steel and aggregates, at competitive prices. As the demand from competing larger and well-established material supply firms increases for procuring raw materials, we could face a disproportionate increase in the price of raw materials that may negatively impact our profitability.

The cost of logistics and shipping between India or Mongolia and China may reduce our income.

Our process involves moving ore from mine heads to crushers and then to the port for shipping. We rely on third parties to provide a number of important services in connection with our business, and any disruption in these services could materially affect our business. For example, we depend on trucking companies to move the ore. A surge in demand for ore and, in general, other commodities, could increase the cost of domestic logistic affecting our profitability. Additionally, we depend on shipping agencies to move ore from India to China and an increase in the price of shipping could adversely affect our profitability. We are considering using both trucks and trains to move iron ore from Mongolia to China, which would be subject to the same concerns.

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Assessment of penalties for time overruns and lack of quality may adversely affect our economic performance.

TBL executes construction contracts primarily in the roads and infrastructure development sectors. TBL typically enters into high value contracts for these activities, which impose penalties if the contracts are not executed in a timely manner. If TBL is unable to meet the performance criteria prescribed by the contracts, then levied penalties may adversely affect our financial performance. Furthermore, we may pay demurrage for some of our iron ore delivery contracts, if ore is not loaded onto ships in the time prescribed by delivery contracts. The payment of demurrage may adversely affect our financial performance. The ore shipped by us from India is shipped with a quality certificate from a leading company. However, the buyers in China also perform quality measurements, which could differ from the initial quality certificate. This may result in negative price adjustments affecting our profit margins. The rock aggregate business is less sensitive to time overruns and quality.

Our business is dependent on continuing relationships with clients and strategic partners.

Our business requires developing and maintaining strategic alliances with contractors that undertake turnkey contracts for infrastructure development projects and with government organizations. The business and our results could be adversely affected if we are unable to maintain continuing relationships and pre-qualified status with key clients and strategic partners.

Mining is inherently dangerous and subject to conditions or events beyond our control, and any operating hazards could have a material adverse effect on our business.

During the course of mining activities, we use dangerous materials and there is no assurance that accidents will not occur. Should we be held liable for any such accident, we may be subject to penalties, and possible criminal proceedings may be brought against us by our employees, which could have a material adverse effect on our business.

PRC Ironman's mining operations could have material safety concerns, which may result in accidents and in turn negatively affect our revenue.

PRC Ironman's mining operations could have safety issues in its iron ore mine or beneficiation plants including, in part, inadequate natural ventilation, likelihood of flooding in the tunnels, etc. Accidents and employee's injury arising from any safety issues may cause suspension or discontinuance of our mining operation and thus negatively affect our revenue.

Mining exploitation activities are labor intensive and employ low levels of mechanization, which may result in inefficiency and impose greater safety and health hazards concern.

Ironman used rudimentary mining methods and low levels of mechanization since the beginning of its mining operation. The labor-intensive and low-mechanization mining method it uses in its mining operations results in inefficient operation. The relatively large number of mining workers exposed to dust, noise, heat and vibration caused by its mining methods may increase the possibility of accidents and health hazards.

We may suffer losses resulting from unexpected accidents.

Like other mining companies, our operations may suffer from structural issues such as unusual or unexpected geologic formations or explosive rock failures that may result in accidents that cause property damage and possible personal injuries. We can give no assurance that industry-related accidents will not occur in the future. We do not maintain flood or other property insurance covering our properties, equipment, or inventories. Any losses and/or liabilities we incur due to unexpected property damage or personal injury could have a material adverse effect on our financial

condition and results of operations.

Restrictive regulation on the export of ore may adversely affect our business.

Restrictive regulation on the export of ore from India or the import of ore into China may adversely affect our profitability. India restricts the export of high quality ore to government agencies. China restricts the import of low quality ore to specific agents. In the event these regulations change and become even more restrictive, our profitability could be adversely affected.

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Strikes, civil unrest, and tensions between India, Mongolia, and China could have an impact on our business.

The supply chain for ore is heavily dependent on transportation. A strike by truck drivers could adversely affect our business. The processing plant in China is located in the province of Inner Mongolia and any civil unrest in that area, or other parts of China, could disrupt the logistics and processing chain adversely affecting our business. India and China have had their share of disputes in the past 60 years. India and China had ancient friendly ties going back to the silk route. However, beginning in the 1950s the relationship became strained largely over Tibet and issues over borders. In 1962, China attacked India along its border, coinciding with the Cuban missile crisis that preoccupied the super powers U.S., Russia and the UK. The war ended with a complete withdrawal that coincided with the arrival of the U.S. air force. However, while there can be no guarantee that hostilities may again reappear between the two countries, much has changed since the 1962 war. Both India and China are now nuclear powers, underpinning the notion of Mutually Assured Destruction, and both are strategic partners with the U.S. Both countries took part in the first ever BRIC (Brazil, Russia, India and China) Summit, in June 2011. Both countries have had thirteen rounds of border talks and the recent one in August 2011, ended with both nations discussing raising their strategic partnership to a higher level. In 2008-2009 India's largest trading partner was China followed by the U.S. and the United Arab Emirates. If hostilities between the two countries reappear, our business may be adversely affected. Indian and Mongolian relations appear to be stable. Mongolia may see India as an important ally given China's military ascendancy, instability in the Middle East, and its status as a leading democracy in its region, and the two have participated in joint military exercises together over the past few years. However, it is possible that India is displaying such eagerness to cooperate with Mongolia only to gain access to its mineral wealth. Regardless, relations between the two countries are currently on strong footing, unlike those between Mongolia and China. Centuries ago, Mongolia was part of the Chinese empire, but it now seeks to decrease its dependence on China. After Mongolia gained independence from the Soviet Union, its economy quickly became reliant on Chinese demand. China is Mongolia's largest foreign investor, and nearly all of Mongolian exports go to China. However, this dependence has man in the Mongolian government worried, and so the government recently passed a law making Chinese investment in Mongolia more difficult. An influx of illegal Chinese laborers, who work for lower wages than Mongolians do, contributes to social tensions as well.

Currency fluctuations may reduce our profitability.

Iron ore is traded in USD. However, the supply side, including logistics in India, is settled in Indian rupees (INR). On the other hand, the expenses for processing the ore in China are all met in RMB. Therefore, three currencies are involved in a typical trade. Fluctuations of one currency relative to the others may adversely affect our profit margins.

Environmental regulations could adversely affect Ironman's business.

The process of digging ore from the ground is typically environmentally unfriendly as is the process of beneficiation, which uses ground water. Stricter environmental controls in India or China on the mining of ore or the processing of ore could have an adverse impact on our business, by raising additional compliance expenses. Mineral exploration and development, as well as Ironman's current mining activities and its future mineral mining operations are, and may continue to be, subject to stringent state, provincial and local laws and regulations relating to environmental quality, production, labor standards, occupational health, waste disposal, protection and remediation of the environment, mine safety, toxic substances and other matters. Mineral mining is also subject to risks and liabilities associated with pollution of the environment and disposal of waste products occurring as a result of mineral production. Compliance with these laws and regulations will impose substantial costs on Ironman and may subject it to significant potential liabilities. Further, any changes to these regulations may increase Ironman's operating costs and may adversely affect its results of operations.



Our business relies heavily on our management team and any unexpected loss of key officers may adversely affect our operations.

The continued success of our business is largely dependent on the continued services of key employees in IGC and our subsidiaries after the Acquisition. The loss of the services of certain key personnel, without adequate replacement, could have an adverse effect on our performance. Our senior management, as well as the senior management of our subsidiaries, plays a significant role in developing and executing the overall business plan, maintaining client relationships, proprietary processes and technology. While no one is irreplaceable, the loss of the services of any would be disruptive to our business.

A large portion of our iron ore revenue is derived from five major customers.

Five of our iron ore customers accounted for 90%, respectively of its total revenue for the fiscal year ended December 31, 2013. We expect this concentration to continue, as the buyers of iron ore tend to be large traders or steel mills. Non-renewal or/and termination of such relationship may have a material adverse effect on its revenue. No assurance can be given that following the Acquisition that it will be able to maintain such a relationship. Additionally, no assurance can be given that our business will not remain largely dependent on a limited number of customers accounting for a substantial part of our revenue.

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Our quarterly revenue, operating results and profitability will vary.

Factors that may contribute to the variability of quarterly revenue, operating results or profitability include:

§ Fluctuations in revenue due to seasonality such as during the monsoon season, the heavy rains slow down road building and during the summer months, the winds are not strong enough to power the wind turbines, which results in uneven revenue and operating results over the year;

§ Commencement, completion and shipment during any particular quarter;

§ Weather and additions and departures of key personnel; and

§ Strategic decisions made by us and our competitors, such as acquisitions, divestitures, spin-offs, joint ventures, strategic investments and changes in business strategy.

We face intense competition in the Iron ore business.

Large companies in Brazil, Australia, India, and other ore producing countries dominate the iron ore business. Most of these companies are miners and export directly to the large steel mills around the world. Our strategy of sourcing low-grade inexpensive ore from India or Mongolia and processing it in China allows us to supply steel producers at competitive prices, while maintaining margins. We depend on our expertise in sourcing low cost low-grade ore and to process the ore. If we are unable to offer competitive prices there could be a significant reduction in our revenue.

IGC may not be able to compete successfully for mineral rights with companies having greater financial resources than we have.

All mines have limited resources and as such, we intend to acquire additional mining operations, as part of our long-term strategy. As there is a limited supply of desirable mineral deposits in the PRC, we face strong competition for promising acquisition targets from other mining companies, some of which have greater financial resources than we have. IGC may be unable to compete with such other mining companies in making acquisitions that we deem to be complementary to our business, or to acquire such on terms that are acceptable to us.

Our revenue and, therefore, our profitability, may be affected by metal price volatility.

The majority of our revenue is derived from the sale of high-grade ore. Consequently, our revenue is directly related to the price of high-grade ore. We do not conduct any hedging of the price of iron ore, which exposes us to increased price volatility. Iron ore is one of the biggest dry bulk commodities traded and shipped. According to the U.S. Geological Survey, Mineral Commodity Summaries, January 2012 report, the estimated world total mine production of iron ore was 2,800 million metric tons of usable ore worth \$336 billion and the world total resources of iron ore content was 80,000 million metric tons of usable ore. The price (estimated from reported value of ore at mines) was \$120 USD per metric ton. The growth of spot trading in this huge market presents an opportunity for banks, traders, producers and consumers to manage price risk and exposure. Trading since 2008, the iron ore swap has emerged as the leading instrument for iron ore hedging and risk management. Changes in the prices of high-grade ore and lead may adversely affect our operating results. It is difficult to predict whether high-grade ore prices will rise or fall in the future and a decline in prices could have an adverse effect on our future results of operations and financial condition.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 2. Properties

Our headquarters are located at 4336 Montgomery Avenue, Bethesda, Maryland, 20814. TBL's headquarters are located in Kochi, India and PRC Ironman's headquarters are located in Linxi, Inner Mongolia, PRC. In addition, we have offices or representatives in Mauritius, Hong Kong, Nagpur, and Chennai, India.

The Company is not involved in investments in real estate or interests in real estate, real estate mortgages, or securities of or interests in persons primarily engaged in real estate activities, as all of our land rights are used for production purposes.

Item 3. Legal Proceedings

None.

Item 4. [Reserved.]

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## PART II

## Item 5. Market for Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities

The Company consummated its initial public offering on March 8, 2006. In the initial public offering, the Company offered units for purchase. A unit in the Company is comprised of one share of common stock of the Company and two warrants to purchase one share of common stock with the exercise of each warrant. On April 13, 2006, there was a voluntary separation of the Company's units into shares of common stock and warrants to purchase common stock, which permitted separate trading of the common stock and warrants. On February 5, 2013, the Company voluntarily delisted its units from the NYSE MKT. The common stock and warrants trade on the NYSE MKT under the symbols "IGC" and "IGC.WT," respectively.

The following table sets forth, for the calendar quarter indicated, the quarterly high and low bid information of our Common Stock, and warrants as reported on the NYSE MKT. The quotations listed below reflect inter dealer prices, without retail markup, markdown, or commission and may not necessarily represent actual transactions. The price of the common stock reported in the table, have been adjusted to reflect the 10 for 1 reverse split effected on April 19, 2013. This is done for ease of comparison and the convenience of the reader. The exercise of a warrant allows the holder to purchase one tenth of a share of common stock. Therefore 10 warrants are needed to purchase one share of common stock.

Quarter Ended	Common Stock		Warrants			
	High	Low	High	Low	High	Low
March 31, 2011	\$ 9.30	\$ 3.00	\$ 0.04	\$ 0.00		
June 30, 2011	\$ 6.90	\$ 3.00	\$ 0.04	\$ 0.02		
September 30, 2011	\$ 3.70	\$ 1.70	\$ 0.04	\$ 0.01		
December 31, 2011	\$ 4.00	\$ 1.60	\$ 0.02	\$ 0.01		
March 31, 2012	\$ 5.70	\$ 2.30	\$ 0.04	\$ 0.01		
June 30, 2012	\$ 4.93	\$ 2.12	\$ 0.03	\$ 0.02		
September 30, 2012	\$ 2.65	\$ 1.70	\$ 0.02	\$ 0.01		
December 31, 2012	\$ 1.80	\$ 1.32	\$ 0.01	\$ 0.00		
March 31, 2013	\$ 3.11	\$ 1.23	\$ 0.20	\$ 0.00		

## Securities Authorized for Issuance Under Equity Compensation Plans

The following table shows, as of March 31, 2013, information regarding outstanding awards available under our compensation plans (including individual compensation arrangements) under which our equity securities may be delivered.

Plan category	(a) Number of securities to be issued upon exercise of outstanding	(b) Weighted-average price of outstanding	(c) Number of securities available for future issuance

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	options, warrants and rights (1)	options, warrants and rights	(excluding shares in column (a))(1)
Equity compensation plans approved by security holders: 2008 Omnibus Incentive Plan (2)	269,345	\$ 7.80	0

(1) Consists of our 2008 Omnibus Incentive Plan, as amended. See Note 16—"Stock-Based Compensation" of the Notes to the Consolidated Financial Statements included in this Annual Report on Form 10-K.

(2) Includes grants during fiscal years ended March 31, 2010, 2012 and 2013. There were no grants during fiscal year ended March 31, 2009 or 2011.

(3) The number of options outstanding are 2,693,450 with an average exercise price of \$0.78. Each option exercised at an average price of \$0.78 entitles the holder to one tenth of a share of common stock. Therefore, 10 options each exercised at \$0.78 for an aggregate price of \$7.8 entitles the holder to one share of common stock. The total number of securities to be issued upon the exercise of all outstanding options is 269,345.

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### Holders

Continental Stock Transfer & Trust Company is the transfer agent and registrar for our common stock. As of March 27, 2013, we had about 3,546 holders of record of our common stock, and about 2,053 holders of record of our warrants. The number of record holders does not include persons who held our common stock in nominee or "street name" accounts through brokers.

### Dividends

We have not paid any dividends on our Common Stock to date and do not intend to pay dividends prior to the completion of a business combination. The payment of dividends in the future will be contingent upon our revenues and earnings, if any, capital requirements and general financial condition subsequent to completion of a business combination. The payment of any dividends subsequent to a business combination will be within the discretion of our then board of directors. It is the present intention of our board of directors to retain all earnings, if any, for use in our business operations and, accordingly, our board does not anticipate declaring any dividends in the foreseeable future.

### Unregistered Sales of Equity Securities

There were no unregistered securities sold by us during the fiscal year ended March 31, 2013 not previously reported on a Quarterly Report on Form 10-Q or a Current Report on Form 8-K.

### Issuer Purchases of Equity Securities

During the fourth quarter of our fiscal year ended March 31, 2013, the Company made no purchases of its equity securities.

### Item 6. Selected Financial Data

Item 6 does not apply to us because we are a smaller reporting company.

### Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the financial statements and notes thereto included in this report. Except for the historical information contained herein, the discussion in this report contains certain forward-looking statements that involve risk and uncertainties, such as statements of the Company's plans, objectives, expectations and intentions as of the date of this filing. The cautionary statements made in this document should be read as being applicable to all related forward-looking statements wherever they appear in this document. The Company's actual results could differ materially from those discussed here. Factors that could cause differences include those discussed in the "Risk Factors" section as well as discussed elsewhere herein.

### Forward-Looking Statements

We believe that some of the information in this report constitutes forward-looking statements within the definition of the Private Securities Litigation Reform Act of 1995. You can identify these statements by forward-looking words such as "may," "will," "should", "believes," "expects," "intends," "anticipates," "thinks," "plans," "estimates," "seeks," "pre" similar words or the negative of these words or other variations on these words or comparable terminology. You should read statements that contain these words carefully because they discuss future expectations, contain projections of future results of operations or financial conditions or state or other forward-looking information. Forward-looking statements are based on certain assumptions and expectations of future events. IGC cannot guarantee that these

assumptions and expectations are accurate or will be realized. These statements are not guarantees of future performance and involve a number of risks, uncertainties and assumptions.

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Many factors, including those discussed more fully in documents filed with the Securities and Exchange Commission, which we refer to as the SEC, by IGC, particularly under the heading “Risk Factors” in Part 1, Item 1A of this Annual Report on Form 10-K, could cause results to differ materially from those stated. While we believe it is important to communicate our expectations to our stockholders, there may be events in the future that we are not able to predict or over which we have no control. The risk factors and cautionary language discussed in this report provide examples of risks, uncertainties and events that may cause actual results to differ materially from the expectations described by us in our forward-looking statements, including among other things:

- § The growth in global and specifically Asian GDP and more specifically infrastructure and the overall demand for iron ore;
- § Competition in the iron ore sector;
- § Legislation by the governments of India, China and Mongolia;
- § Labor, trucking, and other logistic issues;
- § Unanticipated cash requirements to support current operations, expand our business or incur capital expenditures;
- § The loss of key management or scientific personnel;
- § The activities of our competitors in the industry;
- § The effect of volatility of currency exchange rates; and
- § Enactment of new government laws, regulations, court decisions, regulatory interpretations or other initiatives that are adverse to us or our interests.

You should be aware that the occurrence of the events described in the “Risk Factors” section above and elsewhere in this report, could have a material adverse effect on our business, financial condition and results of operations. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. All forward-looking statements included herein attributable to us or any person acting on either party’s behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section.

Except to the extent required by applicable laws and regulations, we undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events. Any forward-looking statement made by us in this report speaks only as of the date on which we make it.

The information contained in this report identifies important factors that could adversely affect actual results and performance. All forward-looking statements attributable to us are expressly qualified in their entirety by the foregoing cautionary statements.

## Critical Accounting Policies and Estimates

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires us to make significant estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. These items are regularly monitored and analyzed by management for changes in facts and circumstances, and material changes in these estimates could occur in the future. These estimates include, among others, our revenue recognition policies related to the proportional performance and percentage of completion methodologies of revenue recognition of contracts and assessing our goodwill for impairment annually. Changes in estimates are recorded in the period in which they become known. We base our estimates on historical experience and various other assumptions that we believe are reasonable under the circumstances. Actual results will differ and may differ materially from the estimates if past experience or other assumptions do not turn out to be substantially



accurate.

Our significant accounting policies are presented within Note 2 to our consolidated financial statements and the following summaries should be read in conjunction with the audited consolidated financial statements and the related notes included in this report. While all accounting policies impact the financial statements, certain policies may be viewed as critical. Critical accounting policies are those that are both most important to the portrayal of financial condition and results of operations and that require management's most subjective or complex judgments and estimates. Our management believes the policies that fall within this category are the policies on revenue recognition, accounting for stock-based compensation, goodwill, and income taxes.

#### Revenue Recognition

The majority of the revenue recognized for the years ended March 31, 2013 and 2012 was derived from the Company's subsidiaries, when all of the following criteria have been satisfied:

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Revenue is recognized when persuasive evidence of an arrangement exists, the sales price is fixed or determinable and collectability is reasonably assured. In government contracting, the Company recognizes revenue when a government consultant verifies and certifies an invoice for payment.

Revenue from sale of goods is recognized when substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract.

For the sale of goods, the timing of the transfer of substantial risks and rewards of ownership is based on the contract terms negotiated with the buyer, e.g., FOB or CIF. IGC considers the guidance provided under Staff Accounting Bulletin (“SAB”) 104 in determining revenue from sales of goods. Considerations have been given to all four conditions for revenue recognition under that guidance. The four conditions are:

§ Contract – Persuasive evidence of our arrangement with the customers;

§ Delivery – Based on the terms of the contracts, the Company assesses whether the underlying goods have been delivered and therefore the risks and rewards of ownership are completely transferred;

§ Fixed or determinable price – The Company enters into contracts where the price for the goods being sold is fixed and not contingent upon other factors.

§ Collection is deemed probable – At the time of recognition of revenue, the Company makes an assessment of its ability to collect the receivable arising on the sale of the goods and determines that collection is probable.

Revenue for any sale is recognized only if all of the four conditions set forth above are met. The Company assesses these criteria at the time of each sale. In the absence of meeting any of the criteria set out above, the Company defers revenue recognition until all of the four conditions are met.

Revenue from construction/project related activity and contracts for supply/commissioning of complex plant and equipment is recognized as follows:

a) Cost plus contracts: Contract revenue is determined by adding the aggregate cost plus proportionate margin as agreed with the customer and expected to be realized.

b) Fixed price contracts: Contract revenue is recognized using the percentage completion method and the percentage of completion is determined as a proportion of cost incurred-to-date to the total estimated contract cost. Changes in estimates for revenues, costs to complete, and profit margins are recognized in the period in which they are reasonably determinable.

§ In many of the fixed price contracts entered into by the Company, significant expenses are incurred in the mobilization stage in the early stages of the contract. The expenses include those that are incurred in the transportation of machinery, erection of heavy machinery, clearing of the campsite, workshop ground cost, overheads, etc. All such costs are booked to deferred expenses and written off over the period in proportion to revenues earned.

§ Where the modifications of the original contract are such that they effectively add to the existing scope of the contract, the same are treated as a change orders. On the other hand, where the modifications are such that they change or add an altogether new scope, these are accounted for as a separate new contract. The Company adjusts contract revenue and costs in connection with change orders only when both, the customer and the Company with respect to both the scope and invoicing and payment terms, approve them.

§ In the event of claims in our percentage of completion contracts, the additional contract revenue relating to claims is only accounted after the proper award of the claim by the competent authority. The contract claims are considered

in the percentage of completion only after the proper award of the claim by the competent authority.

Full provision is made for any loss in the period in which it is foreseen.

Revenue from service related activities and miscellaneous other contracts are recognized when the service is rendered using the proportionate completion method or completed service contract method.

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### Income taxes

The Company accounts for income taxes under the asset and liability method, in accordance with ASC 740, Income Taxes, which requires an entity to recognize deferred tax liabilities and assets. Deferred tax assets and liabilities are recognized for the future tax consequence attributable to the differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the enacted tax rate expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that included the enactment date. A valuation allowance is established and recorded when management determines that some or all of the deferred tax assets are not likely to be realized and therefore, it is necessary to reduce deferred tax assets to the amount expected to be realized.

In evaluating a tax position for recognition, management evaluates whether it is more-likely-than-not that a position will be sustained upon examination, including resolution of related appeals or litigation processes, based on technical merits of the position. If the tax position meets the more-likely-than-not recognition threshold, the tax position is measured and recognized in the Company's financial statements as the largest amount of tax benefit that, in management's judgment, is greater than 50% likely of being realized upon settlement. As of March 31, 2013 and 2012, there was no significant liability for income tax associated with unrecognized tax benefits.

The issuance by IGC of its Common Stock to HK Ironman stockholders in exchange for HK Ironman stock, as contemplated by the stock purchase agreement ("Stock Purchase Agreement") between the Company, HK Ironman, PRC Ironman and their stockholders, generally will not be a taxable transaction to U.S. holders for U.S. federal income tax purposes. It is expected that IGC and its stockholders will not recognize any gain or loss for U.S. federal income tax purposes.

### Inventories

We provide for inventory obsolescence, excess inventory and inventories with carrying values in excess of market values based on our assessment of the future demands, market conditions and our specific inventory management procedures. If market conditions and actual demands are less favorable than our estimates, additional inventory write-downs may be required. In all cases inventory is carried at the lower of historical cost or market value.

### Accounts receivable

We make estimates of the collectability of our accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness, and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

### Goodwill

Goodwill represents the excess cost of an acquisition over the fair value of our share of net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisition of subsidiaries is disclosed separately. Goodwill is stated at cost less impairment losses incurred, if any.

The Company adopted the provisions of Accounting Standards Codification ("ASC") 350, "Intangibles – Goodwill and Others" (previously referred to as SFAS No. 142, "Goodwill and Other Intangible Assets"), which sets forth the accounting for goodwill and intangible assets subsequent to their acquisition. ASC 350 requires that goodwill and indefinite-lived intangible assets be allocated to the reporting unit level, which the Company defines as each subsidiary. ASC 350 also prohibits the amortization of goodwill and indefinite-lived intangible assets upon adoption,

but requires that they be tested for impairment at least annually, or more frequently as warranted, at the reporting unit level.

As per ASC 350-20-35-4 through 35-19, the impairment testing of goodwill is a two-step process. The first step of the goodwill impairment test, used to identify potential impairment, compares the fair value of a reporting unit with its carrying amount, including goodwill. If the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not impaired, thus the second step of the impairment test is unnecessary. If the carrying amount of a reporting unit exceeds its fair value, the second step of the goodwill impairment test shall be performed to measure the amount of impairment loss, if any. The second step of the goodwill impairment test, used to measure the amount of impairment loss, compares the implied fair value of reporting unit goodwill with the carrying amount of that goodwill. If the carrying amount of reporting unit goodwill exceeds the implied fair value of that goodwill, an impairment loss shall be recognized in an amount equal to that excess. The loss recognized cannot exceed the carrying amount of goodwill. After a goodwill impairment loss is recognized, the adjusted carrying amount of goodwill shall be its new accounting basis. Subsequent reversal of a previously recognized goodwill impairment loss is prohibited once the measurement of that loss is completed.

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In ASC 350.20.20, a reporting unit is defined as an operating segment or one level below the operating segment. A component of an operating segment is a reporting unit if the component constitutes a business for which discrete financial information is available and segment management regularly reviews the operating results of that component. The Company has determined that IGC operates in a single operating segment. While the CEO reviews the consolidated financial information for the purposes of decisions relating to resource allocation, the CFO, on a need basis, looks at the financial statements of the individual legal entities in India for the limited purpose of consolidation. Given the existence of discrete financial statements at an individual entity level in India, the Company believes that each of these entities constitute a separate reporting unit under a single operating segment.

Therefore, the first step in the impairment testing for goodwill is the identification of reporting units and the allocation of goodwill to these reporting units. Accordingly, TBL, which is one of the legal entities, is also considered a separate reporting unit and therefore the Company believes that the assessment of goodwill impairment at the subsidiary level, which is also a reporting unit, is appropriate.

The analysis of fair value is based on the estimate of the recoverable value of the underlying assets. For long-lived assets such as land, the Company obtains appraisals from independent professional appraisers to determine the recoverable value. For other assets such as receivables, the recoverable value is determined based on an assessment of the collectability and any potential losses due to default by the counter parties. Unlike goodwill, long-lived assets are assessed for impairment only where there are any specific indicators for impairment.

### Impairment of investment

The impairment analysis test is done based on a similar recoverable approach as used in the impairment test for goodwill described above. The fair value of land is determined based on an independent appraisal of the land held by Sricon. The estimated amount of liability is based on the information available with us with respect of bank debt and other borrowings.

### Impairment of long-lived assets

The Company reviews its long-lived assets, with finite lives, for impairment whenever events or changes in business circumstances indicate that the carrying amount of assets may not be fully recoverable. Such circumstances include, though are not limited to, significant or sustained declines in revenues or earnings, future anticipated cash flows, business plans and material adverse changes in the economic climate, such as changes in operating environment, competitive information, impact of change in government policies, etc. For assets that the Company intends to hold for use, if the total of the expected future undiscounted cash flows produced by the assets or subsidiary company is less than the carrying amount of the assets, a loss is recognized for the difference between the fair value and carrying value of the assets. For assets the Company intends to dispose of by sale, a loss is recognized for the amount by which the estimated fair value less cost to sell is less than the carrying value of the assets. Fair value is determined based on quoted market prices, if available, or other valuation techniques including discounted future net cash flows.

### Recently issued and adopted accounting pronouncements

Changes to U.S. GAAP are established by the Financial Accounting Standards Board ("FASB") in the form of accounting standards updates ("ASUs") to the FASB's Accounting Standards Codification. The Company considers the applicability and impact of all ASUs. Newly issued ASUs not listed below are expected to have no impact on the Company's consolidated financial position and results of operations, because either the ASU is not applicable or the impact is expected to be immaterial.

Effective January 1, 2012, Company adopted amendments from the FASB to Fair Value Accounting. The amendments clarify the application of the highest and best use, and valuation premise concepts, preclude the application of "blockage factors" in the valuation of all financial instruments and include criteria for applying the fair value measurement principles to portfolios of financial instruments. The amendments also prescribe additional disclosures for Level 3 fair value measurements and financial instruments not carried at fair value. The adoption of this guidance did not have a material impact on Company's consolidated financial position or results of operations.

In December 2011, the FASB issued new accounting disclosure requirements about the nature and exposure of offsetting arrangements related to financial and derivative instruments. The requirements are effective for fiscal years beginning after January 1, 2013, which for us is the fiscal ending March 2014. The adoption of this guidance did not have a material impact on Company's consolidated financial position or results of operations.

In September 2011, the FASB issued an Accounting Standards Update that permits companies to assess qualitative factors to determine if it is more-likely-than-not that goodwill is impaired before performing the two-step goodwill impairment test required under current accounting standards. The guidance is effective for us beginning in the first quarter of fiscal 2013, with early adoption permitted. The adoption of this standard will not impact our financial results.

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In June 2011, the FASB issued ASU 2011-05, which is now part of ASC 220: "Presentation of Comprehensive Income". The new guidance will require companies to present the components of net income and other comprehensive income either as one continuous statement or as two consecutive statements. It eliminates the option to present components of other comprehensive income as part of the statement of changes in stockholders' equity. The standard does not change the items, which must be reported in other comprehensive income. These provisions are to be applied retrospectively and will be effective for us as of January 1, 2012. Because this guidance impacts presentation only, it has no effect on our financial condition, results of operations or cash flows.

In May 2011, the Financial Accounting Standards Board ("FASB") issued ASU No. 2011-04, "Fair Value Measurement: Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS". This update defines fair value, clarifies a framework to measure fair value and requires specific disclosures of fair value measurements. The guidance is effective for interim and annual reporting periods beginning after January 1, 2012 and is required to be applied retrospectively. The adoption of this guidance did not have a material impact on Company's consolidated financial position or results of operations.

In April 2011, the Financial Accounting Standards Board (the "FASB") issued new accounting guidance that addresses effective control in repurchase agreements and eliminated the requirement for entities to consider whether the transferor/seller has the ability to repurchase the financial assets in a repurchase agreement. This new accounting guidance was effective, on a prospective basis, for new transactions or modifications to existing transactions, on January 1, 2012. The adoption of this guidance did not have a material impact on Company's consolidated financial position or results of operations.

## Results of Operations

Fiscal year ended March 31, 2013 compared to fiscal year ended March 31, 2012

The following table presents an overview of our results of operations for the fiscal years ended March 31, 2013 and 2012:

	Year ended March 31,			Percent change
	2013	2012	Change	
Revenues	\$ 8,030,016	\$ 4,199,551	\$ 3,830,465	91.2
Cost of revenues	(6,496,891)	(4,817,980)	(1,678,911)	34.8
Selling, General and Administrative expenses	(3,041,632)	(4,702,492)	1,660,860	-35.3
Depreciation	(673,916)	(996,403)	322,487	-32.4
Impairment loss – goodwill	(301,141)			
Impairment loss – investment		(1,194,257)		
Operating income (loss)	\$ (2,483,564)	\$ (7,511,581)	\$ 5,028,017	-66.9
Interest and other financial expenses	(419,436)	(984,021)	564,585	-57.4
Interest Income	30,397	267,192	(236,795)	-88.6
Other Income	240,064	481,485	(241,422)	-50.1
Income before income taxes and minority interest attributable to non-controlling interest	(2,632,539)	(7,746,925)	5,114,386	66.0
Tax benefit/(expense)	365,116	(172,828)	537,944	
Income/Loss after income taxes	\$ (2,267,423)	\$ (7,919,753)	\$ 5,652,330	70.9

Revenue - Total revenue was \$ 8.03 million for the year ended March 31, 2013, as compared to \$4.19 million for the year ended March 31, 2012, an increase of 91.2 %. The revenue reported for 2013 and 2012 is from trading of ore in



India and China. The Government of India has indicated that it will reopen the mines in fiscal 2013. Our plants in China were intermittently open in fiscal 2013. We opened them on a test basis, while we await permission from the Government to reopen them under the new ownership of IGC and a new mining license. We expect the Government to allow us to reopen the mines on a continuous basis as soon as practical. Further, once shipping hub at the border of Mongolia and China becomes operational and or the mines in India open, we will be in a position to export low-grade ore from Mongolia and or India to China for further beneficiation at our plants in Inner Mongolia.

Cost of Revenue - Cost of revenue consists primarily of the cost of purchasing iron ore, transportation, local fees, handling and other logistics costs. Cost of revenue as a percentage of revenue decreased in fiscal 2013.

Selling, General and Administrative expenses – These consist primarily of employee-related expenses, professional fees, other corporate expenses, allocated overhead and provisions and write-offs relating to doubtful and bad debts and advances. The major portion of SG&A is the overhead related to public company expenses and overheads in the U.S. Selling, general and administrative expenses were \$3.04 million for the year ended March 31, 2013 compared \$4.70 million for the year ended March 31, 2012. The SG&A for FYE 2013 included about \$0.825 million of non-cash employee related expenses from the award of stock and stock options. The SG&A expenses decreased by 35.3% year over year. Overall in fiscal 2013, the Company took substantial steps to reduce and realign its overheads in India, China and the U.S.

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Depreciation – The depreciation expense was \$ 0.67 million in 2013 as compared to \$0.99 million in 2012. The majority of the depreciation in FYE 2013 was from the equipment related to mining.

Impairment loss – goodwill – In FYE 2013 the Company impaired the goodwill related to the original purchase of TBL for (\$0.30 million).

Impairment loss – investment – For the year ended March 31, 2013, the Company did not impair its investments

Operating income (loss) - Loss from operations reduced from (\$7.5) million for the year ended March 31, 2012 to a loss of \$ (2.48) million for the year ended March 31, 2013, which is a decrease of \$5.02 million in losses. The decrease in losses is mainly from the substantial decrease in G&A and a decrease in cost of sales.

Interest and other financial expense– The interest expense for the year ended March 31, 2013 was \$ 0.42 million as compared to \$0.98 million for the year ended March 31, 2012. The decrease in interest expense is primarily due to repayment of high interest notes. While the Company has made significant progress in lowering its cost of capital, its cost of capital continues to be very expensive. In fiscal 2013, we focused on reducing the cost of capital by eliminating loans that carry very high interest rates and introducing ones that carry significantly lower interest rates. We continue to have one loan at a very high interest rate that we are negotiating to either convert to equity, repay or refinance.

Interest income – The interest income for the year ended March 31, 2013 was \$0.03million as compared to \$0.27 million for the year ended March 31, 2012. The income was derived mostly from cash that is held as deposits.

Other income – Other income predominantly consists of foreign exchange gain/(loss) arising from the restatement of the inter-company receivables, denominated in Indian rupees, and or Renminbi to U.S. dollars.

Income tax expense – We had an income tax credit of \$(0.37) million for the year ended March 31, 2013 as compared to an expense of \$0.17 million for the year ended March 31, 2012. The tax credit is from our subsidiary in China and will be used in China and not in the U.S.

Net loss – The Company had a loss of about \$2.27million for the year ended March 31, 2013 as compared to a loss of about \$7.92 million for the year ended March 31, 2012. We have worked very hard in fiscal 2013 to a) reduce overheads and overall SG&A, b) reduce our cost of capital by eliminating high interest loans, and c) realigning the business to focus on the iron ore business. We believe that our overall cash expenses related to overheads and interest have been reduced dramatically in preparation for the opening of mines in India and restarting the mines in China and future profitability.

Balance sheet explanations:

Intangible assets and Goodwill- The decrease in goodwill between fiscal 2012 and 2013 is attributed to the impairment of goodwill related to TBL and an adjustment of intangible assets and goodwill from the Ironman acquisition.

Liabilities- In Fiscal 2013 the Company eliminated a substantial portion of its current and non-current liability. Current liability was about \$1.82 million in FYE 2013 and about in \$4.49 million in FYE 2012. The reduction comes from reclassification of \$1.8 million of Notes payable from current to non-current, the elimination of dues to related parties and the elimination of deferred taxes. The total liability was \$4.27 in FYE 2013 as compared to \$9.44 million in FYE 2012 a decrease of \$5.16 million. The company eliminated \$4.0 million in liability to the shareholders of Ironman and about \$0.849 in deferred tax liability associated with the acquisition of Ironman.

Non-controlling interest- The non-controlling interest is attributed to our 95% of Ironman and represents. In Fiscal 2013 we eliminated the non-controlling interest in TBL by purchasing 100% of TBL.

#### Liquidity and Capital Resources

This liquidity and capital resources discussion compares the consolidated company results for the years ended March 31, 2013 and 2012.

Our future liquidity needs will depend on, among other factors, stability of iron ore prices, demand for iron ore, construction costs, interest rates, and a continued increase in infrastructure in India and China. We believe that our current cash balances, anticipated operating cash flow in fiscal 2014, and cash from claims are adequate to sustain the Company, but not to fuel growth or future acquisitions.

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On our balance sheet, in addition to the existing cash balances, we have about \$1.06 million in receivables and claims. We have and continue to take measures to contain costs until we have visibility into increased liquidity and the opening of the mines in India and increased cash flow from our Chinese operations. We continue to explore other funding sources including negotiated settlement of accounts receivable, settlement of claims, bank lines, equity, convertible debentures and debt. However, there can be no assurance that we will be able to access additional credit facilities. Our strategy is to develop businesses that have a very short receivable cycle like the export of ore to China and to aggressively collect our outstanding receivables and claims.

Repatriation of funds from India requires obtaining clearances from the Reserve Bank of India (RBI). This process can take several months to complete. We have compiled all the necessary information for the application, including obtaining the Foreign Inward Remittance Certificates (FIRC) from all our banks, for all our Indian subsidiaries, and initiated the process of applying to the RBI for permission. We have retained an Indian Foreign Exchange Expert to help with the process. Once we obtain the clearances from the RBI, repatriating funds from India will become significantly easier.

The Company currently has a Notes payable of \$1.8 Million. There is no cash interest payable on the loan. The loan is due on July 31, 2014.

### Off-balance Sheet Arrangements

We do not have any investments in special purpose entities or undisclosed borrowings or debt.

### Item 7A. Quantitative and Qualitative Disclosure about Market Risks

The primary objective of the following information is to provide forward-looking quantitative and qualitative information about our potential exposure to market risks. Market risk is the sensitivity of income to changes in interest rates, foreign exchanges, commodity prices, equity prices, and other market-driven rates or prices. The disclosures are not meant to be precise indicators of expected future losses, but rather, indicators of reasonably possible losses. This forward-looking information provides indicators of how we view and manage our ongoing market risk exposures.

#### Customer Risk

The Company's customers are the steel mills and iron ore traders. The loss of a significant client may have a short term adverse effect on the Company.

#### Commodity Prices and Vendor Risk

The Company is affected by the availability, cost and quality of raw materials iron ore and fuel. The prices and supply of raw materials and fuel depend on factors beyond the control of the Company, including general economic conditions, competition, production levels, transportation costs and import duties. The Company typically builds contingencies into the contracts, including indexing key commodity prices into escalation clauses. However, drastic changes in the global markets for raw materials and fuels could affect our vendors, which may create disruptions in delivery schedules that could affect our ability to execute contracts in a timely manner. We are taking steps to mitigate some of this risk by attempting to control the supply and quality of raw materials by tying up supply from Mongolia and eventually India when the mines are reopened. We do not currently hedge commodity prices on capital markets, which may expose the Company to risks related to high prices.

#### Labor Risk

We see limited labor risk in India or in China.

#### Compliance, Legal and Operational Risks

We operate under regulatory and legal obligations imposed by the Indian and Chinese governments and U.S. securities regulators. Those obligations relate, among other things, to the Company's financial reporting, trading activities, capital requirements and the supervision of its employees. Failure to fulfill legal or regulatory obligations can lead to fines, censure or disqualification of management and/or staff and other measures that could have negative consequences for our activities and financial performance. We are mitigating this risk by hiring local consultants and staff who can manage the compliance in the various jurisdictions in which we operate. However, the cost of compliance in various jurisdictions could have a negative impact on our future earnings.

#### Interest Rate Risk

The mining industry is one in which leverage plays a large role. A typical contract requires that we furnish an earnest money deposit, a performance guaranty and the ability to discount letters of credit. Finally, as interest rates rise, our cost of capital increases thus impacting our margins.

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## Exchange Rate Sensitivity

Our Indian subsidiaries conduct all business in Indian rupees (INR) with the exception of foreign equipment that is purchased from the U.S. or Europe. Our Chinese subsidiary, PRC Ironman, conducts all business in renminbi (RMB). Prices for ore are set in USD and then converted to RMB. PRC Ironman has no currency risk. However, PRC Ironman is subject to price volatility. Exchange rates have an insignificant impact on our financial results. However, as we convert from Indian rupees and renminbi to U.S. dollars and subsequently report in U.S. dollars, we may see an impact on translated revenue and earnings. Essentially, a stronger U.S. dollars decreases our reported earnings and a weakening U.S. dollars increases our reported earnings. We do not have loans in foreign currencies.

In the analysis below, we compared the reported revenue and expense for Fiscal 2013 based on the average exchange rate used for Fiscal 2012 to highlight the impact of exchange rate changes on IGC's revenue and expenses.

	Year ended March 31,			
	2013	2013		
	(current	(previous		
	exchange	exchange		
	rate)	rate)	Change	Percentage
Revenues	8,030,016	8,158,793	(128,777)	-1.60%
Total expenses before taxes	(7,699,371)	(7,610,474)	(88,896)	1.15%
	330,645	548,318	(217,673)	

## Foreign Currency Translation

IGC mainly operates in India and China and a substantial portion of the Company's sales are denominated in INR and RMB. As a result, changes in the relative values of the U.S. dollar and INR or the RMB affect revenues and profits as the results are translated into U.S. dollars in the consolidated and pro forma financial statements.

The accompanying financial statements are reported in U.S. dollars. The INR and the RMB are the functional currencies for the Company. The translation of the functional currencies into U.S. dollars is performed for assets and liabilities using the exchange rates in effect at the balance sheet date and for revenues, costs and expenses using average exchange rates prevailing during the reporting periods. Adjustments resulting from the translation of functional currency financial statements to reporting currency are accumulated and reported as other comprehensive income/(loss), a separate component of shareholders' equity.

The exchange rates used for translation purposes are as under:

Year	Month end Average Rate (P&L rate)	Year-end rate (Balance sheet rate)
2006-07	INR 45.11 per USD	INR 43.10 per USD
2007-08	INR 40.13 per USD	INR 40.42 per USD
2008-09	INR 46.49 per USD	INR 50.64 per USD
2009-10	INR 47.91 per USD	INR 44.95 per USD
2010-11	INR 44.75 per USD	INR 44.54 per USD
	INR 47.715/RMB 6.29 per USD	INR 50.89/RMB 6.30 per USD
2011-12	INR 54.357/RMB 6.28/HKD	INR 54.52/RMB 6.21/HKD
2012-13	7.77 per USD	7.76 per USD

Item 8. Financial Statements and Supplementary Data

Our Consolidated Financial Statements and supplementary financial data are included in this annual report on Form 10-K beginning on page F-1.

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To the Board of Directors and Stockholders of India Globalization Capital, Inc. and Subsidiaries:

We have audited the accompanying consolidated balance sheet of India Globalization Capital, Inc. and its subsidiaries (the "Company") as of March 31, 2013, and the related consolidated statements of income, comprehensive income, cash flows, and stockholders' equity for the year ended March 31, 2013. The financial statements of the Company as of March 31, 2012 were audited by other independent auditors. Those independent auditors expressed an unqualified opinion on the financial statements referred to in their report dated July 14, 2012. The financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that our audits provide a reasonable basis for our opinion. In our opinion, the consolidated financial statements referred to in the first paragraph above present fairly, in all material respects, the financial position of the Company as of March 31, 2013, and the results of their operations and their cash flows for year ended March 31, 2013, in conformity with accounting principles generally accepted in the United States of America.

AJSH & Co,  
Delhi, India,  
Independent Auditors registered with  
Public Company Accounting Oversight Board  
Date: July 15, 2013

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INDIA GLOBALIZATION CAPITAL, INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
(Audited)

	All amounts in USD except share data	
	As of	
	31-Mar-13	31-Mar-12
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$1,064,421	\$562,948
Accounts receivable, net of allowances	1,066,650	1,641,868
Inventories	407,060	387,481
Dues from related parties	-	-
Advance taxes		41,452
Prepaid expenses and other current assets	1,730,514	2,586,514
<b>Total current assets</b>	<b>\$4,268,645</b>	<b>\$5,220,263</b>
Long-Term assets:		
Intangible Assets & Goodwill	592,274	4,803,828
Property, plant and equipment, net	8,184,230	8,491,796
Investments in affiliates	5,109,057	5,109,058
Investments-others	83,489	637,620
Deferred acquisition costs	207,338	-
Deferred Income taxes	341,455	(14,076 )
Restricted cash	-	12,773
Other non-current assets	466,105	998,816
<b>Total long-term assets</b>	<b>\$14,983,948</b>	<b>\$20,039,815</b>
<b>Total assets</b>	<b>\$19,252,593</b>	<b>\$25,260,078</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Short-term borrowings	\$-	\$210,010
Trade payables	600,702	337,145
Accrued expenses	466,960	916,710
Notes payable		1,800,000
Dues to related parties	-	310,681
Deferred tax liabilities	-	135,980
Loans - others	446,694	222,389
Other current liabilities	310,619	563,105
<b>Total current liabilities</b>	<b>\$1,824,975</b>	<b>\$4,496,020</b>
Long term liabilities:		
Deferred Income taxes	-	713,897
Notes payable	1,800,000	
Other non-current liabilities	653,388	4,233,978
<b>Total long-term liabilities</b>	<b>2,453,388</b>	<b>\$4,947,875</b>
<b>Total liabilities</b>	<b>\$4,278,363</b>	<b>9,443,895</b>
Stockholders' equity:		
Common stock — \$.0001 par value; 150,000,000 shares authorized; 6,980,098 issued \$6,981 and outstanding at March 31, 2013 and 6,006,173 issued and outstanding at March		\$6,007

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31, 2012		
Additional paid-in capital	56,147,092	54,821,952
Accumulated other comprehensive income	(2,020,764 )	(2,542,453 )
Retained earnings (Deficit)	(39,697,179 )	(37,444,832 )
Total equity attributable to Parent	\$14,436,130	\$14,840,674
Non-controlling interest	\$538,100	\$975,509
Total stockholders' equity	14,974,230	15,816,183
Total liabilities and stockholders' equity	\$19,252,593	\$25,260,078

The accompanying notes should be read in connection with the financial statements.

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INDIA GLOBALIZATION CAPITAL, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(Audited)

	All amounts in USD except share data	
	Year ended March 31,	
	2013	2012
Revenues	\$8,030,016	\$4,199,551
Cost of revenues (excluding depreciation)	(6,496,891 )	(4,817,980 )
Selling, general and administrative expenses	(3,041,632 )	(4,702,492 )
Depreciation	(673,916 )	(996,403 )
Impairment loss - Goodwill	(301,141 )	-
Impairment Loss - Investment	-	(1,194,257 )
Operating income (loss)	(2,483,564 )	(7,511,581 )
Interest expense	(419,436 )	(984,021 )
Interest income	30,397	267,192
Other income, net	240,064	481,485
Income before income taxes and minority interest attributable to non-controlling interest	\$(2,632,539 )	\$(7,746,925 )
Income taxes benefit/ (expense)	365,116	(172,828 )
Earnings in income from affiliates	-	28,463
Net income/(loss)	\$(2,267,423 )	\$(7,891,290 )
Non-controlling interests in earnings of subsidiaries	15,076	139,365
Net income / (loss) attributable to common stockholders	\$(2,252,347 )	\$(7,751,925 )
Earnings/(loss) per share attributable to common stockholders:		
Basic	\$(0.32 )	\$(2.66 )
Diluted	\$(0.32 )	\$(2.66 )
Weighted-average number of shares used in computing earnings per share amounts:		
Basic	6,966,798	2,908,936
Diluted	6,966,798	2,908,936

The accompanying notes should be read in connection with the financial statements.

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INDIA GLOBALIZATION CAPITAL, INC. AND SUBSIDIARIES  
 CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)  
 (Audited)

	Year ended March, 31					
	2013			2012		
	IGC	Non-controlling interest	Total	IGC	Non-controlling interest	Total
Net income / (loss)	\$ (2,252,347 )	\$ (15,076 )	\$ (2,267,423 )	\$ (7,751,925 )	\$ (139,365 )	\$ (7,891,290 )
Foreign currency translation adjustments	\$ 521,689	\$ 7,082	\$ 528,771	\$ (39,857 )	\$ (72,993 )	\$ (112,850 )
Comprehensive income (loss)	\$ (1,730,658 )	\$ (7,994 )	\$ (1,738,652 )	\$ (7,791,782 )	\$ (212,358 )	\$ (8,004,140 )

The accompanying notes should be read in connection with the financial statements.

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INDIA GLOBALIZATION CAPITAL, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY  
(Audited)

	No of Shares	Amount	Additional Paid in Capital	Accumulated Earnings (Deficit)	Accumulated Other Comprehensive Income/(loss)	Non-Controlling Interest	Total Stockholders Equity
Balance at March 31, 2011 (audited)	1,489,018	\$ 1,490	\$ 38,860,319	\$ (29,692,907)	\$ (2,502,596)	\$ 626,553	7,292,859
Issue of equity shares	4,030,296	4,030	3,544,437	-	-	-	3,548,467
Reversal of recession rights	486,859	487	3,081,895	-	-	-	3,082,382
Stock option issue cost	-	-	9,335,301	-	-	-	9,335,301
Loss for the year	-	-	-	(7,751,925 )	-	-	(7,751,925 )
Net Income for non-controlling interest	-	-	-	-	-	(139,365 )	(139,365 )
Loss on Translation	-	-	-	-	(39,857 )	(72,993 )	(112,850 )
NCI on acquisition of Ironman	-	-	-	-	-	561,314	561,314
Balance at March 31, 2012 (audited)	6,006,173	\$ 6,007	\$ 54,821,952	\$ (37,444,832)	\$ (2,542,453)	\$ 975,509	\$ 15,816,183
Loan exchange	334,200	334	500,966				501,300
Loss on Translation					245,354	7,082	252,436
ESOP/Others	639,725	640	824,174				824,814
Net income for non-controlling interest						15,076	15,076
Net income / (loss)				(2,252,347 )			(2,252,347 )
NCI of TBL on acquisition of minority					276,335	(459,567 )	(183,232 )
Balance at March 31, 2013 (audited)	6,980,098	\$ 6,981	\$ 56,147,092	\$ (39,697,179)	\$ (2,020,764)	\$ 538,100	\$ 14,974,230

The accompanying notes should be read in connection with the financial statements.

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INDIA GLOBALIZATION CAPITAL, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Audited)

	Year ended March, 31	
	2013	2012
Cash flows from operating activities:		
Net income (loss)	\$ (2,267,423)	\$ (7,891,290)
Adjustment to reconcile net income (loss) to net cash:		
Non-cash compensation expense		(23,271)
Non-cash interest expense	114,654	491,147
Deferred taxes	(365,116)	172,828
Depreciation	673,916	996,403
Unrealized exchange losses/(gains)	368,408	694,532
Impairment of goodwill	301,141	
Accrued unrealized share in profits of joint venture		(28,463)
ESOP and other Stock related Expense	824,814	
Changes in:		
Accounts receivable	468,306	587,118
Inventories	(26,704)	5,557
Prepaid expenses and other assets	860,428	458,657
Trade payables	285,461	(856,704)
Other current liabilities	(457,386)	17,840
Other non – current liabilities	(550,429)	(442,685)
Non-current assets	467,604	2,746,250
Accrued Expenses	(519,475)	(1,950,281)
Net cash used in operating activities	\$ 178,199	\$ (5,022,362)
Cash flow from investing activities:		
Proceeds from short term investment	331,328	
Purchase of property and equipment /capital work in progress	(326,078)	(5,480)
Proceeds from sale of property and equipment	115,425	48,118
Deferred acquisitions cost	(207,338)	
Proceeds from/ (Investment in) non-current investments (joint ventures etc.)		169,758
Deposits towards acquisitions (net of cash acquired)		2,678,119
Restricted cash	11,959	1,778,063
Net cash provided/(used) by investing activities	\$ (74,704)	\$ 4,668,578
Cash flows from financing activities:		
Net movement in other short-term borrowings	(196,614)	(625,763)
Proceeds from loans	610,951	-
Net cash provided/(used) by financing activities	\$ 414,337	\$ (625,763)
Effects of exchange rate changes on cash and cash equivalents	(16,359)	(40,789)
Net increase/(decrease) in cash and cash equivalents	501,473	(1,020,336)
Cash and cash equivalent at the beginning of the period	562,948	1,583,284
Cash and cash equivalent at the end of the period	\$ 1,064,421	\$ 562,948



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Supplementary information:

Cash paid for interest	\$	Nil	\$	Nil
Cash paid for taxes	\$	Nil	\$	Nil

Non-cash items:

Common stock issued including ESOP	\$	824,814	\$	Nil
Common stock issued for exchange of Notes Payable	\$	501,300	\$	Nil

The accompanying notes should be read in connection with the financial statements.

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INDIA GLOBALIZATION CAPITAL, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – NATURE OF OPERATIONS AND BASIS OF PRESENTATION

The operations of IGC are based in India and China. IGC owns 100% of a subsidiary in Mauritius called IGC-Mauritius (“IGC-M”) and 100% of another subsidiary in Hong Kong (“HK Ironman”). IGC-M in turn operates through four subsidiaries, and one investment in India. IGC-M has an investment ownership of approximately twenty two percent (22%) of Sricon Infrastructure Private Limited (“Sricon”), and one hundred percent (100%) of each Techni Bharathi, Limited (“TBL”), IGC India Mining and Trading Private Limited (“IGC-IMT”), IGC Logistic Private Limited (“IGC-L”), and IGC Materials Private Limited (“IGC-MPL”). HK ironman operates through Linxi HeFei Economic and Trade Co., aka Linxi H&F Economic and Trade Co., a People’s Republic of China-based company (“PRC Ironman”), in which it owns a 95% equity interest. Through our subsidiaries the Company operates in the India and China infrastructure industries. Operating as a fully integrated infrastructure company, IGC, through its subsidiaries, has expertise in road building, mining and quarrying and engineering of high temperature plants.

The Company’s medium term plan is to build a large portfolio of iron ore assets by consolidating, through acquisitions, the fragmented iron ore sector in mineral rich Inner Mongolia and neighboring parts of Mongolia. This plan includes acquiring, for a combination of stock and cash, both operating mines and mines that are past the exploration stage and in the final stages of obtaining a mining license. The Company’s operations are subject to certain risks and uncertainties, including among others, dependency on India and China’s economy and government policies, seasonal business factors, competitively priced raw materials, dependence upon key members of the management team and increased competition from existing and new entrants.

The accompanying consolidated financial statements have been prepared in conformity with United States Generally Accepted Accounting Principles (U.S. GAAP). The financial statements include all adjustments (consisting of normal recurring adjustments), which are, in the opinion of management, necessary for a fair presentation of such financial statements. The Company’s current fiscal year ends on March 31, 2013.

a) India Globalization Capital, Inc.

IGC, a Maryland corporation, was organized on April 29, 2005 as a blank check company formed for the purpose of acquiring one or more businesses with operations primarily in India, and now China, through a merger, capital stock exchange, asset acquisition or other similar business combination or acquisition. On March 8, 2006, the Company completed an initial public offering. On February 19, 2007, the Company incorporated India Globalization Capital, Mauritius, Limited (IGC-M), a wholly owned subsidiary, under the laws of Mauritius. On March 7, 2008, the Company consummated the acquisition of 63% of the equity of Sricon Infrastructure Private Limited (Sricon) and 77% of the equity of Techni Bharathi Limited (TBL). Effective October 1, 2009, we reduced our stake in Sricon from 63% to 22% in consideration for the set off of the loan owed by IGC approximating \$17.9 million. On June 21, 2012, IGC entered into a Memorandum of Settlement (the “MoS”) with Sricon and related parties, pursuant to which the Company gave up the 22% minority interest in Sricon in exchange for approximately 5 acres of land in Nagpur. The settlement is expected to close by the end of the next financial year. As March 31, 2013, IGC became the 100% owner of TBL by purchasing the remaining 23.1% shares from TBL’s promoters.

On February 19, 2009 IGC-M beneficially purchased 100% of IGC Mining and Trading, Limited based in Chennai India. On July 4, 2009 IGC-M beneficially purchased 100% of IGC Materials, Private Limited, and 100% of IGC Logistics, Private Limited. Both these companies are based in Nagpur, India. On December 30, 2011, IGC acquired a 95% equity interest in Linxi HeFei Economic and Trade Co., aka Linxi H&F Economic and Trade Co., a People’s

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Republic of China-based company ("PRC Ironman") by acquiring 100% of the equity of H&F Ironman Limited, a Hong Kong company ("HK Ironman"). Collectively, PRC Ironman and HK Ironman are referred to as "Ironman."

IGC India Mining and Trading Private Limited (IGC-IMT), IGC Materials Private Limited (IGC-MPL), and IGC Logistics Private Limited (IGC-LPL) were incorporated for IGC by three different Indian citizens, who acted as the initial directors of these companies as our nominees. This is as per the regulatory requirements for incorporation of companies. Once the companies were incorporated, IGC purchased the shares from the individuals. No premium was paid. None of these companies were operational at the time of purchase and therefore no revenues and earnings were recorded. The individuals were reimbursed for the amounts they paid to incorporate the companies. Please see the below table for further details:

Acquired Company	Initial Capitalization	Purchase Price
IGC – IMT	INR 100,000 (\$2,100)	INR 100,000
IGC – MPL	INR 100,000 (\$2,100)	INR 100,000
IGC – LPL	INR 100,000 (\$2,100)	INR 100,000

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In order to comply with regulatory requirements, the above companies were incorporated on behalf of IGC, and IGC subsequently purchased these companies at book value. Therefore, effectively, these are not acquisitions but incorporations by IGC.

The registered capital of PRC Ironman is RMB 2,000,000, equaling to USD \$273,800, in which Mr. Zhang Hua owned 80% and Mr. Xu Jianjun owned the remaining 20%. Mr. Zhang Hua and Mr. Xu Jiajun transferred 75% and 20% respectively to HK Ironman on January 18, 2011. Thus, as of March 31, 2011, 95% of the Company's registered capital was held by HK Ironman. HK Ironman was incorporated as H&F Ironman Limited, a private limited company, on December 20, 2010 in Hong Kong to acquire PRC Ironman. HK Ironman's sole asset is its ownership of a 95% equity interest in Linxi Hefei Economic and Trade Co., Ltd. ("PRC Ironman"), which was incorporated in China on January 8, 2008. HK Ironman acquired PRC Ironman in January 2011. As a result of that acquisition, PRC Ironman is now considered an equity joint venture ("EJV") in view of its foreign ownership through HK Ironman. An EJV is a joint venture between a Chinese and a foreign company within the territory of China.

PRC Ironman is engaged in the processing and extraction of iron ore from sand and dirt at its beneficiation plant on 2.2 square kilometers of hills in southwest Linxi in the autonomous region of eastern Inner Mongolia, under the administration of Chifeng City, Inner Mongolia, which is located 250 miles from Beijing, 185 miles from Tianjin Port and 125 miles from Jinzhou Port and well connected by roads, planes and railroad. PRC Ironman is a Sino-foreign EJV established by both foreign and Chinese investors (i.e., Sino means "China" herein). HK Ironman, a Hong Kong-based company owns 95% of PRC Ironman, and Mr. Zhang Hua, a Chinese citizen owns the remaining 5%.

b) Merger and Accounting Treatment

Most of the shares of Sricon, and TBL were acquired were purchased directly from the companies. The shares of HK Ironman were acquired from the shareholders of that company.

On March 31, 2013 IGC acquired the non-controlling interest in TBL.

Unless the context requires otherwise, all references in this report to the "Company", "IGC", "IGC Inc.", "we", "our", and refer to India Globalization Capital, Inc., together with its wholly owned subsidiaries IGC-M, and its direct and indirect subsidiaries (TBL, IGC-IMT, IGC-MPL and IGC-LPL) and HK Ironman, Ltd. and its direct subsidiary PRC Ironman, and Sricon, in which we hold a non-controlling interest. India Globalization Capital, Inc. (the Registrant, the Company or we) and its subsidiaries are significantly engaged in one segment, infrastructure construction.

IGC's organizational structure is as follows:

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c) Our Securities

The Company had three securities listed on the NYSE MKT (1) Common Stock, \$.0001 par value (ticker symbol: IGC) (“Common Stock”), (2) redeemable warrants to purchase Common Stock (ticker symbol: IGC.WT), and (3) units consisting of one share of Common Stock and two redeemable warrants to purchase Common Stock (ticker symbol: IGC.U). As reported on Form 8-K on February 5, 2013, the Company voluntarily delisted the units from the NYSE MKT and requested its unit holders to contact IGC to get the existing units separated into Common Stock and Warrants. Each warrant entitles the holder to purchase one share of Common Stock at an exercise price of \$5.00. The warrants expire on March 6, 2015.

The registration statement for the initial public offering was declared effective on March 2, 2006. The Company’s outstanding warrants are exercisable and may be exercised by contacting IGC or the transfer agent, Continental Stock Transfer & Trust Company. The Company has a right to call the warrants, provided the Common Stock has traded at a closing price of at least \$8.50 per share for any 20 trading days within a 30-trading day period ending on the third business day prior to the date on which notice of redemption is given. If the Company calls the warrants, either the holder will have to exercise the warrants by purchasing the Common Stock from the Company for \$5.00 or the warrants will expire. In accordance with the terms of the outstanding warrant agreements between the Company and its warrant holders, the Company in its sole discretion may lower the price of its warrants at any time prior to their expiration date.

The Company had 12,989,207 shares of Common Stock issued and outstanding as of March 31, 2010. During the twelve months ended March 31, 2011, the Company also issued 30,000 shares of Common Stock to American Capital Ventures and Maplehurst Investment Group for services rendered and 9,135 shares to Red Chip Companies valued at \$8,039 for investor relations related services rendered.

The Company also issued a total of 400,000 shares of Common Stock, as consideration for the extension of the loans under the promissory notes described in Notes Payable during the twelve months ended March 31, 2011.

In February 2011, the Company consummated another transaction with Bricoleur to exchange the promissory note held by Bricoleur for a new note with an extended repayment term. The Company issued 688,500 shares of Common Stock valued at approximately \$419,985 as consideration for the exchange, as discussed in corresponding note.

In March 2011, the Company and Oliveira agreed to exchange the promissory note held by Oliveira for a new note with an extended repayment term and provisions permitting the Company at its discretion to repay the loan through the issuance of equity shares at a stated value over a specific term. As of December 31, 2011, the Company has issued 1,570,001 shares of Common Stock valued at \$798,176 to this debt holder, which constituted an element of repayment of principal as well as the interest in equated installments.

On December 30, 2011, the Company finalized the purchase of HK Ironman pursuant to a stock purchase agreement (the “Stock Purchase Agreement”) that was approved by the shareholders of the Company on that date. Related to the acquisition of HK Ironman, the Company’s shareholders approved the issuance of 31,500,000 equity shares to the owners of HK Ironman in exchange for 100% of the equity of HK Ironman (refer to Note 3); these shares have been considered as outstanding as of this date. In addition, the Stock Purchase Agreement provides for a contingent payment by IGC of \$1 million provided certain post-closing covenants are met within 30 days of closing. These post-closing covenants were not met within 30 days of closing and therefore the Company did not make the payment. In addition there were certain contingent payments by IGC to Ironman stockholders, as follows (i) \$1.5 million in cash or stock, which is contingent on IGC achieving earnings growth of at least 30% from the previous year’s closing audit (i.e., March 31, 2011); and (ii) \$1.5 million in cash or stock, which is contingent on IGC achieving earnings growth of at least 30% from the previous year’s closing audit (i.e., March 31, 2012). If either of the foregoing annual targets

were missed, there would still be a payout of \$3 million provided IGC achieves a cumulative earnings growth of 69% between fiscal years 2011 and 2013. These post-closing covenants were not met and therefore the Company did not make the payments. The acquisition of HK Ironman and the offering of the Common Stock pursuant there to was exempt from registration under the Securities Act pursuant to Regulation S of the Securities Act, which exempts private issuances of securities in which the securities are not offered or advertised to the general public and such offering occurs outside of the United States to non-U.S. persons. No underwriting discounts or commissions were paid with respect to such sale. These securities were subsequently registered in a Form S-1.

As reported on a Current Report on Form 8-K filed by the Company on April 6, 2012, the Company retired a note in the amount of \$2,232,627.79 on April 5, 2012. The Company projected a reduction in annual interest costs of about \$612,000. The Company paid off the loan with 442,630 shares of newly issued Common Stock. There remains a disagreement on some of the technical features of the note that the lender claims result in IGC owing additional principal, interest, and penalty fees. The lender has sought relief through summary judgment from the court. IGC believes that IGC followed the clear terms of the note and that the lender's claims are frivolous. Further, IGC believes that the lender has demonstrated a malicious pattern of harassing behavior in an effort to unduly increase their gains. IGC is considering a counter suit in response to the lenders actions.

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As reported on a Current Report on Form 8-K filed by the Company on October 9, 2012, the Company and Bricoleur agreed to exchange the promissory note held by Bricoleur for a new note with an extended repayment term and provisions permitting the Company at its discretion to repay the loan through the issuance of equity shares. As of March 31, 2013, the Company has issued 334,200 post-split shares of Common Stock valued at \$501,300 to this debt holder, which constituted an element of repayment of interest. Effective March 31, 2013, the Company and Bricoleur Partners, L. P. agreed to amend the outstanding \$1,800,000 promissory note (“2012 Security”), subject to the same terms of the 2012 Agreement, to extend the maturity date of the 2012 Security from December 31, 2012 to July 31, 2014.

Further, pursuant to IGC’s employee stock option plan, the Company has issued 269,345 at an average exercise price of \$7.80, all of which are outstanding as of March 31, 2013. The Company has also issued a total of 1,018,968 shares to some of its directors and employees. The Company also issued 27,500 shares of Common Stock valued at approximately \$38,750 for investor relations related services rendered. As of March 31, 2013, IGC has 6,980,098 shares of Common Stock issued and outstanding. Disclosures relating to the common shares and options and warrants reflect a 10:1 reverse split that was effected on April 19, 2013.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

a) Principles of Consolidation:

The accompanying financial statements have been prepared on a consolidated basis and reflect the financial statements of IGC and all of its subsidiaries that are more than 50% owned and controlled. When the Company does not have a controlling interest in an entity, but exerts a significant influence on the entity, the Company applies the equity method of accounting. All inter-company transactions and balances are eliminated in the consolidated financial statements.

The non-controlling interest disclosed in the accompanying financial statements for FYE 2013 represents the non-controlling interest in Linxi H&F Economic and Trade Co. (PRC Ironman) through 100% owned subsidiary, H&F Ironman Limited (HK Ironman) and the profits or losses associated with the non-controlling interest in those operations.

The adoption of Accounting Standards Codification (ASC) 810-10-65 “Consolidation — Transition and Open Effective Date Information” (previously referred to as SFAS No. 160, “Non-controlling Interests in Consolidated Financial Statements, an amendment of ARB No. 51”), has resulted in the reclassification of amounts previously attributable to minority interest (now referred to as non-controlling interest) to a separate component of shareholders’ equity on the accompanying consolidated balance sheets and consolidated statements of shareholders’ equity and comprehensive income (loss). Additionally, net income attributable to non-controlling interest is shown separately from net income in the consolidated statements of income. This reclassification had no effect on our previously reported financial position or results of operations.

b) Non-controlling interests

Non-controlling interests in the Company’s consolidated financial statements result from the accounting for non-controlling interests in its subsidiaries. Non-controlling interests represent the subsidiaries’ earnings and components of other comprehensive income that are attributed to the non-controlling parties’ equity interests. The Company consolidates the subsidiaries into its consolidated financial statements. Transactions between the Company and its subsidiaries have been eliminated in the consolidated financial statements.

The Company accounts for investments by the equity method where its investment in the voting stock gives it the ability to exercise significant influence over the investee but not control. In situations, such as the Company’s

ownership interest in Sricon Infrastructure Private Limited ("Sricon"), wherein the Company is not able to exercise significant influence in spite of having 20% or more of the voting stock, the Company has accounted for the investment based on the cost method. In addition, the Company consolidates any Variable Interest Entity ("VIE") if it is determined to be the primary beneficiary. However, as of March 31, 2013, the Company does not have any interest in any VIE or equity method investment.

The non-controlling interest disclosed in the accompanying audited consolidated financial statements for FYE 2013 represents the non-controlling interest of Ironman.

The adoption of Accounting Standards Codification (ASC) 810-10-65 "Consolidation — Transition and Open Effective Date Information" (previously referred to as SFAS No. 160, "Non-controlling Interests in Consolidated Financial Statements, an amendment of ARB No. 51"), has resulted in the reclassification of amounts previously attributable to minority interest (now referred to as non-controlling interest) to a separate component of shareholders' equity on the accompanying consolidated balance sheets and consolidated statements of shareholders' equity and comprehensive income (loss). Additionally, net income attributable to non-controlling interest is shown separately from net income in the consolidated statements of income. This reclassification had no effect on our previously reported financial position or results of operations.

c)           Reclassifications

Certain prior year balances have been reclassified to the presentation of the current year.



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d) Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Management believes that the estimates and assumptions used in the preparation of the consolidated financial statements are prudent and reasonable. Significant estimates and assumptions are used for, but not limited to: allowance for uncollectible accounts receivable; future obligations under employee benefit plans; the useful lives of property, plant, equipment; intangible assets; the valuation of assets and liabilities acquired in a business combination; impairment of goodwill and investments; recoverability of advances; the valuation of options granted and warrants issued; and income tax and deferred tax valuation allowances. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Critical accounting estimates could change from period to period and could have a material impact on IGC's results, operations, financial position and cash flows.

Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

e) Revenue Recognition

The majority of the revenue recognized for the year ended March 31, 2013 was derived from the Company's subsidiaries and as follows:

Revenue is recognized when persuasive evidence of an arrangement exists, the sales price is fixed or determinable and collectability is reasonably assured. In government contracting, the Company recognizes revenue when a government consultant verifies and certifies an invoice for payment.

Revenue from sale of goods is recognized when substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract.

For the sale of goods, the timing of the transfer of substantial risks and rewards of ownership is based on the contract terms negotiated with the buyer, e.g., FOB or CIF. IGC considers the guidance provided under Staff Accounting Bulletin ("SAB") 104 in determining revenue from sales of goods. Considerations have been given to all four conditions for revenue recognition under that guidance. The four conditions are:

Contract – Persuasive evidence of our arrangement with the customers;

Delivery – Based on the terms of the contracts, the Company assesses whether the underlying goods have been delivered and therefore the risks and rewards of ownership are completely transferred;

Fixed or determinable price – The Company enters into contracts where the price for the goods being sold is fixed and not contingent upon other factors.

Collection is deemed probable – At the time of recognition of revenue, the Company makes an assessment of its ability to collect the receivable arising on the sale of the goods and determines that collection is probable.

Revenue for any sale is recognized only if all of the four conditions set forth above are met. These criteria are assessed by the Company at the time of each sale. In the absence of meeting any of the criteria set out above, the Company defers revenue recognition until all of the four conditions are met.

Revenue from construction/project related activity and contracts for supply/commissioning of complex plant and equipment is recognized as follows:

- a) Cost plus contracts: Contract revenue is determined by adding the aggregate cost plus proportionate margin as agreed with the customer and expected to be realized.
- b) Fixed price contracts: Contract revenue is recognized using the percentage completion method and the percentage of completion is determined as a proportion of cost incurred-to-date to the total estimated contract cost. Changes in estimates for revenues, costs to complete and profit margins are recognized in the period in which they are reasonably determinable.

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In many of the fixed price contracts entered into by the Company, significant expenses are incurred in the mobilization stage in the early stages of the contract. The expenses include those that are incurred in the transportation of machinery, erection of heavy machinery, clearing of the campsite, workshop ground cost, overheads, etc. All such costs are booked to deferred expenses and written off over the period in proportion to revenues earned.

Where the modifications of the original contract are such that they effectively add to the existing scope of the contract, the same are treated as a change orders. On the other hand, where the modifications are such that they change or add an altogether new scope, these are accounted for as a separate new contract. The Company adjusts contract revenue and costs in connection with change orders only when they are approved by both, the customer and the Company with respect to both the scope and invoicing and payment terms.

In the event of claims in our percentage of completion contracts, the additional contract revenue relating to claims is only accounted after the proper award of the claim by the competent authority. The contract claims are considered in the percentage of completion only after the proper award of the claim by the competent authority.

Full provision is made for any loss in the period in which it is foreseen.

Revenue from service related activities and miscellaneous other contracts are recognized when the service is rendered using the proportionate completion method or completed service contract method.

### f) Earning per common share:

Basic earnings per share is computed by dividing net income (loss) applicable to common stockholders by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflects the additional dilution from all potentially dilutive securities such as stock warrants and options.

### g) Income taxes:

The Company accounts for income taxes under the asset and liability method, in accordance with ASC 740, Income Taxes, which requires an entity to recognize deferred tax liabilities and assets. Deferred tax assets and liabilities are recognized for the future tax consequence attributable to the differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the enacted tax rate expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that included the enactment date. A valuation allowance is established and recorded when management determines that some or all of the deferred tax assets are not likely to be realized and therefore, it is necessary to reduce deferred tax assets to the amount expected to be realized.

In evaluating a tax position for recognition, management evaluates whether it is more-likely-than-not that a position will be sustained upon examination, including resolution of related appeals or litigation processes, based on technical merits of the position. If the tax position meets the more-likely-than-not recognition threshold, the tax position is measured and recognized in the Company's financial statements as the largest amount of tax benefit that, in management's judgment, is greater than 50% likely of being realized upon settlement. As of March 31, 2013 and 2012, there was no significant liability for income tax associated with unrecognized tax benefits.

The issuance by IGC of its common stock to HK Ironman stockholders in exchange for HK Ironman stock, as contemplated by the stock purchase agreement ("Stock Purchase Agreement") between the Company, HK Ironman, PRC Ironman and their stockholders, generally will not be a taxable transaction to U.S. holders for U.S. federal income tax purposes. It is expected that IGC and its stockholders will not recognize any gain or loss because of the

approval of the Share Issuance Proposal for U.S. federal income tax purposes.

h) Cash and Cash Equivalents:

For financial statement purposes, the Company considers all highly liquid debt instruments with maturity of three months or less, to be cash equivalents. The Company maintains its cash in bank accounts in the United States of America, Mauritius, India and China, which at times may exceed applicable insurance limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalent. The Company does not invest its cash in securities that have an exposure to U.S. mortgages.

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## i) Restricted cash:

Restricted cash consists of deposits pledged to various government authorities and deposits used as collateral with banks for guarantees and letters of credit, given by the Company to its customers or vendors.

## j) Foreign currency transactions:

The functional currency is the currency in which the Company's subsidiaries operate and it largely reflects the economic substance of the underlying events and circumstance of the Company's subsidiaries. The functional currencies of the Company's Indian and Chinese subsidiaries are the Indian rupee (INR) and the renminbi (RMB), respectively. Our financial statements reporting currency is the United States dollar (USD or \$). Operating and capital expenditures of the Company's subsidiaries located in India and China are denominated in their local currencies, which are the currencies most compatible with their expected economic results.

In accordance with ASC 830, "Foreign Currency Matters," all transactions and account balances are recorded in the local Company's subsidiaries' currencies. The Company translates the value of these local currencies denominated assets and liabilities into USD at the rates in effect at the balance sheet date. Resulting translation adjustments are recorded in stockholders' equity as a component of accumulated other comprehensive income (loss). The local currencies denominated statement of income amounts are translated into U.S. dollars using the average exchange rates in effect during the period. Realized foreign currency transaction gains and losses are included in the consolidated statements of income.

The exchange rates used for translation purposes are as follows:

Period	Period End Average Rate (P&L rate)	Period End Rate (Balance sheet rate)
Year ended March 31, 2012	INR 47.715/RMB6.29 per USD	INR 50.89/RMB 6.30 per USD
Year ended March 31, 2013	INR 54.357 /RMB 6.28/HKD 7.77 per USD	INR 54.52 /RMB 6.21/ HKD 7.76 per USD

## k) Accounts receivable:

Accounts receivable is recorded at the invoiced amount, taking into consideration any adjustments made by the Indian government consultants who verify and certify construction and material invoices. Also, the Company evaluates the collectability of selected accounts receivable on a case-by-case basis and makes adjustments to the bad debt reserve for expected losses. For all other accounts, the Company estimates reserves for bad debts based on general aging, experience and past-due status of the accounts. The Company maintains an allowance for doubtful accounts for estimated losses resulting from the inability of clients to make required payments. The allowance for doubtful accounts is determined by evaluating the relative credit worthiness of each client, historical collections experience and other information, including the aging of the receivables. If circumstances related to customers change, estimates of recoverability would be further adjusted. Long-term accounts receivables are typically for Build-Operate-Transfer (BOT) contracts. It is money due to the Company by the private or public sector to finance, design, construct, and operate a facility stated in a concession contract over an extended period of time.

## l) Accounts Receivable – Long Term:

This is typically for Build-Operate-Transfer (BOT) contracts. It is money due to the company by the private or public sector to finance, design, construct, and operate a facility stated in a concession contract over an extended period of

time.

m) Inventories:

Inventories primarily comprise of finished goods, raw materials, work in progress, stock at customer site, stock in transit, components and accessories, stores and spares, scrap and residue. Inventories are stated at the lower of cost or estimated net realizable value.

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The cost of various categories of inventories is determined on the following basis:

- Raw material is valued at weighted average of landed cost (purchase price, freight inward and transit insurance charges).
- Work in progress is valued as confirmed, valued and certified by the technicians and site engineers and finished goods at material cost plus appropriate share of labor cost and production overheads.
- Components and accessories, stores erection, materials, spares and loose tools are valued on a first-in-first out basis.

n) Investments:

Investments are initially measured at cost, which is the fair value of the consideration given for them, including transaction costs. The Company's equity in the earnings/(losses) of affiliates is included in the statement of income and the Company's share of net assets of affiliates is included in the balance sheet. Where the Company's ownership interest in spite of being in excess of 20% is not sufficient to exercise significant influence, the Company has accounted for the investment based on the cost method.

o) Property, Plant and Equipment (PP&E):

Property and equipment are recorded at cost net of accumulated depreciation and depreciated over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Buildings	5-25 years
Plant and machinery	10-20 years
Computer equipment	3-5 years
Office equipment	3-5 years
Furniture and fixtures	5-10 years
Vehicles	5-10 years

Upon retirement or disposition, cost and related accumulated depreciation of the property and equipment are de-recognized from the books of accounts and the gain or loss is reflected in the results of operation. Cost of additions and substantial improvements to property and equipment are capitalized in the books of accounts. The cost of maintenance and repairs of the property and equipment are charged to operating expenses as incurred.

p) Fair Value of Financial Instruments

As of March 31, 2013 and 2012, the carrying amounts of the Company's financial instruments, which included cash and cash equivalents, accounts receivable, unbilled accounts receivable, restricted cash, accounts payable, accrued employee compensation and benefits and other accrued expenses, approximate their fair values due to the nature of the items.

q) Concentration of Credit Risk and Significant Customers

Financial instruments, which potentially expose the Company to concentrations of credit risk, are primarily comprised of cash and cash equivalents, investments, derivatives, accounts receivable and unbilled accounts receivable. The Company places its cash, investments and derivatives in highly rated financial institutions. The Company adheres to a formal investment policy with the primary objective of preservation of principal, which contains credit rating minimums and diversification requirements. Management believes its credit policies reflect normal industry terms and business risk. The Company does not anticipate non-performance by the counterparties and, accordingly, does not require collateral.

A significant portion of the Company's sales in China is to key customers. Five of such customers accounted for approximately 90% of gross accounts receivable as of March 31, 2013. As of March 31, 2012, eleven clients accounted for approximately 95% of gross accounts receivable.

r) Leased Mineral Rights

In China, costs to obtain leased mineral rights are capitalized and amortized to operations as depletion expense within the leased periods, using the straight-line method. Depletion expenses are included in depreciation and amortization on the accompanying statement of operations.



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s) Business combinations

In accordance with ASC Topic 805, Business Combinations, the Company uses the purchase method of accounting for all business combinations consummated after June 30, 2001. Intangible assets acquired in a business combination are recognized and reported apart from goodwill if they meet the criteria specified in ASC Topic 805. Any purchase price allocated to an assembled workforce is not accounted separately.

t) Employee Benefits Plan

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. In addition, all employees receive benefits from a provident fund, a defined contribution plan. The employee and employer each make monthly contributions to the plan equal to 12% of the covered employee's salary. The contribution is made to the Government's provident fund.

At this time the Company doesn't participate in a multi-employer defined contribution plan in China to provide employees with certain retirement, medical and other fringe benefits because most of our workers are contractors employed through agencies or other companies.

u) Commitments and contingencies

Liabilities for loss contingencies arising from claims, assessments, litigations, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated.

v) Accounting for goodwill and related impairment

Goodwill represents the excess cost of an acquisition over the fair value of our share of net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisition of subsidiaries is disclosed separately. Goodwill is stated at cost less impairment losses incurred, if any.

The Company adopted the provisions of Accounting Standards Codification ("ASC") 350, "Intangibles – Goodwill and Others" (previously referred to as SFAS No. 142, "Goodwill and Other Intangible Assets," which sets forth the accounting for goodwill and intangible assets subsequent to their acquisition. ASC 350 requires that goodwill and indefinite-lived intangible assets be allocated to the reporting unit level, which the Company defines as each subsidiary. ASC 350 also prohibits the amortization of goodwill and indefinite-lived intangible assets upon adoption, but requires that they be tested for impairment at least annually, or more frequently as warranted, at the reporting unit level.

As per ASC 350-20-35-4 through 35-19, the impairment testing of goodwill is a two-step process. The first step of the goodwill impairment test, used to identify potential impairment, compares the fair value of a reporting unit with its carrying amount, including goodwill. If the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not impaired, thus the second step of the impairment test is unnecessary. If the carrying amount of a reporting unit exceeds its fair value, the second step of the goodwill impairment test shall be performed to measure the amount of impairment loss, if any. The second step of the goodwill impairment test, used to measure the amount of impairment loss, compares the implied fair value of reporting unit goodwill with the carrying amount of that goodwill. If the carrying amount of reporting unit goodwill exceeds the implied fair value of that goodwill, an impairment loss shall be recognized in an amount equal to that excess. The loss recognized cannot exceed the

carrying amount of goodwill. After a goodwill impairment loss is recognized, the adjusted carrying amount of goodwill shall be its new accounting basis. Subsequent reversal of a previously recognized goodwill impairment loss is prohibited once the measurement of that loss is completed.

In ASC 350.20.20, a reporting unit is defined as an operating segment or one level below the operating segment. A component of an operating segment is a reporting unit if the component constitutes a business for which discrete financial information is available and segment management regularly reviews the operating results of that component. The Company has determined that IGC operates in a single operating segment. While the CEO reviews the consolidated financial information for the purposes of decisions relating to resource allocation, the CFO, on a need basis, looks at the financial statements of the individual legal entities in India for the limited purpose of consolidation. Given the existence of discrete financial statements at an individual entity level in India, the Company believes that each of these entities constitute a separate reporting unit under a single operating segment.

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In FYE 2013, the Company acquired 23% ownership of its Indian Subsidiary –Techni Bharathi Pvt. Ltd. from the promoters and combined with its previous purchase holds 100% ownership in Techni Bharathi Pvt. Ltd. Therefore, the first step in the impairment testing for goodwill is the identification of reporting units and the allocation of goodwill to these reporting units. Accordingly, TBL, which is one of the legal entities, is also considered a separate reporting unit and therefore the Company believes that the assessment of goodwill impairment at the subsidiary level, which is also a reporting unit, is appropriate.

The analysis of fair value is based on the estimate of the recoverable value of the underlying assets. For long-lived assets such as land, the Company obtains appraisals from independent professional appraisers to determine the recoverable value. For other assets such as receivables, the recoverable value is determined based on an assessment of the collectability and any potential losses due to default by the counter parties. Unlike goodwill, long-lived assets are assessed for impairment only where there are any specific indicators for impairment.

### w) Impairment of long – lived assets

The Company reviews its long-lived assets, with finite lives, for impairment whenever events or changes in business circumstances indicate that the carrying amount of assets may not be fully recoverable. Such circumstances include, though are not limited to, significant or sustained declines in revenues or earnings, future anticipated cash flows, business plans and material adverse changes in the economic climate, such as changes in operating environment, competitive information, impact of change in government policies, etc. For assets that the Company intends to hold for use, if the total of the expected future undiscounted cash flows produced by the assets or subsidiary company is less than the carrying amount of the assets, a loss is recognized for the difference between the fair value and carrying value of the assets. For assets the Company intends to dispose of by sale, a loss is recognized for the amount by which the estimated fair value less cost to sell is less than the carrying value of the assets. Fair value is determined based on quoted market prices, if available, or other valuation techniques including discounted future net cash flows.

### x) Recently issued and adopted accounting pronouncements

Changes to U.S. GAAP are established by the Financial Accounting Standards Board (“FASB”) in the form of accounting standards updates (“ASUs”) to the FASB's Accounting Standards Codification. The Company considers the applicability and impact of all ASUs. Newly issued ASUs not listed below are expected to have no impact on the Company’s consolidated financial position and results of operations, because either the ASU is not applicable or the impact is expected to be immaterial.

Effective January 1, 2012, Company adopted amendments from the FASB to Fair Value Accounting. The amendments clarify the application of the highest and best use, and valuation premise concepts, preclude the application of "blockage factors" in the valuation of all financial instruments and include criteria for applying the fair value measurement principles to portfolios of financial instruments. The amendments also prescribe additional disclosures for Level 3 fair value measurements and financial instruments not carried at fair value. The adoption of this guidance did not have a material impact on Company's consolidated financial position or results of operations.

In December 2011, the FASB issued new accounting disclosure requirements about the nature and exposure of offsetting arrangements related to financial and derivative instruments. The requirements are effective for fiscal years beginning after January 1, 2013, which for us is the fiscal ending March 2014. The adoption of this guidance did not have a material impact on Company's consolidated financial position or results of operations.

In September 2011, the FASB issued an Accounting Standards Update that permits companies to assess qualitative factors to determine if it is more-likely-than-not that goodwill is impaired before performing the two-step goodwill impairment test required under current accounting standards. The guidance is effective for us beginning in the first

quarter of fiscal 2013, with early adoption permitted. The adoption of this standard will not impact our financial results.

In June 2011, the FASB issued ASU 2011-05, which is now part of ASC 220: "Presentation of Comprehensive Income". The new guidance will require companies to present the components of net income and other comprehensive income either as one continuous statement or as two consecutive statements. It eliminates the option to present components of other comprehensive income as part of the statement of changes in stockholders' equity. The standard does not change the items, which must be reported in other comprehensive income. These provisions are to be applied retrospectively and will be effective for us as of January 1, 2012. Because this guidance impacts presentation only, it has no effect on our financial condition, results of operations or cash flows.

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In May 2011, the Financial Accounting Standards Board (“FASB”) issued ASU No. 2011-04, “Fair Value Measurement: Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS”. This update defines fair value, clarifies a framework to measure fair value and requires specific disclosures of fair value measurements. The guidance is effective for interim and annual reporting periods beginning after January 1, 2012 and is required to be applied retrospectively. The adoption of this guidance did not have a material impact on Company’s consolidated financial position or results of operations.

In April 2011, the Financial Accounting Standards Board (the "FASB") issued new accounting guidance that addresses effective control in repurchase agreements and eliminated the requirement for entities to consider whether the transferor/seller has the ability to repurchase the financial assets in a repurchase agreement. This new accounting guidance was effective, on a prospective basis, for new transactions or modifications to existing transactions, on January 1, 2012. The adoption of this guidance did not have a material impact on Company's consolidated financial position or results of operations.

## NOTE 3 – ACQUISITIONS

## HK Ironman

On December 30, 2011, the Company acquired 100% of the issued and outstanding shares of capital stock of H&F Ironman Limited (“HK Ironman”), a Hong Kong company. HK Ironman owns 95% equity in H&F Venture Trade Ltd. aka Linxi Hefei Economic and Trade Co. (“PRC Ironman”). One of IGC’s areas of focus is the export of iron ore to China. HK Ironman through its subsidiary, PRC Ironman, operates a beneficiation plant in China, which converts low-grade ore to high-grade ore through a dry and wet separation processes. This Acquisition is intended to provide IGC with a platform in China to expand its business and ship low-grade iron ore, which is available for export in India, to China and convert the ore to a higher-grade ore before selling it to customers in China.

The date of Acquisition, December 30, 2011, is the date on which the Company obtained control of HK Ironman by acquiring control over the majority of the Board of Directors of HK Ironman. The Acquisition has been accounted for under the acquisition method of accounting in accordance with ASC Topic 805, “Business Combination.” For further information on this acquisition and on purchase price allocation, please refer to Form 10-K for fiscal year ended 2012 filed with the SEC on July 16, 2012.

## TBL

On March 31, 2013, the Company increased its ownership in Techni Bharathi Limited (“TBL”) to a 100% after acquiring the remaining 23.1% from its promoters. The purchase of 23.1% of TBL by IGC was done thru its wholly owned Indian subsidiary IGC Materials, Private Limited (“IGC-MPL”). The purchase price paid for the acquisition was INR 10,000,000 rupees (\$183,419 at an exchange rate of INR 54.52 for \$1 USD). No commissions or bankers were involved in this transaction.

NOTE 4 – Left intentionally blank.

## NOTE 5 – OTHER CURRENT AND NON-CURRENT ASSETS

Prepaid expenses and other current assets consist of the following:

	As of March 31,	
	2013	2012
Prepaid expenses	\$ 3,053	\$ 82,120

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Advances to suppliers	737,199	620,148
Prepaid interest	2,825	717
Security and other deposits	65,369	125,503
Advances to employees*	905,219	1,561,123
Others	16,849	196,903
	\$ 1,730,514	\$ 2,586,514

\* Advances to Employees represents advances made to employees of Ironman by Ironman, prior to its acquisition by IGC.

Other Non-current assets consist of the following:

	As of March 31,	
	2013	2012
Sundry debtors	\$ 11,318	\$ 557,758
Other advances	454,787	441,058
Total	\$ 466,105	\$ 998,816

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## NOTE 6 – SHORT-TERM BORROWINGS

For FYE 2013 there were no short-term borrowings.

	As of March 31,	
	2013	2012
Secured liabilities	\$ -	\$ 210,011
Unsecured liabilities	-	
Total	\$ -	\$ 210,011

## NOTE 7 – NOTES PAYABLE

On October 5, 2009, the Company consummated the exchange of an outstanding promissory note in the total principal amount of \$ 2,000,000 (the “Original Note”) initially issued to the Steven M. Oliveira 1998 Charitable Remainder Unitrust (‘Oliveira’) for a new promissory note (the “New Oliveira Note”) on substantially the same terms as the original note except that the principal amount of the New Oliveira Note was \$ 2,120,000 which reflected the accrued but unpaid interest on the Original Note and the New Oliveira Note did not bear interest. The New Oliveira Note was unsecured and was due and payable on October 4, 2010 (the “Maturity Date”). Prior to the Maturity Date, the Company was permitted to pre-pay the New Oliveira Note at any time without penalty or premium. The New Oliveira Note is not convertible into IGC Common Stock (the “Common Stock”) or other securities of the Company. However, under the Note and Share Purchase Agreement (the “Oliveira Note and Share Purchase Agreement”), effective as of October 4, 2009, by and among the Company and Oliveira, as additional consideration for the exchange of the Original Note, the Company agreed to issue 530,000 shares of Common Stock to Oliveira.

On October 16, 2009, the Company consummated the sale of a promissory note in the principal amount of \$2,000,000 (the “Bricoleur Note”) to Bricoleur Partners, L.P. (‘Bricoleur’). There was no interest payable on the Note and the Note was due and payable on October 16, 2010 (the “Maturity Date”). Prior to the Maturity Date, the Company could pre-pay the Bricoleur Note at any time without penalty or premium and the Note was unsecured. The Note was not convertible into the Company’s Common Stock or other securities of the Company. However, under the Note and Share Purchase Agreement (the “Bricoleur Note and Share Purchase Agreement”), effective as of October 16, 2009, by and among the Company and Bricoleur, as additional consideration for the investment in the Bricoleur Note, IGC issued 530,000 shares of Common Stock to Bricoleur. The Bricoleur Note remains outstanding.

During the three months ended December 31, 2010, the Company issued an additional 200,000 shares of Common Stock to each of Oliveira and Bricoleur specified above pursuant to the effective agreements respectively as penalties for failure to repay the promissory notes when due.

In March 2011, the Company finalized agreements with the Steven M. Oliveira 1998 Charitable Remainder Unitrust (‘Oliveira’) and Bricoleur Partners, L.P. (‘Bricoleur’) to exchange the promissory note issued to Oliveira on October 5, 2009 (the “New Oliveira Note”) and the promissory note issued to Bricoleur on October 16, 2009 (the “Bricoleur Note”) respectively for new promissory notes with later maturity dates. The Oliveira Note was due on March 24, 2012, bearded interest at a rate of 30% per annum and provided for monthly payments of principal and interest, which the Company chose to settle through the issue of equity shares at an equivalent value. The Bricoleur Note was due on June 30, 2011 with no prior payments due and will not bear interest. The Company issued additional 688,500 shares of its common stock to Bricoleur in connection with the extension of the term regarding the Bricoleur note.

As reported on a Current Report on Form 8-K filed by the Company on April 6, 2012, the Company retired the note payable to Oliveira in the amount of \$2,232,627.79 on April 5, 2012. The Company paid off the loan with 4,426,304 (now 442,630) shares of newly issued Common Stock. There remains a disagreement on some of the technical features of the note that the lender claims result in IGC owing additional principal, interest, and penalty fees. The lender has sought relief through summary judgment from the court. IGC believes that IGC followed the clear terms of the note and that the lender's claims are frivolous. Further, IGC believes that the lender has demonstrated a malicious pattern of harassing behavior in an effort to unduly increase their gains. IGC is considering a counter suit in response to the lenders actions.

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As reported on a Current Report on Form 8-K filed by the Company on October 9, 2012, the Company and Bricoleur agreed to exchange the 2011 Note for a new note (“the 2012 Note”) which bore no interest and was due on December 31, 2012. In consideration for the exchange, the Company issued 300,000 shares of IGC to Bricoleur and issued additional 34,200 shares for February and March 2013 interest payments. Effective March 31, 2013, the Company and Bricoleur Partners, L. P. agreed to amend the outstanding \$1,800,000 promissory note (“2012 Security”), subject to the same terms of the 2012 Agreement, to extend the maturity date of the 2012 Security from December 31, 2012 to July 31, 2014.

The Company’s total interest expense was \$419,436 for the year ended March 31, 2013 and \$984,021 for the year ended March 31, 2012, respectively. No interest was capitalized by the Company for the year ended March 31, 2012 and March 31, 2011.

**NOTE 8 – OTHER CURRENT AND NON-CURRENT LIABILITIES**

Other current liabilities consist of the following:

	As of March 31,	
	2013	2012
Statutory dues payable	\$ 18,139	\$ 11,951
Employee related liabilities	49,751	112,709
Other liabilities	242,729	438,445
Total	\$ 310,619	\$ 563,105

Other non-current liabilities consist of the following:

	As of March 31,	
	2013	2012
Sundry creditors	\$ 51,864	\$ 643,496
Provision for expenses	601,524	3,590,482
Total	\$ 653,388	\$ 4,233,978

Sundry creditors consist primarily of creditors to whom amounts are due for supplies and materials received in the normal course of business.

**NOTE 9 – OTHER INCOME**

Other income primarily contains certain foreign exchange gains/losses arising on account of re-measurement of certain intercompany receivables between the US holding company and the India subsidiaries. The total foreign exchange loss for the year ended March 31, 2013 amounted to USD 240,064.

**NOTE 10 – FAIR VALUE OF FINANCIAL INSTRUMENTS**

The fair value of the Company’s current assets and current liabilities approximate their carrying value because of their short term maturity. Such financial instruments are classified as current and are expected to be liquidated within the next twelve months.

**NOTE 11 – INTANGIBLE ASSETS & GOODWILL**

The movement in goodwill and intangible assets is given below:

	As of March 31,	
	2013	2012
Balance at the beginning of the period	\$ 4,803,828	\$ 3,838,090
Adjustment from Ironman acquisition	(3,849,877)	410,454
TBL impairment	(301,141)	643,117
Effect of foreign exchange translation	(60,536)	(87,833)
Total	\$ 592,274	\$ 4,803,828

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During the year ended March 31, 2013, we eliminated \$3,000,000 of non-current liability to the promoters of Ironman and \$849,877 of deferred taxes. This reduced the original purchase price and consequently eliminated the goodwill from the Ironman acquisition and reduced the intangible assets of Ironman. In addition we conducted an impairment analysis of TBL and its construction business. Based on the analysis the goodwill in TBL was impaired by \$301,141.

## NOTE 12 — RELATED PARTY TRANSACTIONS

The Company had certain related party balances towards the Chairman of the Chinese subsidiary company – PRC Ironman. As of March 31, 2012, the amount due to the related party amounted to \$310,681. In FYE 2013 this amount was reconciled with an amount the Chairman owed the Company.

## NOTE 13 – COMMITMENTS AND CONTINGENCIES

No significant commitments and contingencies were made or existed during the years ended March 31, 2013 and 2012.

## NOTE 14 – PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

	As of March 31,	
	2013	2012
Land	\$ 12,069	\$ 11,226
Buildings	1,328,413	309,585
Plant and machinery	9,396,659	9,371,150
Furniture and fixtures	121,943	88,804
Computer equipment	217,659	219,110
Vehicles	569,352	474,622
Office equipment	166,924	228,794
Capital work-in-progress	4,288,468	3,918,729
	\$ 16,101,488	\$ 14,622,020
Less: Accumulated depreciation	\$ (7,917,258)	\$ (6,130,224)
Total	\$ 8,184,230	\$ 8,491,796

Depreciation and amortization expense for the fiscal years ended March 31, 2013 and March 31, 2012 was \$673,916 and \$996,403, respectively. Capital work-in-progress represents advances paid towards the acquisition of property and equipment and the cost of property and equipment not put to use before the balance sheet date.

## NOTE 15 — SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

During the year ended March 31, 2013 and 2012 the Company recorded SG&A expenses as shown in the table below.

	As of March 31,	
	2013	2012
Selling, general & administrative Expenses	\$ (3,041,632)	\$ (4,702,492)
	\$ (3,041,632)	\$ (4,702,492)



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## NOTE 16 – STOCK-BASED COMPENSATION

On April 1, 2009 the Company adopted ASC 718, “Compensation-Stock Compensation” (previously referred to as SFAS No. 123 (revised 2004), Share Based Payment). ASC 718 requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values. As of March 31, 2011, we had granted 7,882 shares of Common Stock and 139,300 stock options under our Stock Plan. All of these grants occurred on or before the fiscal year ended March 31, 2010. The exercise price of the options, which vest immediately, was \$10.0 per share; the options will expire on May 13, 2014. No options were granted during the fiscal year ended March 31, 2011. In fiscal year ended March 31, 2012, 137,045 stock options (the “2012 Options”) were granted. The exercise price of the 2012 Options, which vest immediately, was \$5.6 per share. These options will expire on June 27, 2016. The aggregate fair value of the underlying stock on the grant date was \$39,410 and the fair value of the stock options on the grant dates was \$90,997 and \$235,267, respectively. For FYE 2013 the Company issued 625,148 shares of common stock. As of March 31, 2013, under the 2008 Omnibus Plan, 269,345 stock options and 633,030 shares of common stock have been awarded and as on March 31, 2013 no shares of common stock remain available for future grants of options or stock awards.

The fair value of stock option awards is estimated on the date of grant using a Black-Scholes Pricing Model with the following assumptions for options awarded as of March 31, 2013:

	Granted in 2009	Granted in June 2011 quarter
Expected life of options	5 years	5 years
Vested options	100%	100%
Risk free interest rate	1.98%	4.10%
Expected volatility	35.35%	83.37%
Expected dividend yield	Nil	Nil

The volatility estimate was derived using historical data for the IGC stock.

## NOTE 17 – EMPLOYEE BENEFITS

Gratuity in accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee’s last drawn salary and the years of employment with the Company.

	As of March 31,	
	2013	2012
Change in the benefit obligation		
Projected Benefit Obligation (PBO) at the beginning of the year	\$ (26,451)	\$ (28,780)
Service cost	(847)	(1,656)
Interest cost	(2,079)	(2,535)
Benefits paid	13,220	3,295
Actuarial (loss)/gain	2,691	(3,225)
PBO at the end of the year	(13,466)	(26,451)
Funded status	\$ (13,466)	\$ (26,451)

Net gratuity cost for the years ended March 31, 2013 and 2012 included:

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	Year ended March 31,	
	2013	2012
Service cost	\$ 847	\$ 1,656
Interest cost	2,079	2,535
Actuarial (loss)/gain	2,691	(3,225)
Net gratuity cost	\$ 5,616	\$ 966

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The weighted average actuarial assumptions used to determine benefit obligations and net periodic gratuity cost are:

	Year ended March 31,	
	2013	2012
Discount rate	8.75 %	9.30%
Rate of increase in compensation levels	8.00 %	8.00%

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards.

The expected payout of the accumulated benefit obligation as of March 31 is as follows.

	As of March 31,	
	2013	2012
Expected contribution during the year ending Year 1	\$ 550	\$ 1,153
Expected benefit payments for the years ending March 31:		
Year 2	6,108	1,174
Year 3	532	7,922
Year 4	1,669	1,236
Year 5	605	2,662
Thereafter	12,197	19,868

Provident fund. In addition to the above benefits, all employees in India receive benefits from a provident fund, a defined contribution plan. The employee and employer each make monthly contributions to the plan equal to 12% of the covered employee's salary. The contribution is made to the Government's provident fund.

The Company recognized an expense of \$ (12,985) and \$(2,329) towards contribution to various defined contribution and benefit plans during the years ended March 31, 2013 and March 31, 2012 respectively.

## NOTE 18 – INCOME TAXES

Income tax expense (benefit) for each of the years ended March 31 consists of the following:

	March 31,	
	2013	2012
Current:		
Federal	\$ -	\$ -
Foreign	157,382	(691,125)
State	-	-
Net Current	157,382	(691,125)
Deferred:		
Federal	-	-
Foreign	(522,498)	863,953
State	-	-
Net Deferred	(522,498)	863,953

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Total tax provision	\$ (365,116)	\$ 172,828
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The significant components of deferred income tax expense (benefit) from operations before non-controlling interest for each of the years ended March 31 consist of the following:

	March 31,	
	2013	2012
Deferred tax expense (benefit)	\$ (522,498)	\$ 172,828
Net operating loss carry forward	891,816	2,717,569
Foreign Tax Credits		
Less: Valuation Allowance	891,816	2,717,569
Net deferred tax expense	\$ (522,498)	\$ 172,828

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The table below sets forth income tax expense (benefit) for 2013 and 2012 computed by applying the applicable United States federal income tax rate and is reconciled to the tax expense (benefit) computed at the effective income tax rate:

	March 31,	
	2013	2012
Computed expected income tax (benefit)	(768,709)	(2,633,955)
State tax benefit net of federal tax		421,820
Change in valuation allowance	768,709	(923,973)
Deferred expenses from foreign acquisition		283,900
Impairment loss on goodwill		406,047
Impairment loss on investments		2,553,938
Capitalized interest costs		(275,855)
Deferred Tax Assets from foreign subsidiaries	(365,116)	
Other		(4,751)
Effective income tax rate	(15.2)%	2.2%

The deferred tax assets and liabilities as of March 31 consist of the following tax effects relating to temporary differences and carry forwards:

	March 31,	
	2013	2012
Current deferred tax liabilities (assets):		
Deferred Acquisition Costs – Foreign taxes	\$ 221,700	\$ 135,980
Valuation allowance	0	0
Net current deferred tax liabilities (assets)	221,700	135,980
Noncurrent deferred tax (assets) liabilities:		
Deferred Acquisition Costs- Foreign taxes	(563,155)	727,973
Net Operating Losses	891,816	2,717,569
Valuation allowance	(891,816)	(2,717,569)
Non-Current net deferred tax (assets) liabilities	\$ (563,155)	\$ 727,973

Deferred income tax assets, net of valuation allowances are expected to be realized through future taxable income. The valuation allowance increased in 2013 by \$892 thousand, primarily related to 2013 US net-operating losses. We do expect the foreign deferred tax credits to be utilized. Therefore, those assets remain without a valuation allowance. The company intends to maintain valuation allowances for deferred tax assets (except a previously mentioned) until there is sufficient evidence to support the reversal of the valuation allowance. Deferred tax liabilities (\$877.8 thousand) appeared on the acquired company's books at the date of acquisition for fiscal year end 2012. Those deferred assets were removed during 2013 after making post acquisition corrections.

The Company's and/or its subsidiaries' ability to utilize their net operating loss carry forwards may be significantly limited by Section 382 of the Internal Revenue Code of 1986, as amended, if the Company or any of its subsidiaries undergoes an "ownership change" as a result of changes in the ownership of the Company's or its subsidiaries' outstanding stock pursuant to the exercise of the warrants or otherwise. A corporation generally undergoes an "ownership change" when the ownership of its stock, by value, changes by more than 50 percentage points over any three-year testing period. In the event of an ownership change, Section 382 imposes an annual limitation on the amount of post-ownership change taxable income a corporation may offset with pre-ownership change net operating loss carry forwards and certain recognized built-in losses. As of March 31, 2013 IGC could not use its' net operating losses because it is more likely it will not utilize net operating losses in the foreseeable future.

#### NOTE 19 – SEGMENT INFORMATION

Accounting pronouncements establish standards for the manner in which public companies report information about operating segments in annual and interim financial statements. Operating segments are component of an enterprise that have distinct financial information available and evaluated regularly by the chief operating decision-maker ("CODM") to decide how to allocate resources and evaluate performance. The Company's CODM is considered to be the Company's chief executive officer ("CEO"). The CEO reviews financial information presented on an entity level basis for purposes of making operating decisions and assessing financial performance. Therefore, the Company has determined that it operates in a single operating and reportable segment.

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## NOTE 20 – RECONCILIATION OF EPS

For the Fiscal Year Ended March 31, 2013 and 2012, the basic shares include founders shares, shares sold in the market, shares sold in a private placement, shares sold in the IPO, shares sold in the registered direct, shares arising from the exercise of warrants issued in the placement of debt, shares issued in connection with debt, shares issued to HK Ironman shareholders (the “Exchange Shares”) and shares issued to employees, directors and vendors. The fully diluted shares include the basic shares plus warrants issued as part of the units sold in the private placement and IPO, warrants sold as part of the units sold in the registered direct and employee options. The historical weighted average per share for our shares through March 31, 2013, was applied using the treasury method of calculating the fully diluted shares. The weighted average number of shares outstanding as of March 31, 2013 used for the computation of basic EPS is 6,966,798. Due to the loss incurred during the year ended March 31, 2013, all of the potential equity shares are anti-dilutive and accordingly, the diluted EPS is equal to the basic EPS.

## NOTE 21 – INVESTMENTS – OTHERS

Investments – others for each of the years ended March 31, 2013 and 2012 consists of the following:

	As of March 31,	
	2013	2012
Investment in equity shares of an unlisted company	\$ 55,026	\$ 58,950
Investment in partnership (SIPL-IGC)	28,463	578,670
Total	\$ 83,489	\$ 637,620

## NOTE 22 – IMPAIRMENT

Effective October 1, 2009, the Company reduced its investment in Sricon from 63% to 22%. For the financial year ended March 31, 2010 the Company conducted an impairment test on the 22% investment in Sricon using the discounted cash flow methodology. The Company had access to the unaudited balance sheet of Sricon as of December 31, 2009, but did not have audited financial statements of Sricon for the year ended March 31, 2010. The Company used information from the unaudited December 31, 2009 balance sheet, recoverable values of property, plant and equipment not used in the operations of the Company based on independent third party valuations and Sricon’s history of winning and renewing contracts in determining the discounted cash flow. Based on the impairment test applied at the end of March 31, 2010, the Company concluded that the recoverable value of its investment in Sricon exceeded the total of the value of its receivable in Sricon and its investment in Sricon. Therefore no impairment was provided with respect to the receivable and investment in Sricon.

In January 2011, the Company Law Board in India (CLB), a body that has jurisdiction over companies in India, granted the Company’s petition to stay any transactions, such as purchases, sales or a further creation of liability on Sricon’s fixed properties including land and plant and machinery. Further, based on CLB orders representatives of the Company visited Sricon for an inspection in January 2011, February 2011, April 2011 and June 2011.

Based on the CLB order freezing the sale of assets and creation of liability and allowing inspections by the Company, the Company believes that it has sufficient information on the existing assets and liabilities in Sricon to perform an impairment test. Further, as Sricon can no longer alienate the assets or create further liabilities, the Company believes that this forms an appropriate basis for the assessment of the recoverable value of the investment. The nature of information available to the Company includes assets (plant, machinery, land, building,) and significant liabilities.

For the year ended March 31, 2011 the Company again conducted an impairment test on its 22% investment in Sricon. However, the methodology for assessing the value of our investment and the recoverability of our receivable in Sricon, for the financial year ended March 31, 2011 was based on an assessment of recoverable values of property, plant and equipment as certified by independent government approved appraisers and not on a discounted cash flow methodology. The Company currently does not have sufficient financial information on Sricon and the lack of such financial statements may impact our ability to accurately value the investment. The methodology used in determining the fair value of assets included the current market value of real estate owned by Sricon, the recoverable value for equipment and an estimate for the timing of collection on awarded arbitration claims discounted to its present value using a discount rate of 12 %. Based on this, the Company concluded that as of March 31, 2011 a liquidation of Sricon including a sale of assets and settlement of liabilities would result in the Company's ability to recover \$6.4 million. The Company therefore impaired 100% of its \$3.1 million receivable in Sricon, and impaired \$2.2 million of its investment. The carrying value of the investment in Sricon for the year ended March 31, 2011 is \$6.4 million, which is equal to the recoverable assessed value.

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For the year ended March 31, 2012, the Company again conducted an impairment test of its 22% investment in Sricon. Based on a revaluation of the assets including the real estate owned by Sricon, the Company has determined that a further impairment loss amounting to \$1.2 million relating to the investment in Sricon is required. The carrying value of the investment in Sricon is accordingly \$5.1 million as at March 31, 2012. The carrying value as at March 31, 2012 approximates the recoverable assessed value as determined as on that date. In FYE 2013 no further impairment was made on the investment.

NOTE 23 – CERTAIN AGED RECEIVABLES

The receivable and other assets as of March 31, 2013 and March 31, 2012 include certain aged receivables in the amount of \$0.5 million and \$2.03 million respectively. The aged receivables in FYE 2013 are due from the Cochin International Airport. Cochin International Airport is partially owned by the State Government of Kerala. The receivables have been due for periods in excess of one year as of March 31, 2013. These receivables have been classified as current for the following reasons:

The Company's subsidiary in India, TBL, worked on the building of an airport runway at the Cochin International Airport. During the execution of these projects the clients of the Company requested several changes to the engineering drawings. The claims of the Company against each of the clients involve reimbursement of expenses associated with the change orders and variances as well as compensation for delays caused by the client. The delay part of the claim involves equipment that is idle on the job, including interest or lease charges for the equipment while it is idle, and workers that are idle, among others. The expense reimbursement involves cost of new material including any escalation in the cost of materials, usage of equipment, personnel and other charges that were incurred as a result of the delays caused by the change orders. These invoices were disputed by the clients and referred to arbitration. The process of arbitration involves each party choosing an arbitrator and the arbitrators appointing a third chief arbitrator. Each party then presents its case over several months and the arbitrator makes an award.

The receivables occurred and became due when TBL won the arbitration award against Cochin International Airport. The arbitration awards stipulate that interest be accrued for the period of non-payment. However, the receivables do not have an interest component as the Company will try and use the accrued interest as negotiating leverage for an earlier payment. Although the receivables are contractually due, and hence its classification as current, it may take the Company anywhere from the next 30 days to 6 months to actually realize the funds, depending on final verdict to happen in few months. The Company continues to carry the full value of the receivables without interest and without any impairment, because the Company believes that there is minimal risk that these organizations will become insolvent and unable to make payment.

NOTE 24 – Left intentionally blank.

NOTE 25 – SUBSEQUENT EVENTS

On July 14, 2013, the Board of directors approved granting Mr. John Selvaraj, Treasurer and Principal Financial and Accounting Officer, an extended leave of absence for health reasons. The Board of directors appointed Mr. Danny Ngai as Interim Treasurer and Principal Financial and Accounting Officer. Based on the recommendation of the Compensation Committee, the Board of Directors also agreed to a one-year extension of IGC's CEO Mr. Ram Mukunda's employment contract thru May 22, 2014 on the same terms as the existing agreement.

In July 2013, the Company signed Letter of Intent (LOI) for the acquisition of a 25% interest in an iron ore mine located in Aohan Banner, Inner Mongolia and 25% of a nearby beneficiation plant. The estimated reserves are worth over \$200 Million at current pricing. Production is slated to begin in early August 2013, with an estimated production level of 200 MT per day. We expect to close the acquisition in FYE March 31, 2014. In July 2013, IGC also signed an

iron ore sale and purchase agreement with Mon Resources International LLC., a supplier of iron ore mined in Mongolia. The contract encompasses an aggregate shipment of up to 126,000 metric tons of 54% Fe content ore. The shipments are expected to commence in August with projected aggregate revenue between \$10 million and \$12 million, based on current pricing.

To become compliant with all NYSE MKT listing requirements, the Company effected a reverse split of its common stock at a ratio of 1-for-10 commencing at the open of the NYSE MKT Exchange on April 19, 2013. IGC's common stock started trading under a new CUSIP number 45408X 308, but the Company's ticker symbol, IGC, remained unchanged.

Effective March 31, 2013, the Company and Bricoleur Partners, L. P. agreed to amend the outstanding \$1,800,000 promissory note ("2012 Security"), subject to the same terms of the 2012 Agreement, to extend the maturity date of the 2012 Security from December 31, 2012 to July 31, 2014.

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### Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

### Item 9A. Controls and Procedures

As of the end of the period covered by this Annual Report, management conducted an evaluation, under supervision and with the participation of the chief executive officer and its interim chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rules 13a-15 and 15d-15 of the Securities Exchange Act of 1934, as amended (Exchange Act). Based upon that evaluation, our chief executive officer and interim chief financial officer concluded that our disclosure controls and procedures are effective.

Disclosure controls and procedures are defined by Rules 13a-15(e) and 15d-15(e) of the Exchange Act as controls and other procedures that are designed to ensure that information required to be disclosed by us in reports filed with the SEC under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in reports filed under the Exchange Act is accumulated and communicated to our management, including our principal executive and interim principal financial officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

### Changes in Internal Controls over Financial Reporting

There were no changes in our internal controls over financial reporting during our fiscal year ended March 31, 2013, which were identified in conjunction with Management's evaluation required by paragraph (d) of Rule 13a-15 and 15d-15 under the Exchange Act that have materially affected, or are reasonably likely to materially affect our internal controls over financial reporting.

### Limitations on the Effectiveness of Disclosure Controls and Procedures

The Company's management, including the Company's CEO and PAO, do not expect that the Company's internal control over financial reporting will prevent all errors and all fraud. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree or compliance with the policies or procedures may deteriorate.

### Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a15(f) and 15(d)-15(f) promulgated under the Exchange Act. These rules define internal control over financial reporting as 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 and 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 our assets;
2. Provide reasonable assurance the transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company;

and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use or disposition of company's assets that could have a material effect on the financial statements.

Because of the inherent limitations, internal controls over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of our internal control over financial reporting as of March 31, 2013. In making this assessment, our management used the criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Based on an assessment carried out during June 2013, management believes that as of March 31, 2013, our internal control over financial reporting was effective.

Item 9B. Other Information

None.



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## PART III

## Item 10. Directors and Executive Officers of the Company and Corporate Governance

## DIRECTORS

## Board of Directors; Independence

Our Board of Directors is divided into three classes (Class A, Class B and Class C) with only one class of directors being elected in each year and each class serving a three-year term. The term of office of the Class B directors, currently consisting of only Mr. Richard Prins (Dr. Krishna resigned December 31, 2012), will expire at the 2015 Annual Meeting of stockholders. The term of office of the Class C director, currently consisting of Mr. Ram Mukunda, will expire at the 2013 Annual Meeting of stockholders. The term of office of the Class A directors, consisting of only Mr. Sudhakar Shenoy, will expire at the 2014 Annual Meeting of stockholders. These individuals have played a key role in identifying and evaluating prospective acquisition candidates, selecting the target businesses, and structuring, negotiating and consummating acquisitions.

The NYSE MKT, upon which the Company is listed, requires that the majority of IGC's Board be independent. The NYSE MKT listing standards define an "independent director" generally as a person, other than an officer or an employee of a company, who does not have a relationship with the company that would interfere with the director's exercise of independent judgment. Consistent with these standards, the Board of Directors has determined that Messrs. Krishna (resigned December 31, 2012), Prins and Shenoy are independent directors.

The following table sets forth information regarding our directors as of July 12, 2013:

Name	Age	Director Since	Term will Expire
Mr. Richard Prins, Chairman, Audit Committee Chairman and Director (Class B)	56	2007	2015
Mr. Ram Mukunda, Chief Exec. Officer, Exec. Chairman, President, Director (Class C)	54	2005	2013
Sudhakar Shenoy, Compensation and Audit Committee, Director (Class A)	66	2005	2014

Mr. Richard Prins. Our Chairman and Audit Committee Chairman since 2012, has also served as our Director since May 2007. Mr. Prins has more than 27 years of experience in private equity investing and investment banking. From March 1996 to 2008, he was the Director of Investment Banking at Ferris, Baker Watts, Incorporated (FBW). FBW was the lead underwriter for our IPO. FBW was sold to Royal Bank of Canada (RBC) in 2008. Mr. Prins served in a consulting role to RBC until January 2009. Today, Mr. Prins serves on several boards, volunteers full time with a non-profit organization, Advancing Native Missions, and is a private investor. Prior to FBW, from July 1988 to March 1996, Mr. Prins was Senior Vice President and Managing Director for the Investment Banking Division of Crestar Financial Corporation (SunTrust Banks). From 1993 to 1998, he was with the leveraged buy-out firm of Tuscarora Corporation. Mr. Prins has experience serving on the boards of other publicly held companies. Since February 2003, he has been on the board of Amphastar Pharmaceuticals, Inc. and since March 2010, he has been on the board of Hilbert Technologies. Mr. Richard Prins holds a B.A. degree from Colgate University (1980) and an M.B.A. from Oral Roberts University (1983). Mr. Prins has excellent knowledge and experience with U.S. capital markets, has served on and chaired audit and compensation committees of Boards, has extensive experience in finance, accounting, and internal controls over financial reporting. He brings particularly important experience to the board, especially if IGC seeks additional financing in the U.S. capital markets. Mr. Prins has traveled in India, China,

and Africa. His knowledge of India and China, as well as, his in-depth experience with U.S. capital markets makes him a highly effective board member.

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Mr. Ram Mukunda, IGC's founder, has served as our Executive Chairman, Chief Executive Officer and President since our inception on April 29, 2005 and was Chairman of the Board from April 29, 2005 through December 15, 2005. Since July 2010, Mr. Mukunda has been on the board of directors of the BLA Power Private Limited Board, in Mumbai, India. From January 1990 to May 2004, Mr. Mukunda served as Founder, Chairman and Chief Executive Officer of Startec Global Communications, an international telecommunications carrier focused on providing voice over Internet protocol (VOIP) services to the emerging economies. Startec was among the first carriers to have a direct operating agreement with India for the provision of telecom services. Mr. Mukunda was responsible for the organizing, structuring and integrating a number of companies owned by Startec. Many of these companies provided strategic investments in India-based operations or provided services to India-based companies. Under Mr. Mukunda's tenure at Startec, the company made an initial public offering of its equity securities in 1997 and conducted a public high-yield debt offering in 1998. From June 1987 to January 1990, Mr. Mukunda served as Strategic Planning Advisor at INTELSAT, a provider of satellite capacity. Mr. Mukunda serves on the Board of Visitors at the University of Maryland, School of Engineering. From 2001-2003, he was a Council Member at Harvard's Kennedy School of Government, Belfer Center of Science and International Affairs. Mr. Mukunda is the recipient of several awards, including the University of Maryland's 2001 Distinguished Engineering Alumnus Award and the 1998 Ernst & Young, LLP's Entrepreneur of the Year Award. He holds B.S. degrees in electrical engineering and mathematics and a M.S. in Engineering from the University of Maryland. Mr. Mukunda has traveled extensively through India and has conducted business in India and China for more than 20 years. He has more than 15 years of experience managing a publicly held company, has acquired and integrated more than 18 companies, and is an engineer by training. His in-depth business experience in India, his knowledge of U.S. capital markets and his engineering background make him a highly effective board member.

Mr. Sudhakar Shenoy, our Compensation Committee Chairman since 2012, has also served as our Director since inception of IGC on May 25, 2005. Since January 1981, Mr. Shenoy has been the Chairman and CEO of Information Management Consulting, Inc., a business solutions and technology provider with operations in the U.S. and in India that he founded. Mr. Shenoy is a member of the Non-Resident Indian Advisory Group that advises the Prime Minister of India on strategies for attracting foreign direct investment. Mr. Shenoy was selected for the U.S. Presidential Trade and Development Mission to India in 1995. In 1996, Mr. Shenoy was inducted into the University of Connecticut School of Business Alumni Hall of Fame and was recognized as a Distinguished Alumnus of the Indian Institute of Technology (IIT) in Bombay, India in 1997. Mr. Shenoy's extensive business contacts in India and his experience serving on the boards of public companies in the U.S. make him a highly effective board member. Mr. Shenoy holds a B. Tech (Hons.) in electrical engineering from the Indian Institute of Technology and an M.S. in electrical engineering and an M.B.A. from the University of Connecticut Schools of Engineering and Business Administration, respectively.

All directors hold office until the annual meeting of the stockholders in the year set forth above in the table and until their successors have been duly elected or qualified. There are no family relationships between any of our directors or executive officers.

## EXECUTIVE OFFICERS

The following table sets forth information regarding our executive officers as of July 12, 2013. Executive officers are elected annually by our Board of Directors. Each executive officer holds his office until he resigns or is removed by the Board or his successor is elected and qualified.

Name	Age	Position
Mr. Ram Mukunda	54	Chief Executive Officer, Executive Chairman, President and Director

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Mr. Danny Ngai	46	Interim Treasurer and Principal Financial and Accounting Officer
Mr. John Selvaraj (on leave of absence)	70	Treasurer and Principal Financial and Accounting Officer

There are no family relationships between any of our executive officers and our directors.

For information on Mr. Mukunda's background, please see "Directors" above.

Mr. John B. Selvaraj has served as our Treasurer and Principal Financial and Accounting Officer since November 27, 2006. The Board granted Mr. Selvaraj an extended leave of absence from the Company for health reasons.

Mr. Danny Ngai was officially appointed as our Interim Treasurer and Principal Financial and Accounting Officer on July 14, 2013. He has served as the General Manager and Director of Ironman since February 2012 and prior to that he has been involved with the Company since 2007, on a part time basis and is based in China. He is responsible for the general management of our Chinese operations including P&L responsibility, relations with the government of Inner Mongolia, banks, licensing regimes, interfacing with auditors, miners, and major customers. He was intimately involved in the acquisition of Ironman in China. Mr. Ngai has considerable experience managing P&L, SEC reporting, U.S. GAAP, Chinese GAAP, and audit functions. Between 1997 and 2004 he held various positions at Startec Global Communications, a company listed on the NASDAQ; including as Managing Director of the Hong Kong and Canadian subsidiaries where he had P&L responsibility for about 35 million in revenue and an operations with 150 employees. He was also responsible for all reporting functions and directly supervised the Chief Financial Officers of the two subsidiaries. Between January 2005 and September 2007 he was Vice President of Operations at Webpoint Communications. Between November 2007 and October 2009 he was Director of Operations at Jaxtr Inc. From November 2009 to February 2012, he was Director of Operations at SpeedCast. Mr. Ngai graduated from the University of Massachusetts, cum laude, in 1991 with a B.S. in Electrical Engineering and in 1999 obtained a Masters degree from the School of Business at the George Washington University. Mr. Ngai speaks English, Mandarin and Cantonese.

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BOARD OF DIRECTORS AND COMMITTEES OF THE BOARD

Audit Committee

Our Board of Directors has established an Audit Committee currently composed of two independent directors who report to the Board of Directors. Messrs. Prins and Shenoy, each of whom is an independent director under the NYSE MKT listing standards, serve as members of our Audit Committee. Mr. Prins is the current Chairman of the Company's Audit Committee. In addition, we have determined that Messrs. Prins and Shenoy are "audit committee financial experts" as that term is defined under Item 407 of Regulation S-B of the Securities Exchange Act of 1934, as amended. The Audit Committee is responsible for meeting with our independent accountants regarding, among other issues, audits and adequacy of our accounting and control systems.

Compensation Committee

Our Board of Directors has established a Compensation Committee composed of two independent directors, Messrs. Shenoy and Prins. Mr. Shenoy is the current Chairman of the Company's Compensation Committee. The compensation committee's purpose is to review and approve compensation paid to our officers and directors and to administer the Company's Stock Plan.

Compensation Committee Interlocks and Insider Participation

A Compensation Committee comprised of two independent members of the Board of Directors, Mr. Richard Prins and Mr. Sudhakar Shenoy. No executive officer of the Company served as a director or member of the compensation committee of any other entity.

The Compensation Committee met three times during FYE 2013 and was responsible for determining executive compensation and the award of ESOPs to employees and directors during FYE 2013. No consultants were used by the Compensation Committee during FYE 2013.

Nominating and Corporate Governance Committee

We intend to establish a nominating and corporate governance committee. The primary purpose of the nominating and corporate governance committee will be to identify individuals qualified to become directors, recommend to the Board of Directors the candidates for election by stockholders or appointment by the Board of Directors to fill a vacancy, recommend to the Board of Directors the composition and chairs of Board of Directors committees, develop and recommend to the Board of Directors guidelines for effective corporate governance, and lead an annual review of the performance of the Board of Directors and each of its committees. We do not have any formal process for stockholders to nominate a director for election to our Board of Directors. Currently, nominations are selected or recommended by a majority of the independent directors as stated in Section 804(a) of the NYSE MKT Company Guide.

Audit Committee Financial Expert

The Audit Committee will at all times be composed exclusively of "independent directors" who are "financially literate," as defined under the NYSE MKT listing standards. The NYSE MKT's listing standards define "financially literate" as being able to read and understand fundamental financial statements, including a company's balance sheet, income statement and cash flow statement. In addition, we must certify to the NYSE MKT that the Audit Committee has, and will continue to have, at least one member who has past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background that results in the individual's

financial sophistication. The Board of Directors has determined that Messrs. Prins and Shenoy satisfy the NYSE MKT's definition of financial sophistication and qualify as "audit committee financial experts," as defined under rules and regulations of the Securities and Exchange Commission.

#### Board and Committee Meetings

During the fiscal year ended March 31, 2013, our Board of Directors held eighteen meetings. Although we do not have any formal policy regarding director attendance at our annual meetings, we attempt to schedule our annual meetings so that all of our directors can attend. During the fiscal year ended March 31, 2013, all of our directors attended 100% of the meetings of the Board of Directors. During the fiscal year ended March 31, 2013, there were eight meetings of the audit committee, all of which were attended by all of the members of the committee. There were three compensation committee meetings held during the fiscal year ended March 31, 2013.

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### Communications with Directors

Any director may be contacted by writing to him or her c/o the Secretary of the Company at the address set forth above. Communications to the non-management directors as a group may be sent to the Independent Directors c/o the Secretary of the Company at the same address. We promptly forward, without screening other than normal security procedures for all our mail, all correspondence to the indicated director or directors.

### Indemnification Agreements

We are party to indemnification agreements with each of the executive officers and directors. Such indemnification agreements require us to indemnify these individuals to the fullest extent permitted by law. Under the terms of the indemnification agreements, we intend to agree to indemnify our officers and directors against expenses, judgments, fines, penalties or other amounts actually and reasonably incurred by the independent director in connection with any proceeding if the officer or director acted in good faith and did not derive an improper personal benefit from the transaction or occurrence that is the basis of the proceeding.

### Annual Meeting Attendance

We do not have a formal policy requiring directors to attend stockholder meetings but we encourage members of the Board of Directors to attend the Annual Meeting of Stockholders.

## CODE OF CONDUCT AND ETHICS

A code of business conduct and ethics is a written standard designed to deter wrongdoing and to promote (a) honest and ethical conduct, (b) full, fair, accurate, timely and understandable disclosure in regulatory filings and public statements, (c) compliance with applicable laws, rules and regulations, (d) the prompt reporting violation of the code and (e) accountability for adherence to the code. The Company has adopted a written code of ethics (the "Senior Financial Officer Code of Ethics") that applies to the Company's Chief Executive Officer and senior financial officers, including the Company's Principal Accounting Officer, Controller and persons performing similar functions (collectively, the "Senior Financial Officers") in accordance with applicable federal securities laws and the rules of the NYSE MKT. Investors may view our Senior Financial Officer Code of Ethics on the corporate governance subsection of the investor relations portion of our website at [www.indiaglobalcap.com](http://www.indiaglobalcap.com). The Company has established separate audit and compensation committees that are described below. The Company does not have a separate nominating committee. Accordingly, Board of Director nominations occur by either selection or recommendation of a majority of the independent directors.

## SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors, executive officers and persons who beneficially own more than 10% of our common stock to file reports of their ownership of shares with the Securities and Exchange Commission. Such executive officers, directors and stockholders are required by SEC regulation to furnish us with copies of all Section 16(a) reports they file. Based solely upon review of the copies of such reports received by us, our senior management believes that all reports required to be filed under Section 16(a) for the fiscal year ended March 31, 2013 were filed in a timely manner.

### Item 11. Director and Executive Compensation

#### Compensation Discussion and Analysis

## Overview of Compensation Policy

The Company's Compensation Committee is empowered to review and approve, or in some cases recommend for the approval of the full Board of Directors the annual compensation for the executive officers of the Company. This Committee has the responsibility for establishing, implementing and monitoring the Company's compensation strategy and policy. Among its principal duties, the Committee ensures that the total compensation of the executive officers is fair, reasonable and competitive.



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### Objectives and Philosophies of Compensation

The primary objective of the Company's compensation policy, including the executive compensation policy, is to help attract and retain qualified, energetic managers who are enthusiastic about the Company's mission and products. The policy is designed to reward the achievement of specific annual and long-term strategic goals aligning executive performance with company growth and stockholder value. In addition, the Board of Directors strives to promote an ownership mentality among key leaders and the Board of Directors.

### Setting Executive Compensation

The compensation policy is designed to reward performance. In measuring executive officers' contribution to the Company, the Compensation Committee considers numerous factors including the Company's growth and financial performance as measured by revenue, gross margin and net income before taxes among other key performance indicators. Regarding most compensation matters, including executive and director compensation, management provides recommendations to the Compensation Committee; however, the Compensation Committee does not delegate any of its functions to others in setting compensation. The Compensation Committee does not currently engage any consultant related to executive and/or director compensation matters.

Stock price performance has not been a factor in determining annual compensation because the price of the Company's Common Stock is subject to a variety of factors outside of management's control. The Company does not subscribe to an exact formula for allocating cash and non-cash compensation. However, a significant percentage of total executive compensation is performance-based. Historically, the majority of the incentives to executives have been in the form of non-cash incentives in order to better align the goals of executives with the goals of stockholders.

### Elements of Company's Compensation Plan

The principal components of compensation for the Company's executive officers are:

- o base salary
- o performance-based incentive cash compensation
- o right to purchase the Company's stock at a preset price (stock options)
- o retirement and other benefits

### Base Salary

The Company provides named executive officers and other employees with base salary to compensate them for services rendered during the fiscal year. Base salary ranges for named executive officers are determined for each executive based on his or her position and responsibility. During its review of base salaries for executives, the Committee primarily considers:

- o market data;
- o internal review of the executives' compensation, both individually and relative to other officers; and
- o individual performance of the executive.

Salary levels are typically evaluated annually as part of the Company's performance review process as well as upon a promotion or other change in job responsibility.

#### Performance-Based Incentive Compensation

The management incentive plan gives the Committee the latitude to design cash and stock-based incentive compensation programs to promote high performance and achievement of corporate goals, encourage the growth of stockholder value and allow key employees to participate in the long-term growth and profitability of the Company. So that stock-based compensation may continue to be a viable part of the Company's compensation strategy, management is currently seeking stockholder approval of a proposal to increase the number of shares of Company Common Stock reserved for issuance pursuant to the Company's Stock Plan.

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### Ownership Guidelines

To align the interests of the Board of Directors directly with the interests of the stockholders, the Committee recommends that each Board member maintain a minimum ownership interest in the Company. Currently, the Compensation Committee recommends that each Board member own a minimum of 5,000 shares of the Company's common stock with such stock to be acquired within a reasonable time following election to the Board.

### Stock Option Program

The Stock Option Program assists the Company to:

- o enhance the link between the creation of stockholder value and long-term executive incentive compensation;
- o provide an opportunity for increased equity ownership by executives; and
- o maintain competitive levels of total compensation.

Stock option award levels will be determined based on market data and will vary among participants based on their positions within the Company and are granted at the Committee's regularly scheduled meeting.

All grants of options or common stock occurred on or before the fiscal year ended March 31, 2013. In fiscal 2009 no option grants were made. In fiscal 2010, 1,393,000 stock options were granted (the "2010 Options") with an exercise price of \$1.00 and expiration of May 13, 2014. No grants were made in fiscal 2011. In fiscal year ended March 31, 2012, 1,300,450 stock options (the "2012 Options") were granted with an exercise price of \$0.56 and an expiration of June 27, 2016. In fiscal 2013 we granted 625,147 shares of common stock. As of March 31, 2013, we had granted 633,030 shares of Common Stock and 2,693,450 stock options under our Stock Plan. As of April 30, 2013 there were an aggregate of 146,089 shares available for future grants of options or stock awards.

### Perquisites and Other Personal Benefits

The Company provides some executive officers with perquisites and other personal benefits that the Company and the Committee believe are reasonable and consistent with its overall compensation program to enable the Company to attract and retain superior employees for key positions. The Committee periodically reviews the levels of perquisites and other personal benefits provided to named executive officers. Some executive officers receive the use of company automobiles and an assistant. Each employee of the Company is entitled to term life insurance, premiums for which are paid by the Company. In addition, each employee is entitled to receive certain medical and dental benefits and the employee funds part of the cost.

### Accounting and Tax Considerations

The Company's stock option grant policy will be impacted by the implementation of FASB ASC 718 (Previously referred to as SFAS No. 123R), which was adopted in the first quarter of fiscal year 2006. Under this accounting pronouncement, the Company is required to value unvested stock options granted prior to the adoption of FASB ASC 718 under the fair value method and expense those amounts in the income statement over the stock option's remaining vesting period.

Section 162(m) of the Internal Revenue Code restricts deductibility of executive compensation paid to the Company's chief executive officer and each of the four other most highly compensated executive officers holding office at the end

of any year to the extent such compensation exceeds \$1,000,000 for any of such officers in any year and does not qualify for an exception under Section 162(m) or related regulations. The Committee's policy is to qualify its executive compensation for deductibility under applicable tax laws to the extent practicable. In the future, the Committee will continue to evaluate the advisability of qualifying its executive compensation for full deductibility.

#### Compensation for Executive Officers of the Company

We pay IGN, LLC, an affiliate of Mr. Mukunda, \$4,000 per month for office space and certain general and administrative services, an amount which is not intended as compensation for Mr. Mukunda.

The following table sets forth information concerning all cash and non-cash compensation awarded to, earned by or paid to (i) all individuals serving as the Company's principal executive officer or acting in a similar capacity during the last two completed fiscal years, regardless of compensation level, and (ii) the Company's two most highly compensated executive officers other than the principal executive officers serving at the end of the last two completed fiscal years (collectively, the "Named Executive Officers").

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## Summary Compensation Table

Name and Principal Position	Year	Salary	Bonus	Option/ Stock Awards(1)	Total Compensation
Ram Mukunda Chief Executive Officer & President	2013	\$ 300,000	\$ -	\$ 104,210	\$ 404,210
	2012	\$ 300,000	\$ -	\$ 102,235	\$ 402,235
Danny Ngai Interim Principal Accounting Officer, General Manager, Director Ironman	2013	\$ 90,000	\$ -	\$ 39,120	\$ 129,120
	2012	\$ 90,000	\$ -	\$ -	\$ -

(1)The amounts reported in this column represent the fair value of option or stock awards to the named executive officer as computed on the date of the option grant using the Black-Scholes option-pricing model or on the date of the stock issuance using the closing price.

## Outstanding Equity Awards at Fiscal Year End

The following table sets forth information with respect to outstanding equity awards held by the Company's Named Executive Officers as of March 31, 2013.

Name	Shares (1)	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date
Ram Mukunda	172,841	575,000	-	\$ 0.56	6/27/16
	-	635,000	-	\$ 1.00	5/13/14
Danny Ngai	43,100	-	-	-	-
	-	-	-	-	-

(1)The shares granted include those granted under the 2008 ESOP plan and those granted in connection with the acquisition of Ironman.

## Compensation of Directors

No cash compensation was awarded to, earned by or paid to the directors in the fiscal year ended March 31, 2013 for service as directors. In FYE 2013, our non-employee directors each received 75,000 shares of IGC's common stock from the 2008 ESOP. All compensation paid to our employee director is set forth in the tables summarizing executive officer compensation above. The Option Awards column reflects the grant date fair value, in accordance with Accounting Standards Codification (ASC) Topic 718, Compensation — Stock Compensation (formerly Statement of Financial Accounting Standards (SFAS) No. 123R) for awards pursuant to the Company's equity incentive program.

Assumptions used in the calculation of these amounts for the fiscal year ended March 31, 2013 are included in Footnote 16 “Stock-Based Compensation” to the Company’s audited financial statements for the fiscal year ended March 31, 2013, included in this Company’s Annual Report on Form 10-K. The Company cautions that the amounts reported in the Director Compensation Table for these awards may not represent the amounts that the directors will actually realize from the awards. Whether, and to what extent, a director realizes value will depend on the Company’s actual operating performance and stock price fluctuations.

We pay IGN, LLC, an affiliate of Mr. Mukunda, \$4,000 per month for office space and certain general and administrative services. We believe, based on rents and fees for similar services in the Washington, DC metropolitan area that the fee charged by IGN LLC is at least as favorable as we could have obtained from an unaffiliated third party. The agreement is on a month-to-month basis and may be terminated by the Board of Directors without notice.

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## Employment Contracts

Ram Mukunda has served as President and Chief Executive Officer of the Company since its inception. The Company, IGC-M and Mr. Mukunda entered into an Employment Agreement on May 22, 2008, which agreement was made effective as of March 8, 2008, the date on which the Company completed its acquisition of Sricon and TBL. Pursuant to the Employment Agreement, the Company pays Mr. Mukunda a base salary of \$300,000 per year. The Employment Agreement provides that the Board of Directors of the Company may review and update the targets and amounts for the net revenue and contract bonuses on an annual basis. Mr. Mukunda is entitled to benefits, including insurance, 20 days of paid vacation, domestic help, a driver, a cook, a car (subject to partial reimbursement by Mr. Mukunda of lease payments for the car and reimbursement of business expenses. The term of the Employment Agreement is five years, extended by one year to after which employment will become at-will. The Employment Agreement is terminable by the Company and IGC-M for death, disability and cause. In the event of a termination without cause, the Company would be required to pay Mr. Mukunda his full compensation for 18 months or until the term of the Employment Agreement was set to expire, whichever is earlier. The Employment Agreement was extended for one year on July 14, 2013 with an expiration of May 22, 2014.

## Compensation Risk Assessment

In setting compensation, the Compensation Committee considers the risks to the Company's stockholders and to achievement of its goals that may be inherent in its compensation programs. The Compensation Committee reviewed and discussed its assessment with management and outside legal counsel and concluded that the Company's compensation programs are within industry standards and are designed with the appropriate balance of risk and reward to align employees' interests with those of the Company and do not incent employees to take unnecessary or excessive risks. Although a portion of our executives and employees' compensation is performance-based and "at risk," we believe our compensation plans are appropriately structured and are not reasonably likely to result in a material adverse effect on the Company.

## Securities Authorized for Issuance Under Equity Compensation Plans

The following table shows, as of March 31, 2013, information regarding outstanding awards available under our compensation plans (including individual compensation arrangements) under which our equity securities may be delivered.

	(a)	(b)	(c)
Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights(1)	Weighted-average price of outstanding options, warrants and rights	Number of securities available for future issuance (excluding shares in column (a))(1)
Equity compensation plans approved by security holders:			
2008 Omnibus Incentive Plan (2)	(3) 269,345	\$ 7.80	0

(1) Consists of our 2008 Omnibus Incentive Plan, as amended. See Note 16—"Stock-Based Compensation" of the Notes to the Consolidated Financial Statements included in this Annual Report on Form 10-K.

(2) Includes grants during fiscal years ended March 31, 2010, 2012 and 2013. There were no grants during fiscal year ended March 31, 2009 or 2011.

(3) The number of options outstanding are 2,693,450 with an average exercise price of \$0.78. Each option exercised at an average price of \$0.78 entitles the holder to one tenth of a share of common stock. Therefore, 10 options each exercised at \$0.78 for an aggregate price of \$7.8 entitles the holder to one share of common stock. The total number of securities to be issued upon the exercise of all outstanding options is 269,345.

#### Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The following table sets forth information regarding the beneficial ownership of our common stock as of July 12, 2013 by each person known by us to be the beneficial owner of more than 5% of our outstanding shares of common stock; each of our executive officers, directors and our special advisors; and all of our officers and directors as a group.



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Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and does not necessarily indicate beneficial ownership for any other purpose. Under these rules, beneficial ownership includes those shares of common stock over which the stockholder has sole or shared voting or investment power. It also includes shares of common stock that the stockholder has a right to acquire within 60 days through the exercise of any option, warrant or other right. The percentage ownership of the outstanding common stock, which is based upon 6,980,098 shares of common stock outstanding as of June 25, 2013, is based on the assumption, expressly required by the rules of the Securities and Exchange Commission, that only the person or entity whose ownership is being reported has exercised options or warrants to purchase shares of our common stock.

Unless otherwise indicated, we believe that all persons named in the table have sole voting and investment power with respect to all shares of common stock beneficially owned by them. Unless otherwise noted, the nature of the ownership set forth in the table below is common stock of the Company. The table below sets forth as of July 12, 2013, except as noted in the footnotes to the table, certain information with respect to the beneficial ownership of the Company's common stock by (i) all persons or groups, according to the most recent Schedule 13D or Schedule 13G filed with the Securities and Exchange Commission or otherwise known to us, to be the beneficial owners of more than 5% of the outstanding common stock of the Company, (ii) each director and director-nominee of the Company, (iii) the executive officers named in the Summary Compensation Table, and (iv) all such executive officers and directors of the Company as a group.

Name and Address of Beneficial Owner (1)	Shares Owned	
	Number of Shares Beneficially Owned	Percentage of Class*
Wells Fargo & Company (2) 420 Montgomery Street San Francisco, CA 94104	204,215	2.9%
Ram Mukunda (3)	604,130	8.7%
Ranga Krishna (4) (Resigned in December 2012)	482,606	6.9%
Richard Prins (5)	140,000	2.0%
Sudhakar Shenoy (6)	135,000	1.9%
Danny Ngai (7)	43,100	0.6%
All Executive Officers and Directors as a group (5 Persons) (8)	1,609,051	23.1%

\*Based on 6,980,098 shares of common stock outstanding as of June 25, 2013.

- (1) Unless otherwise indicated, the address of each of the individuals listed in the table is c/o India Globalization Capital, Inc., 4336 Montgomery Avenue, Bethesda, MD 20814.
- (2) Based on an amended Schedule 13G filed with the SEC on March 12, 2012 by Wells Fargo Company on behalf of its subsidiary Wachovia Bank, National Association that is the direct holder of the shares. Dr. Ranga Krishna is entitled to 100% of the economic benefits of the shares.
- (3) Includes (i) 443,017 shares of common stock directly owned by Mr. Mukunda or Mr. Mukunda's wife Parveen Mukunda, (ii) options exercisable at an average price of \$7.8 per share to purchase 121,000 shares of common stock all of which are currently exercisable and (iv) warrants exercisable at \$50.00 per share to purchase 40,113 shares of common stock all which are currently exercisable.
- (4) Includes (i) 181,846 shares of common stock directly owned by Dr. Krishna partially based on Form 4 filings, (ii) 204,215 shares beneficially owned by Wells Fargo & Company, which has sole

voting and dispositive control over the shares, with Dr. Krishna having 100% of the economic benefits of the shares, (iii) warrants exercisable at \$50.00 to purchase 29,000 shares of common stock, all of which are currently exercisable; (iv) options at an average price of \$7.80 to purchase 67,545 shares of common stock all of which are currently exercisable.

- (5) Includes (i) 105,000 shares and (ii) options at an average price of \$7.8 to purchase 35,000 shares of common stock all of which are currently exercisable.
- (6) Includes (i) 105,000 shares and (ii) options at an average price of \$7.8 to purchase 30,000 shares of common stock all of which are currently exercisable.
- (7) Includes (i) 43,100 shares
- (8) Includes Directors and officers, (i) 1,082,178 shares of common stock directly, (ii) options exercisable at an average price of \$7.8 per share to purchase 253,545 shares of common stock all of which are currently exercisable and (iii) warrants exercisable at \$50.00 per share to purchase 69,113 shares of common stock all which are currently exercisable.

Messrs. Mukunda and Krishna may be deemed our “parent,” “founder” and “promoter,” as these terms are defined under the Federal securities laws.

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### Item 13. Certain Relationships and Related Transactions, and Director Independence

During the last two fiscal years, we have not entered into any material transactions or series of transactions that would be considered material in which any officer, director or beneficial owner of 5% or more of any class of our capital stock, or any immediate family member of any of the preceding persons, had a direct or indirect material interest, nor are there any such transactions presently proposed, other than the agreements with IGN, an affiliate of Ram Mukunda, described above and as set forth below and Vosgo Limited a Hong Kong based company that is an affiliate of Mr. Danny Ngai. The Company pays Vosgo Limited \$90,000 a year as compensation for Mr. Danny Ngai's services.

We are party to indemnification agreements with each of the executive officers and directors. Such indemnification agreements require us to indemnify these individuals to the fullest extent permitted by law.

### Review, Approval or Ratification of Related Party Transactions

We do not maintain a formal written procedure for the review and approval of transactions with related persons. It is our policy for the disinterested members of our board to review all related party transactions on a case-by-case basis. To receive approval, a related-party transaction must have a business purpose for IGC and be on terms that are fair and reasonable to IGC and as favorable to IGC as would be available from non-related entities in comparable transactions.

### Item 14. Principal Accountant Fees and Services

AJSH & Co., Chartered Accountants ("AJSH & Co.") is our Principal Independent Registered Public Accounting Firm engaged to examine our financial statements for the fiscal year ended March 31, 2013. Yoganandh & Ram, Chartered Accountants ("Y & R") was our Principal Independent Registered Public Accounting Firm engaged to examine our financial statements for the fiscal year ended March 31, 2012. During the Company's most two recent fiscal years ended March 31, 2013 and 2012 and through July 12, 2013, the Company did not consult with AJSH & Co on (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that may be rendered on the Company's financial statements, and AJSH & Co. have not provided either a written report or oral advice to the Company that was an important factor considered by the Company in reaching a decision as to any accounting, auditing, or financial reporting issue; or (ii) the subject of any disagreement, as defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions, or a reportable event within the meaning set forth in Item 304(a)(1)(v) of Regulation S-K.

### Audit Related and Other Fees

The table below shows the fees that we paid or accrued for the audit and other services provided by AJSH & Co. for the fiscal years ended March 31, 2013. Except as specified otherwise in the table, we paid the fees to AJSH & Co.

### Audit Fees

This category includes the audit of our annual financial statements, review of financial statements included in our annual and quarterly reports and services that are normally provided by the independent registered public accounting firms in connection with engagements for those fiscal years. This category also includes advice on audit and accounting matters that arose during, or as a result of, the audit or the review of interim financial statements.

### Audit-Related Fees

This category consists of assurance and related services by the independent registered public accounting firms that are reasonably related to the performance of the audit or review of our financial statements and are not reported above under “Audit Fees.” The services for the fees disclosed under this category include services relating to our registration statement and consultation regarding our correspondence with the SEC.

Tax Fees

This category consists of professional services rendered for tax compliance, tax planning and tax advice. These services include tax return preparation and advice on state and local tax issues.

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## All Other Fees

This category consists of fees for other miscellaneous items.

	March 31, 2013	March 31, 2012
Audit Fees – AJSH & Co.	\$ 80,000	\$ -
Audit Fees - Yoganandh & Ram		80,000
Audit-Related Fees	5,000	
Tax Fees		
All other Fees		
Total	\$ 85,000	80,000

## Policy on Pre-Approval of Audit and Permissible Non-audit Services of Independent Auditors

Consistent with SEC policies regarding auditor independence, the audit committee of our Board of Directors has responsibility for appointing, setting compensation and overseeing the work of the independent auditor. In recognition of this responsibility, our Board of Directors has established a policy to pre-approve all audit and permissible non-audit services provided by the independent auditor. Prior to engagement of the independent auditor for the next year's audit, management may submit, if necessary, an aggregate of services expected to be rendered during that year for each of the following four categories of services to our Board of Directors for approval.

1. Audit services include audit work performed in the preparation of financial statements, as well as work that generally only the independent auditor can reasonably be expected to provide, including comfort letters, statutory audits, and attest services and consultation regarding financial accounting and/or reporting standards.
2. Audit-Related services are for assurance and related services that are traditionally performed by the independent auditor, including due diligence related to mergers and acquisitions, employee benefit plan audits, and special procedures required to meet certain regulatory requirements.
3. Tax services include all services performed by the independent auditor's tax personnel except those services specifically related to the audit of the financial statements, and includes fees in the areas of tax compliance, tax planning and tax advice.
4. Other Fees are those associated with services not captured in the other categories.

Prior to engagement, our Board of Directors pre-approves these services by category of service. The fees are budgeted and our Board of Directors requires the independent auditor and management to report actual fees versus the budget periodically throughout the year by category of service. During the year, circumstances may arise when it may become necessary to engage the independent auditor for additional services not contemplated in the original pre-approval. In those instances, our Board of Directors requires specific pre-approval before engaging the independent auditor.

Our audit committee may delegate pre-approval authority to one or more of its members. The member to whom such authority is delegated must report, for informational purposes only, any pre-approval decisions to our Board of Directors at its next scheduled meeting.

Pre-Approved Services

The Audit Committee's charter provides for pre-approval of audit, audit-related and tax services to be performed by the independent auditors. The Audit Committee approved the audit, audit-related and tax services to be performed by independent auditors and tax professionals in 2013. The charter also authorizes the Audit Committee to delegate to one or more of its members pre-approval authority with respect to permitted services. The decisions of any Audit Committee member to whom pre-approval authority is delegated must be presented to the full Audit Committee at its next scheduled meeting. The Audit Committee has not delegated such authority to its members.

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Audit Committee Report

The Audit Committee of the Board is composed of two directors, each of whom meets the current NYSE MKT test for independence. The Committee acts under a written charter adopted by the Board. The Audit Committee has prepared the following report on its activities with respect to the Company's audited financial statements for the fiscal year ended March 31, 2013 (the "Audited Financial Statements"):

- o The Audit Committee reviewed and discussed the Company's Audited Financial Statements with management;
- o The Audit Committee discussed with AJSH & Co. the Company's independent auditors for fiscal year 2013, the matters required to be discussed by Statements on Auditing Standards No. 61 (Codification of Statements on Auditing Standards, AU §380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T;
- o The Audit Committee received from the independent auditors the written disclosures regarding auditor independence and the letter required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees), discussed with AJSH & CO., its independence from the Company and its management, and considered whether AJSH & CO.'s provision of non-audit services to the Company was compatible with the auditor's independence; and
- o Based on the review and discussion referred to above, and in reliance thereon, the Audit Committee recommended to the Board that the Audited Financial Statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2013, for filing with the U.S. Securities and Exchange Commission.

All members of the Audit Committee concur in this report.

AUDIT COMMITTEE:

Richard Prins  
Sudhakar Shenoy

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PART IV

Item 15. Exhibits

The following exhibits are filed as part of, or are incorporated by reference into, this report:

(a) Financial Statements

Our financial statements as set forth in the Index to Financial Statements attached hereto commencing on page F-1 are hereby incorporated by reference.

(b) Exhibits.

The exhibits listed in the accompanying index to exhibits are filed or incorporated by reference as part of this Annual Report on Form 10-K.

- 3.1 Amended and Restated Articles of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Registration Statement on Form S-1, as amended and filed on November 2, 2005(Reg. No. 333-124942)).
- 3.2 By-laws (incorporated by reference to Exhibit 3.2 to the Company's Registration Statement on Form S-1, as amended and filed on February 14, 2006 (Reg. No. 333-124942)).
- 4.1 Specimen Unit Certificate (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-1, as filed on May 13, 2005 (Reg. No. 333-124942)).
- 4.2 Specimen Common Stock Certificate (incorporated by reference to Exhibit 4.2 to the Company's Registration Statement on Form S-1, as filed on May 13, 2005 (Reg. No. 333-124942)).
- 4.3 Specimen Warrant Certificate (incorporated by reference to Exhibit 4.3 to the Company's Registration Statement on Form S-1, as filed on May 13, 2005 (Reg. No. 333-124942)).
- 4.4 Form of Warrant Agreement between Continental Stock Transfer & Trust Company and the Company (incorporated by reference to Exhibit 4.4 to the Company's Registration Statement on Form S-1, as amended and filed on September 22, 2006 (Reg. No. 333-124942)).
- 4.5 Specimen Warrant Certificate for warrants issued in the December 2010 public offering (incorporated by reference to Exhibit 4.5 to the Company's Registration Statement on Form S-1, as amended and filed on October 27, 2010 (Reg. No. 333-163867)).
- 4.6 Warrant Agreement between Continental Stock Transfer & Trust Company and the Company (incorporated by reference to Exhibit 4.6 to the Company's Registration Statement on Form S-1, as amended and filed on October 27, 2010 (Reg. No. 333-163867)).
- 10.1 Amended and Restated Letter Agreement between the Company, Ferris, Baker Watts, Inc. and Ram Mukunda (incorporated by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-1, as amended and filed on July 11, 2005 (Reg. No. 333-124942)).
- 10.2 Amended and Restated Letter Agreement between the Company, Ferris, Baker Watts, Inc. and John Cherin (incorporated by reference to Exhibit 10.2 to the Company's Registration Statement on Form S-1, as amended and filed on July 11, 2005 (Reg. No. 333-124942)).
- 10.3 Amended and Restated Letter Agreement between the Company, Ferris, Baker Watts, Inc. and Ranga Krishna (incorporated by reference to Exhibit 10.3 to the Company's Registration Statement on Form S-1, as amended and filed on July 11, 2005 (Reg. No. 333-124942)).



- 333-124942)).
- 10.4 Registration Rights Agreement among the Company and each of the existing stockholders (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-1, as filed on May 13, 2005 (Reg. No. 333-124942)).
- 10.5 Form of Unit Purchase Agreement among Ferris, Baker Watts, Inc. and one or more of the Initial Stockholders. (6)
- 10.6 Form of Office Service Agreement between the Company and Integrated Global Networks, LLC. (6)
- 10.7 Form of Letter Agreement between Ferris, Baker Watts, Inc. and certain officers and directors of the Company (incorporated by reference to Exhibit 10.7 to the Company's Registration Statement on Form S-1, as amended and filed on July 11, 2005 (Reg. No. 333-124942)).
- 10.8 Form of Letter Agreement between Ferris, Baker Watts, Inc. and each of the Special Advisors of the Company (incorporated by reference to Exhibit 10.8 to the Company's Registration Statement on Form S-1, as amended and filed on July 11, 2005 (Reg. No. 333-124942)).
- 10.9 Form of Letter Agreement between the Company and certain officers and directors of the Company (incorporated by reference to Exhibit 10.9 to the Company's Registration Statement on Form S-1, as amended and filed on July 11, 2005 (Reg. No. 333-124942)).
- 10.10 Form of Letter Agreement between the Company and each of the Special Advisors of the Company (incorporated by reference to Exhibit 10.10 to the Company's Registration Statement on Form S-1, as amended and filed on July 11, 2005 (Reg. No. 333-124942)).

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- 10.11 Share Subscription Cum Purchase Agreement dated February 2, 2007, by and among India Globalization Capital, Inc., MBL Infrastructures Limited and the persons “named as Promoters therein”(incorporated by reference to Exhibit 10.12 to the Company’s Current Report on Form 8-K, as filed on February 12, 2007).
- 10.12 Debenture Subscription Agreement dated February 2, 2007 by and among India Globalization Capital, Inc., MBL Infrastructures Limited and the persons named as Promoters therein (incorporated by reference to Exhibit 10.12 to the Company’s Current Report on Form 8-K, as filed on February 12, 2007).
- 10.13 First Amendment to Share Subscription Cum Purchase Agreement dated February 2, 2007, by and among India Globalization Capital, Inc., MBL Infrastructures Limited and the persons named as Promoters therein (incorporated by reference to Exhibit 10.13 to the Company’s Current Report on Form 8-K dated February 2, 2007, as amended on May 2, 2007).
- 10.14 First Amendment to the Debenture Subscription Agreement dated February 2, 2007, by and among India Globalization Capital, Inc., MBL Infrastructures Limited and the persons named as Promoters therein (incorporated by reference to Exhibit 10.14 to the Company’s Current Report on Form 8-K dated February 2, 2007, as amended on May 2, 2007).
- 10.15 Contract Agreement dated April 29, 2007 between IGC, Chiranjeevi Wind Energy Limited, Arul Mariamman Textiles Limited and Marudhavel Industries Limited (incorporated by reference to Exhibit 10.15 to the Company’s Current Report on Form 8-K dated May 2, 2007).
- 10.16 First Amendment dated August 20, 2007 to Agreement dated April 29, 2007 between IGC, Chiranjeevi Wind Energy Limited, Arul Mariamman Textiles Limited and Marudhavel Industries Limited (incorporated by reference to Exhibit 10.16 to the Company’s Current Report on Form 8-K dated August 23, 2007).
- 10.17 Share Subscription Cum Purchase Agreement dated September 16, 2007 by and among India Globalization Capital, Inc., Techni Bharathi Limited and the persons named as Promoters therein (incorporated by reference to Exhibit 10.17 to the Company’s Current Report on Form 8-K dated September 27, 2007).
- 10.18 Shareholders Agreement dated September 16, 2007 by and among India Globalization Capital, Inc., Techni Bharathi Limited and the persons named as Promoters therein (incorporated by reference to Exhibit 10.18 to the Company’s Current Report on Form 8-K dated September 27, 2007).
- 10.19 Share Purchase Agreement dated September 21, 2007 by and between India Globalization Capital, Inc. and Odeon Limited (incorporated by reference to Exhibit 10.19 to the Company’s Current Report on Form 8-K dated September 27, 2007).
- 10.20 Share Subscription Cum Purchase Agreement dated September 15, 2007 by and among India Globalization Capital, Inc., Sricon Infrastructure Private Limited and the persons named as Promoters therein (incorporated by reference to Exhibit 10.20 to the Company’s Current Report on Form 8-K dated September 27, 2007).
- 10.21 Shareholders Agreement dated September 15, 2007 by and among India Globalization Capital, Inc., Sricon Infrastructure Private Limited and the persons named as Promoters therein (incorporated by reference to Exhibit 10.21 to the Company’s Current Report on Form 8-K dated September 27, 2007).
- 10.22 Form of Amendment to the Share Subscription Cum Purchase Agreement Dated September 15, 2007, entered into on December 19, 2007 by and among India Globalization Capital, Inc., Sricon Infrastructure Private Limited and the persons named as Promoters therein (incorporated by reference to Exhibit 10.22 to the Company’s Current Report on Form 8-K dated December 27, 2007).

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- 10.23 Form of Amendment to the Share Subscription Agreement Dated September 16, 2007, entered into on December 21, 2007 by and among India Globalization Capital, Inc., Techni Bharathi Limited and the persons named as Promoters therein (incorporated by reference to Exhibit 10.23 to the Company's Current Report on Form 8-K dated December 27, 2007).
- 10.24 Form of Letter Agreement, dated December 24, 2007, with Dr. Ranga Krishna (incorporated by reference to Exhibit 10.24 to the Company's Current Report on Form 8-K dated December 27, 2007).
- 10.25 Form of Letter Agreement, dated December 24, 2007, with Oliveira Capital, LLC (incorporated by reference to Exhibit 10.25 to the Company's Current Report on Form 8-K dated December 27, 2007).
- 10.26 Form of Warrant Clarification Agreement, dated January 4, 2008, by and between the Company and Continental Stock Transfer & Trust Company (incorporated by reference to Exhibit 10.26 to the Company's Current Report on Form 8-K dated January 7, 2008).
- 10.27 Second Amendment to the Share Subscription Cum Purchase Agreement Dated September 15, 2007, entered into on January 14, 2008 by and among India Globalization Capital, Inc., Sricon Infrastructure Private Limited and the persons named as Promoters therein (incorporated by reference to Exhibit 10.27 to the Company's Current Report on Form 8-K dated January 16, 2008).
- 10.28 Letter Agreement dated January 8, 2008 by and among India Globalization Capital, Inc., Odeon Limited, and Techni Bharathi Limited with respect to the Share Purchase Agreement dated September 21, 2007 by and among India Globalization Capital, Inc. and Odeon Limited (incorporated by reference to Exhibit 10.28 to the Company's Current Report on Form 8-K dated January 16, 2008).
- 10.29 Employment Agreement between India Globalization Capital, Inc., India Globalization Capital Mauritius and Ram Mukunda dated March 8, 2008 (incorporated by reference to Exhibit 10.29 to the Company's Current Report on Form 8-K dated May 23, 2008).
- 10.30 2008 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.30 to the Company's Definitive Proxy Statement on Schedule 14A filed on February 8, 2008).

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- 10.31 Registration Rights Agreement dated October 16, 2009 between the Company and Bricoleur Partners, L.P. (incorporated by reference to Exhibit 10.31 to the Company's Current Report on Form 8-K dated October 21, 2009).
- 10.32 Form of Securities Purchase Agreement dated September 14, 2009 by and among India Globalization Capital, Inc. and the investors named therein (incorporated by reference to Exhibit 10.32 to the Company's Current Report on Form 8-K dated September 17, 2009).
- 10.33 Amendment No. 1 dated October 30, 2009 to Securities Purchase Agreement by and among India Globalization Capital, Inc. and the investors named therein (incorporated by reference to Exhibit 10.33 to the Company's Registration Statement on Form S-1, as filed on December 18, 2009(Reg. No. 333-163867)).
- 10.34 ATM Agency Agreement dated October 13, 2009, by and between India Globalization Capital, Inc. and Enclave Capital LLC (incorporated by reference to Exhibit 10.34 to the Company's Current Report on Form 8-K dated October 13, 2009).
- 10.35 Co-Placement Agency Agreement between the Company, Source Capital Group, Inc. and Boening & Scattergood, Inc. (incorporated by reference to Exhibit 10.35 to the Company's Registration Statement on Form S-1, as filed on November 10, 2010).
- 10.36 Note and Share Purchase Agreement dated February 25, 2011 between the Company and Bricoleur Partners, L.P. (incorporated by reference to Exhibit 10.36 to the Company's Current Report on Form 8-K dated February 25, 2011).
- 10.37 Unsecured Promissory Note dated February 25, 2011 in the principal amount of \$1,800,000 issued by the Company to Bricoleur Partners, L.P. (incorporated by reference to Exhibit 10.37 to the Company's Current Report on Form 8-K dated February 25, 2011).
- 10.38 Note and Share Purchase Agreement dated March 24, 2011 between the Company and the Steven M. Oliveira 1998 Charitable Remainder Unitrust (incorporated by reference to Exhibit 10.38 to the Company's Current Report on Form 8-K dated March 25, 2011).
- 10.39 Unsecured Promissory Note dated March 24, 2011 in the principal amount of \$2,120,000 issued by the Company to the Steven M. Oliveira 1998 Charitable Remainder Unitrust (incorporated by reference to Exhibit 10.39 to the Company's Current Report on Form 8-K dated March 25, 2011).
- 10.40 Stock Purchase Agreement between India Globalization Capital, Inc. and all of the shareholders of HK Ironman dated October 14, 2011 (incorporated by reference to Annex A of the Form DEF 14A of India Globalization Capital, Inc., dated October 14, 2011 and filed with the Securities and Exchange Commission on December 9, 2011 (Commission File No.: 001-32830)).
- 10.41 Purchase Agreement Between Linxi H&F Economic and Trade Co. Ltd. and Mr. Yuxing Lu dated June 21, 2012 (incorporated by reference to Exhibit 10.41 to the Company's Current Report on Form 8-K dated June 25, 2012).
- 10.42 Memorandum of Settlement among India Globalization Capital, Inc., Sricon Infrastructure Private Limited and the persons named as Promoters therein (incorporated by reference to Exhibit 10.42 to the Company's Current Report on Form 8-K dated June 27, 2012).
- 10.43 Note and Share Purchase Agreement between the Company and Bricoleur Partners, L.P. dated October 9, 2012 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated October 12, 2012).
- 10.44 Unsecured Promissory Note in the principal amount of \$1,800,000 issued by the Company to Bricoleur Partners, L.P. dated October 9, 2012 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated October 12, 2012).
- 10.45 Settlement Agreement between Techni Bharathi Private Limited ("TBL") and IGC India Mining and Trading Private Limited ("IGC-IMT"), the first part: and Mr. Jortin Antony, Mrs. Sheeba Jortin, Mr. V.C. Antony, Mrs. Kunjamma Antony, and V.C. Homes Private

- Limited collectively "Mr. Jortin Antony Group," the second part, dated October 13, 2012 (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K dated October 18, 2012 and April 4, 2013).
- 10.46 Settlement Agreement among IGC Materials Private Limited ("IGC-MPL"), the first part: Mr. Jortin Antony individually and representing the Jortin Antony Group, the second part: and Techni Bharathi Private Limited ("TBL"), the third part, dated October 13, 2012 (incorporated by reference to Exhibit 2.2 to the Company's Current Report on Form 8-K dated October 18, 2012 and April 4, 2013).
- 10.47 Amendment No. 1 to the 2012 Note and Share Purchase Agreement with Bricoleur Partners, L.P. dated March 31, 2013. \*
- 21 Subsidiaries of India Globalization Capital, Inc. \*
- 23.1 Consent of Yoganandh & Ram. \*
- 23.2 Consent of AJSH & Co. \*
- 99.1 Code of Ethics (incorporated by reference to Exhibit 99.1 to the Company's Registration Statement on Form S-1, as amended and filed on July 11, 2005 (Reg. No. 333-124942)).
- 31.1 Certificate pursuant to 17 CFR 240.13a-14(a).
- 31.2 Certificate pursuant to 17 CFR 240.13a-14(a).
- 32.1 Certificate pursuant to 18 U.S.C. § 1350.
- 32.2 Certificate pursuant to 18 U.S.C. § 1350.
- 101.INS\*\* XBRL Instance Document
- 101.SCH\*\* XBRL Taxonomy Extension Schema Document
- 101.CAL\*\* XBRL Taxonomy Extension Calculation Linkbase Document
- 101.DEF\*\* XBRL Taxonomy Extension Label Linkbase Document
- 101.LAB\*\* XBRL Taxonomy Extension Presentation Linkbase Document
- 101.PRE\*\* XBRL Taxonomy Extension Definition Linkbase Document

\* Filed herewith.

\*\* In accordance with Regulation S-T, the XBRL-related information in Exhibit 101 to this 10-K shall be deemed to be "furnished" and not "filed."



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