



# INTEGRATED CAPITAL SERVICES LIMITED

**20<sup>TH</sup> ANNUAL REPORT  
2012-2013**



## INTEGRATED CAPITAL SERVICES LIMITED

### Company Information

#### BOARD OF DIRECTORS

Mr. B. B. Deora	Chairman
Mr. Rajiv Jaiswal	Managing Director
Mr. Sajeve Deora	Director
Mr. Ambarish Chatterjee	Director
Mr. Sandeep Chandra	Director
Mr. Arun Deora	Director
Mr. Suresh Chander Kapur	Director

#### COMPANY SECRETARY

Mr. Ashish Wadhwa

#### BOARD COMMITTEES:

##### AUDIT COMMITTEE

Mr. Sandeep Chandra	Chairman
Mr. Sajeve Deora	Member
Mr. Ambarish Chatterjee	Member

#### SHARE HOLDERS GRIEVANCE COMMITTEE

Mr. Ambarish Chatterjee	Chairman
Mr. B. B. Deora	Member
Mr. Sandeep Chandra	Member

#### REMUNERATION COMMITTEE

Mr. Ambarish Chatterjee	Chairman
Mr. B. B. Deora	Member
Mr. Sandeep Chandra	Member

#### INVESTMENT COMMITTEE

Mr. Ambarish Chatterjee	Chairman
Mr. B. B. Deora	Member
Mr. Sandeep Chandra	Member

#### BANKERS

HDFC Bank  
Punjab National Bank

#### REGISTERED OFFICE

606, New Delhi House  
27, Barakhamba Road  
New Delhi 110 001



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CONTENTS	Page
Notice	1-2
Corporate Governance Report	3-9
Directors' Report	10-12
Management Discussion and Analysis Report	13
Independent Auditors' Report	14-16
Balance Sheet	17
Statement of Profit & Loss	18
Cash Flow Statement	19
Notes forming part of Financial Statements	20-27
Consolidated Independent Auditors' Report	28
Consolidated Balance Sheet	29
Consolidated Statement of Profit & Loss	30
Consolidated Cash Flow Statement	31
Notes forming part of Consolidated Financial Statements	32-40
Attendance Slip & Proxy Form	41

NOTICE

**Notice** is hereby given that the Twentieth Annual General Meeting of the Members of Integrated Capital Services Limited will be held on Saturday, June 01, 2013 at 11.00 A.M. at the Registered Office of the Company at 606, New Delhi House, 27 Barakhamba Road, New Delhi 110 001, to transact the following businesses as:

**Ordinary Business:**

1. To consider and adopt the audited Balance Sheet of the Company as at March 31, 2013, audited Profit and Loss Account of the Company for the year ended on that date and the Reports of the Board of Directors and Auditors thereon;
2. To appoint a Director in place of Mr. B. B. Deora who retires by rotation and being eligible, offers himself for re-appointment;
3. To appoint a Director in place of Mr. Ambarish Chatterjee who retires by rotation and being eligible, offers himself for re-appointment;
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** B. Bhushan & Co., Chartered Accountants, New Delhi be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

**Special Business:**

1. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution

**"RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309 and 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 consent of the Company be and is hereby accorded to reappoint Mr. Rajiv Jaiswal as Managing Director of the Company for a further period of 1 year effective from April 12, 2013 without any remuneration.

**RESOLVED FURTHER THAT** The Board of Directors of the Company shall have authority, by passing a resolution in their meeting and/ or on the recommendations of Remuneration Committee of the Board, to change the terms & conditions of appointment of aforesaid Director.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to file the relevant e>Returns with Registrars of Companies, on MCA portal and to do all such acts, deeds, things and matters as may be deemed necessary to give effect to the above resolution."

By Order of the Board of Director

Sd/-

Place: New Delhi.

B. B. Deora

Date: April 12, 2013

Chairman & Director



**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IS ENCLOSED;
2. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting;
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf, at the Meeting;
4. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto;
5. Members are requested to bring copy of the Annual Report and their Attendance Slip along with their copy of Annual Report to the Meeting;
6. The Register of Members and Transfer Books of the Company shall remain closed from Thursday, May 30, 2013 to Saturday, June 01, 2013 (both days inclusive) for the purpose of the Annual General Meeting;

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

The following explanatory statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

**Item No 1.**

Mr. Rajiv Jaiswal was appointed as Managing Director of the Company at the Nineteenth Annual General Meeting of Shareholders of the Company, w.e.f. April 12, 2012 for a period of one year. The Board of Directors of the Company at their meeting held on April 12, 2013 reappointed Mr. Rajiv Jaiswal as Managing Director of the Company for a period of 1 year w.e.f. April 12, 2013, which appointment shall be subject to the approval of shareholders of the Company at their forthcoming Annual General Meeting. There is no remuneration payable to Mr. Rajiv Jaiswal.

The Board of Directors further informed that appointed Mr. Rajiv Jaiswal as Managing Director of the Company, if made shall be subject to provisions of Sections 198, 269, 309, 310 and all other applicable provisions, if any, of the Companies Act, 1956 (hereafter referred to as "the Act") read with Schedule XIII to the Act, and approval of shareholders of the Company at their forthcoming General Meeting.

The Board of Directors informed that the appointment, if made, shall be in the interest of the Company and accordingly recommend the resolution for your approval. No other Director of the Company is concerned or interested in the proposed resolution except Mr. Rajiv Jaiswal.

By Order of the Board of Director  
Sd/-

Place: New Delhi.

B. B. Deora

Date: April 12, 2013

Chairman & Director

## **Report on Corporate Governance**

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2013.

### **1. Company's Philosophy**

The Company's philosophy on Code of Corporate Governance is based on the following principles:

- i. The members of the Board are persons in whom the shareholders have reposed their confidence and trust. Persons appointed to the Board are conscious of their corporate and social responsibilities and maintain highest standards of integrity.
- ii. The Company strives and follows the highest standards of ethics, transparency and integrity as its philosophy on Corporate Governance while conducting business.
- iii. The Company is in compliance with the requirements of guidelines on corporate governance stipulated under clause 49 of the Listing Agreement with the Stock Exchanges.

### **2. Board of Directors**

Mr. B. B. Deora and Mr. Ambarish Chatterjee, Directors of the Company, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

The composition of Board of Directors of the Company is in line with Clause 49 (I) (A) (ii) of the Listing Agreement as more than one half of the Directors of the Company are Independent Directors.

#### **Directors' Profile**

Brief resume of all the Directors, nature of their expertise in specific functional areas and number of companies in which they hold directorships, memberships/ chairmanships of Board Committees and their shareholding in the Company are as follows:

- i. Mr. B. B. Deora, aged 80, is a qualified Chartered Accountant and Cost Accountant having more than 53 years experience with large corporate houses wherein he held functional responsibility for financial and accounting matters, direct and indirect taxation matters, corporate laws and economic legislative matters and Business structuring and restructuring, amongst others.  
He is a member of the Investment Committee, Shareholders' Grievance Committee and Remuneration Committee, of the Board.  
Mr. B. B. Deora does not hold any share of the Company as on March 31, 2013.
- ii. Mr. Sajeve Deora, aged 53, is the son of Mr. B. B. Deora, the Chairman of the Company. Mr. Sajeve Deora is a qualified Chartered Accountant, having more than 30 years of experience in Corporate and related Economic legislations, restructuring of business and debts, structuring entry strategy for overseas investments, mergers, acquisitions and takeovers, capital issues and identifying vendors for new project investments.  
He is a member of the Audit Committee of the Company.  
Mr. Sajeve Deora does not hold any share of the Company as on March 31, 2013.
- iii. Mr. Ambarish Chatterjee, aged 50, is a qualified Company Secretary having experience of about 23 years in execution of professional assignments like capital issue management, representation before the Company Law Board and Reserve Bank of India, drafting of commercial contracts, restructuring through amalgamation/ merger/ demerger, acquisition/ takeover of businesses, formation of joint venture companies.  
He is member of the Audit Committee and holding Chairmanship of the Shareholders' Grievance Committee, the Remuneration Committee and the Investment Committee of the Board.  
Mr. Ambarish Chatterjee does not hold any share of the Company as on March 31, 2013.
- iv. Mr. Sandeep Chandra, aged 52, is a qualified Chartered Accountant having experience of about 28 years in managing a family owned sugar manufacturing factory and supervising financial, banking, technical and administrative functions thereof.  
He is the Chairman of the Audit Committee and also member of the Shareholders' Grievances Committee, the Remuneration Committee and the Investment Committee of the Company.  
Mr. Sandeep Chandra does not hold any share of the Company as on March 31, 2013.
- v. Mr. Arun Deora, aged 50, is the son of Mr. B. B. Deora, Chairman of the Board of Directors of the Company. Mr. Arun Deora is a qualified Chartered Accountant having more than 23 years of experience in the field of capital markets and capital leveraging. He has expertise in analysis of capital markets.  
Mr. Arun Deora does not hold any share of the Company as on March 31, 2013.

- (vi) Mr. S. C. Kapur, aged 73, is a graduate with physics and Mathematics as main subjects and holds diploma in Synthetics Fibers from SASMERA, Bombay. He has more than 49 years of experience in the field of General Management, Project Management, Marketing and Procurement in Edible oils, Petrochemicals and Man-made fiber industries, International trading, issues related to budget, WTO and Anti dumping.  
Mr. S. C. Kapur does not hold any share of the Company as on March 31, 2013.
- (vii) Mr. Rajiv Jaiswal, aged 53, has done B. Tech. and MBA and has more than 32 years of experience in debt syndication, exports marketing, distribution.  
Mr. Rajiv Jaiswal does not hold any share of the Company as on March 31, 2013.

**Details of designation of directors, attendance of Board Meetings/ AGM and other directorship and chairmanships/ memberships of Committees:**

S. No.	Name of Director	Category of Directorship	Attendance of Meetings during 2012-13		No. of Directorships and Committee Memberships/Chairmanships (including this Company)		
			Board Meetings	Last AGM	Directorships	Committee Memberships	Committee Chairmanships
1.	Mr. B. B. Deora	Non Executive – Promoter	4	Yes	5	6	-
2	Mr. Sajeve Deora	Non Executive – Promoter	2	Yes	13	10	5
3	Mr. Ambarish Chatterjee	Non Executive-Independent	4	Yes	13	9	4
4.	Mr. Sandeep Chandra	Non Executive-Independent	3	Yes	3	4	1
5	Mr. Arun Deora	Non Executive-Promoter	1	No	2	-	-
6	Mr. S. C. Kapur	Non Executive-Independent	2	No	1	-	-
7.	Mr. Rajiv Jaiswal	Executive Independent	3	Yes	2	-	-

**Details of the Directors seeking appointment in the Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)**

Name of Director	Mr. Rajiv Jaiswal	Mr. B. B. Deora	Mr. Ambarish Chatterjee
Date of Birth	19-06-1955	24-01-1933	03-05-1963
Date of Re-Appointment	April 12, 2013	April 12, 2013	April 12, 2013
Qualification	B. Tech, MBA	F.C.A., AICWA	F. C.S.
Experience in Specific	Mr. Rajiv Jaiswal has vast experience in debt syndication, exports marketing and Distribution.	Associated with large corporate houses where he held functional responsibility for: Financial, accounting matters, Direct and indirect taxation matters, Corporate laws and economic legislative matters, Business structuring and restructuring related issues.	Associated with medium and large corporate houses with assignments relating to corporate mergers, reverse mergers, amalgamations, acquisitions, takeovers and leveraging of capital through public, rights and preferential issues.
Directorship held in other companies	01	04	12
Chairman/member of the Committee of the Board of Directors of the Company	00	00	03
Chairman/member of the Committee of the Board of Directors of other Company	00	00	01
Number of Shares held in the Company	00	00	00
Relationship with other Directors	Not related to any other Director	Father of Mr. Sajeve Deora and Mr. Arun Deora, Directors of the Company	Not related to any other Director

**3. Meetings of the Board / Committees**

**Board Meetings**

During the year ended March 31, 2013, four (4) meetings of the Board of Directors were held on April 13, 2012, July 13, 2012, October 12, 2012, and January 11, 2013.

**Audit Committee**

The Audit Committee comprises Mr. Sandeep Chandra as Chairman, Mr. Sajeve Deora and Mr. Ambarish Chatterjee, as Members.

Two-thirds of the members of this Committee, including the Chairman of the Committee, are independent Directors, in accordance with Clause 49(II)(A)(i) and (iii) of the Listing Agreement.

The powers and role of the Audit Committee, as adopted by the Company, are in accordance with the provisions of Clause 49 of the Listing Agreement related to Corporate Governance.

During the year ended March 31, 2013, four (4) meetings of the Audit Committee were held on April 13, 2012, July 13, 2012, October 12, 2012 and January 11, 2013.

The Company Secretary functions as the Secretary of the Committee.

#### **Shareholders' Grievance Committee**

The Shareholders' Grievance Committee comprises Mr. Ambarish Chatterjee as Chairman and Mr. B. B. Deora and Mr. Sandeep Chandra, as Members.

During the year ended March 31, 2013, four (4) meetings of the Shareholders' Grievance Committee were held on, April 13, 2012, July 13, 2012, October 12, 2012, and January 11, 2013.

No complaint of any shareholder was pending as on March 31, 2013.

All the requests received during the year for issue of new share certificates after split of shares and request for Transfer of Shares were attended to and resolved satisfactorily.

The Company received 22 transfer deeds during the year along with old share certificates from a purchaser of shares of the Company requesting transfer of shares in his favour. The said transfer deeds state the share certificate numbers and distinctive numbers of the shares purchased as per the old share certificates which had ceased to exist in May 2010 on the Company splitting the face value of its equity share from Rs. 10 per share to Re. 1 per share. The Company does not consider the documents received for transfer of shares to be valid, and has accordingly, intimated the Seller and the Purchaser of shares about the same and has concurrently sought opinion of the Stock Exchange on the subject. In the meanwhile, the Company is holding the transfer documents and will take suitable action as may be advised in the matter.

One (1) request is still pending as response is awaited from the concerned shareholders.

#### **Remuneration Committee**

The Remuneration Committee comprises Mr. Ambarish Chatterjee as Chairman and Mr. B. B. Deora and Mr. Sandeep Chandra, as Members.

During the year ended March 31, 2013, one (1) meeting of the Remuneration Committee was held on, April 13, 2012.

#### **Market & Investment Committee**

The Market & Investment Committee comprises Mr. Ambarish Chatterjee as Chairman and Mr. B. B. Deora and Mr. Sandeep Chandra, as Members.

During the year ended March 31, 2013, four (4) meetings of the Investment Committee were held on April 13, 2012, July 13, 2012, October 12, 2012 and January 11, 2013.

#### **Compliance Officer**

The Company Secretary is designated as the Compliance Officer of the Company.

#### **4. General Body Meetings**

The Location, date and time of the Annual General Meetings held during the preceding Three (3) years and the Special Resolutions, if any, passed thereat are as follows:

<b>Year</b>	<b>Location</b>	<b>Date and Time</b>	<b>Special Resolutions Passed</b>
2009-10	606, New Delhi House, 27, Barakhamba Road, New Delhi-110 001	May 22, 2010 at 11:00 A.M.	Sub-division of equity shares into shares of Re. 1/-each, fully paid up.
2010-11	606, New Delhi House, 27, Barakhamba Road, New Delhi-110 001	May 28, 2011 at 11:00 A.M.	No
2011-12	606, New Delhi House, 27, Barakhamba Road, New Delhi-110 001	May 26, 2012 at 11:00 A.M.	1. Appointment of Mr. Rajiv Jaiswal as Managing Director of the Company for a period of one year.  2. Change in terms & conditions for redemption of 7% 6,00,000 cumulative, non-convertible and redeemable Preference Shares.



**5. Extra Ordinary General Meeting**

No Extra Ordinary General Meeting was held during the year ended March 31, 2013.

**6. Subsidiary Companies**

**100% Subsidiary Company – RAAS e Solutions Private Limited**

RAAS e Solutions Private Limited (RAAS) is engaged in the business of providing financial accounting services, on an outsourced basis, to clients within and outside India.

RAAS has successfully developed processes for systematic work flow to carry out remote access accounting and the work flow is customized to suit client requirements.

RAAS provides expert guidance and advice to corporate clients for drawing up financial statements in compliance with IFRS,

**100% Subsidiary Company - Green Infra Profiles Private Limited**

Green Infra Profiles Pvt. Ltd. is engaged in the business of providing advisory services for management of assets.

**Joint Ventures**

**KW Publishers Private Limited**

KW Publishers Private Limited is a joint venture in which the Company has equity investment of 40%.

KW Publishers Private Limited is engaged in publishing and distribution of books on various subjects including International Affairs.

**Sun Links Limited**

Sun Links Limited is a joint venture company set up in the U.K. with 50% equity participation.

Sun Links provides consulting services in commercial transactions.

**Greenway Advisors Private Limited**

Greenway Advisors Private Limited is a joint venture wherein the Company has equity investment of 50%.

Greenway Advisors Private Limited is engaged in business of providing consulting services in commercial transactions and investments.

**7. Disclosures on materially significant related party transactions**

Attention of Members is drawn to the disclosure of transactions with related parties which are set out in Notes on Accounts - Note - 25 forming part of the audited financial statements of the Company. None of the transactions with any of the related parties were in conflict with the interests of the Company.

**8. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority on any matter related to capital markets, during the last three years.**

The Securities Appellate Tribunal vide its order bearing reference no. SAT/185/2011/850 dated January 11, 2012 imposed a penalty of Rs. 1,00,000 on Mr. O.P. Gulati, the erstwhile promoter and Shareholder of the Company, in connection with delay in filing of certain returns under SEBI (Substantial Acquisition of Shares and Takeover) Regulation, 1997, which was duly paid by Mr. O.P. Gulati.

**9. Means of Communication**

**Quarterly Results**

The Quarterly Results of your Company are published in 'The Financial Express' (English) and 'Jansatta' (Hindi).

**Annual Report**

The Annual Report containing, inter alia, Audited Annual Financial Statements, on standalone and consolidated basis, Directors' Report, Independent Auditors' Report and other important information is circulated to members and others entitled thereto. The Report on Management Discussion and Analysis (MD&A) forms part of the Annual Report.

**Website**

Your Company's standalone results and other corporate information are published on its website at [www.raas.co.in](http://www.raas.co.in)

**10. General Shareholders Information**

**Company Registration Details**

The Company is registered with Registrar of Companies, NCT of Delhi and Haryana, India having its registered office at



## INTEGRATED CAPITAL SERVICES LIMITED



606, New Delhi House, 27, Barakhamba Road, New Delhi - 110001. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74899DL1993PLC051981.

### Annual General Meeting:

Day, Date, Time and Venue : Saturday, June 1, 2013 at 11.00 A.M.  
606, New Delhi House, 27 Barakhamba Road,  
New Delhi 110 001

Financial Year : April 1 to March 31

Book Closure Period : Thursday, May 30, 2013 to Saturday,  
June 1, 2013 (both days inclusive) for AGM

### Listing on Stock Exchanges, Payment of Listing Fee, Stock Codes etc.

Stock Exchange	No. of Shares Listed	Trading ISIN
Delhi Stock Exchange Association Limited (DSE) 3/1 Asaf Ali Road, New Delhi 110 002	36,150,000	INE682B01023
Madras Stock Exchange Limited (MSE) Exchange Building, 11, Second Line Beach, Chennai 600 001	36,150,000	
Ahmedabad Stock Exchange Limited (ASE) Kamdheni Complex, Opp: Sahjanand College Panjarapole, Ahmedabad 380 015	36,150,000	
Jaipur Stock Exchange Limited (JSE). Stock Exchange Building, Jawaharlal Nehru Marg, Malviya Nagar, Jaipur 302 017	36,150,000	

### Payment of Listing Fees:

Your Company has been regularly paying Annual listing fee to all exchanges and there is no overdue on this account.

### Stock Market Data

During the year the shares of your Company have not been traded on any of the stock exchanges where the shares of your Company are listed during the year under report.

### Registrar and Transfer Agent:

Link Intime India Private Limited,  
44, Community Centre 2<sup>nd</sup> Floor,  
Naraina Industrial Area Phase I,  
New Delhi 110 028

E-Mail: [delhi@linkintime.com](mailto:delhi@linkintime.com)

Telephone Nos. : +91-11-41410592/ 93/ 94

### Share Transfer System

Presently, the share transfers which are received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board of your Company has delegated the authority for approving transfer, transmission etc. of the Company's securities to the Share Transfer and Investors' Grievance Committee. Your Company obtains, from a Company Secretary in Practice, half-yearly certificate, of compliance with the share transfer formalities as required under Clause 47 (c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

**Distribution of Equity Shareholding as on March 31, 2013**

S. No.	Category	Shares					
		Electronic Form		Physical Form		Total	
		No. of Shares	%age of Total Capital	No. of Shares	%age of Total Capital	No. of Shares	%age of Total Capital
1	Promoters	2,50,41,000	69.27 %	0	0	2,50,41,000	69.27 %
2	Bodies Corporate	5,11,000	01.40 %	9,000	00.02 %	5,20,000	01.42 %
3	Individuals (Including HUFs)	72,19,000	19.99%	33,70,000	9.32%	1,05,89,000	29.31%
	<b>Total</b>	<b>3,30,71,000</b>	<b>90.66%</b>	<b>33,79,000</b>	<b>09.34%</b>	<b>3,61,50,000</b>	<b>100.00%</b>

**Shareholding Pattern by Size**

S. No.	Category	Share holders		No. of Shares			
		No.	% of Total Shareholders	Physical Form	Electronic Form	Total	% of Total Capital
1	Up to 2500	44	7.383	47,000	11,000	58,000	0.160
2	2501-5000	257	43.121	9,31,000	3,16,600	12,47,600	3.451
3	5001-10000	238	39.933	17,04,000	3,96,000	21,00,000	5.809
4	10001-20000	21	3.523	2,38,000	85,000	3,23,000	0.893
5	20001-30000	15	2.517	2,30,000	1,66,000	3,96,000	1.095
6	30001-40000	1	0.168	37,000	-	37,000	0.102
7	40001-50000	3	0.503	96,000	50,000	1,46,000	0.404
8	50001-100000	5	0.839	96,000	3,34,000	4,30,000	1.189
9	100001 and above	12	2.013	-	3,14,12,400	3,14,12,400	86.895
	<b>Total</b>	<b>596</b>	<b>100.00</b>	<b>33,79,000</b>	<b>3,27,71,000</b>	<b>3,61,50,000</b>	<b>100.00</b>

**Distribution of Preference Shareholders as on March 31, 2013**

Kalakar Exports Private Limited is a sole holder of 7%, 6,00,000 Non convertible and Redeemable Preference Shares of Rs. 100/- (Rupees One hundred only) each. All these shares are in Demat form.

**Address for Correspondence**

Integrated Capital Services Limited  
606, 6<sup>th</sup> Floor, New Delhi House,  
27 Barakhamba Road,  
New Delhi 110 001.

**11. Compliance Certificate of the Auditors**

A Certificate from the Auditors of the Company, B. Bhushan & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49, is annexed to the Directors' Report forming part of the Annual Report

**12. Code of Conduct**

The Board members and senior management have affirmed their compliance with the code and a declaration signed by the Managing Director of your Company appointed in terms of the Companies Act, 1956 (i.e. the CEO within the meaning of clause 49-V of the listing agreement) is given below:

"It is hereby declared that the Company has obtained from all the members of the Board & Senior Management affirmation that they have complied with the Code of Conduct for Directors & Senior Management of the Company for the year 2012-13.

(Rajiv Jaiswal)

Managing Director

**13. CEO/CFO Certification**

The Managing Director (CEO) has certified to the Board of Directors in accordance with Clause 49 (V) of the Listing Agreement pertaining to CEO/ CFO certification for the Financial Year ended March 31, 2013.

**14. Disclosure of Accounting Treatment**

Your Company has followed the principles of accounting as prescribed in the Indian Accounting Standards and accordingly, there is no explanation required to be given by the management, as per Clause 49 (IV) (B) of the Listing Agreement.

**15. Shares/ Convertible Instruments held by Non-Executive Directors**

None of the Directors of your Company hold any share or other convertible instrument/ security of the Company.

**16. Adoption of Requirements of Clause 49**

Your Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement.

By Order of the Board Directors

Sd/-

Place: New Delhi

B. B. Deora

Date: April 12, 2013

Chairman & Director

To the Members of

Integrated Capital Services Limited

We have examined the compliance of conditions of Corporate Governance by Integrated Capital Services Limited, for the year ended on March 31 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For B. Bhushan & Co.

Chartered Accountants

Firm Registration No: 001596 N

Sd/-

Kamal Ahluwalia

Partner

Membership No. 093812

Place: New Delhi

Dated: April 12, 2013



## **Directors' Report**

Dear Shareholders,

It gives us immense pleasure to present the 20<sup>th</sup> Annual Report and the audited accounts of your Company for the year ended March 31, 2013.

### **Financial Results**

The financial performance of your Company for the year ended March 31, 2013 is summarized below:

Rs., Lacs

	Standalone		Consolidated	
	2012-13	2011-12	2012-13	2011-12
Income from Operation	103.52	66.34	148.68	108.31
Other Income	3.15	32.71	5.13	33.32
Expenditure before depreciation	71.61	67.60	94.57	91.86
Depreciation	2.68	02.13	6.68	10.72
Net Profit	32.37	29.32	52.56	39.05
Prior year adjustment	(00.09)	(00.28)	(10.08)	(00.28)
Profit before tax	32.28	29.04	52.46	38.77
Provision for taxation	11.49	09.73	15.56	13.07
Profit after tax	20.79	19.32	36.90	25.70

### **Results of Operations**

During the financial year under review, your Company rendered advisory and consulting services in areas of, amongst others, mergers, acquisitions and reconstruction of businesses.

The Turnover for the year was Rs. 103.52 Lacs against Rs. 66.34 Lacs in the previous year. During the year, your Company set out to consolidate its activities and continues its efforts to increase its presence in its areas of operations.

### **Dividend**

The Board of Directors has decided not to declare dividend, with a view to maintain and increase the reserves of your Company.

### **Management's Discussion and Analysis Report**

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section which forms part of the Annual Report.

### **Subsidiary Companies**

#### **100% Subsidiary Company – RAAS e Solutions Private Limited**

RAAS e Solutions Private Limited (RAAS) is engaged in the business of providing financial accounting services, on an outsourced basis, to clients within and outside India.

RAAS has successfully developed processes for systematic work flow to carry out remote access accounting and the work flow is customized to suit client requirements.

RAAS provides expert guidance and advice to corporate clients for drawing up financial statements in compliance with IFRS.

#### **100% Subsidiary Company - Green Infra Profiles Private Limited**

Green Infra Profiles Pvt. Ltd. is engaged in the business of providing advisory services for management of assets.

### **Joint Ventures**

#### **KW Publishers Private Limited**

KW Publishers Private Limited is a joint venture in which the Company has equity investment of 40%.

KW Publishers Private Limited is engaged in publishing and distribution of books on various subjects including International Affairs.

#### **Sun Links Limited**

Sun Links Limited is a joint venture company set up in the U.K. with 50% equity participation.

Sun Links provides consulting services in commercial transactions and investments.

### **Greenway Advisors Private Limited**

Greenway Advisors Private Limited is a joint venture wherein the Company has equity investment of 50%.

Greenway Advisors Private Limited is engaged in business of providing consulting services in commercial transactions and investments.

### **Information as per requirements of Section 212 of the Companies Act, 1956**

The Ministry of Corporate Affairs has granted general exemption under the provisions of section 212(8) of the Companies Act, 1956, from attaching the audited accounts and other information of subsidiary companies, with the annual report of the holding company, subject to fulfillment of stipulated conditions.

Your Company is also publishing its consolidated audited accounts prepared in strict compliance with the applicable accounting standards.

Your Company undertakes that it will make available, on request, the audited annual accounts of the subsidiary companies and the related detailed information to its shareholders and the shareholders of such subsidiary companies. The annual accounts of subsidiary companies are open for inspection by the shareholders of the Company at the registered office of the Company.

### **Fixed Deposits**

Your Company has not accepted any fixed deposit during the year.

### **Directors**

In pursuance of the provisions of Section 256 of the Companies Act, 1956 and Article 104 of the Articles of Association of the Company, Mr. B. B. Deora and Mr. Ambarish Chatterjee retire by rotation and being eligible, offers themselves for reappointment.

Subject to approval of shareholders of the Company, Mr. Rajiv Jaiswal has been re-appointed as Managing Director of the Company for a further period of one year w.e.f. April 12, 2013. The requisite resolution has been included in the notice of Annual General Meeting for approval of the Shareholders of the Company.

### **Directors' Responsibility Statement**

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) In the preparation of annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profit of the Company for the year ended on that date;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) The Directors have prepared the annual accounts of the Company on a 'going concern' basis.

### **Auditors and Auditors' Report**

M/s. B. Bhushan & Co, Chartered Accountants, the retiring Auditors hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a certificate in terms of provisions of Section 224 (1B) from them confirming their eligibility for the proposed re-appointment.

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and therefore, do not require any further comments.

### **Particulars of Employees**

There is no employee who was employed throughout the year or for part of the year whose particulars are required to be given in terms of Section 217 (2A) of the Companies Act, 1956 read together with the companies (Particular of Employees) Rules 1975.



## INTEGRATED CAPITAL SERVICES LIMITED

### Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Due to non-applicability of the provisions relating to conservation of energy and technical absorption, no particulars are required to be disclosed in this Report.

Foreign Exchange Earnings and Outgo:	Rs., Lacs
Foreign Exchange Earned	0.00
Foreign Exchange Used	3.70

### Corporate Governance

Your Company is committed to maintain the highest standards of Corporate Governance. The Directors adhere to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the prescribed stipulations. The Report on the Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite Certificate from the Auditors of the Company, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, forms part of this Annual Report.

### Acknowledgement

The Directors avail this opportunity to express their appreciation for the confidence reposed in them, by the shareholders and clients of the Company and look forward to their continued support.

For and on behalf of the Board of Directors

Sd/-

Place: New Delhi  
Date: April 12, 2013

B. B. Deora  
Chairman

## Management Discussion and Analysis Report

### Market Overview

The scaling up of the economy against benchmarked global standards and the resulting economic boom has offered a collage of rates of growth across the country. The consultants are increasingly required to factor differing and a wide ranging array of scenarios for macroeconomic analysis, and have to work, at times, with fuzzy outcomes.

A well structured form of management with analytical approach relies on data for strategic decisions, and provides certainty to growth and efficiency.

The Company provides expert services to analyse complex situations in investing, turnaround and restructuring, and serves solutions with ability to advise and implement.

### Opportunities and Threats

The need for all compliant structures to reap the economic dividends is an opportunity before businesses and consultants alike. Global perspectives and futuristic thought processes, also targeted to align with technological advancements and digital market place, can be tapped with rich rewards.

Threats when not well mapped are perceived as risks. Investment in skill enhancement, though not guaranteeing the continuity of availability thereof, is the only possible solution to tap the opportunities underlying the threats.

### Segment-wise or product-wise performance

The Company operates in a single segment of Business Advisory and Consulting Services, and therefore, there are no separate segment wise details to be provided.

### Internal control systems and their adequacy

The Company has adequate internal control systems commensurate with the size and nature of its operations.

### Accounts of the Company

The Company has prepared its annual accounts for the year ended March 31, 2013 in accordance with Indian GAAP. Standalone Accounts of the Company for the year ended March 31, 2013 are available on the website of the Company- [www.raas.co.in](http://www.raas.co.in).



## INDEPENDENT AUDITORS' REPORT

To the members of Integrated Capital Service Limited

### Report on the financial statements

We have audited the accompanying financial statements of Integrated Capital Service Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified audit opinion.

### Unqualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b. In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act; and
  - e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

117, New Delhi House  
27, Barakhamba Road  
New Delhi – 110001

April 12, 2013

B.Bhushan & Co.  
Chartered Accountants  
Firm Regn. No. 001596N  
By the hand of  
Sd/-  
Kamal Ahluwalia  
Partner  
Membership no. 093812



**ANNEXTURE TO INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph '1' under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date]

- I) a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii) The Company does not own any inventory. Accordingly, provisions of clauses (ii) (a), (ii) (b) and (ii) (c) of paragraph 4 of the Order are not applicable to the Company.
- iii) a) The Company has granted unsecured loans to companies covered in the register maintained under section 301 of the Act. The maximum amount outstanding during the year was Rs. 1,70,75,000 and the year-end balance of loans granted to such companies is Rs. 1,70,75,000.
- b) The above loans are interest free and other terms and conditions of such loans, whenever stipulated as mutually agreed, are not prima facie prejudicial to the interest of the Company
- c) The receipts of principal, whenever recoverable during the year, are as per mutually agreed stipulations.
- d) There is no amount overdue in respect of loans granted to companies covered in register under section 301 of the Act.
- e) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4(iii) (e) to 4(iii) (g) of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of Company and the nature of its business with regards to purchase of fixed assets and rendering of services. The activities of the Company do not involve purchase of inventory and the sale of goods. During the course of our audit, we have not observed any major weakness in the aforesaid internal control system.
- v) In our opinion and according to the information and explanations given to us, there is no transaction made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 which is more than the limits prescribed in clause 5(b) of paragraph 4 of the Order
- vi) The Company has not accepted any deposits from the public within the meaning of sections 58A and 58AA or any other relevant provisions of the Act, and the rules framed there under.
- vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii) The Central Government of India has not prescribed the maintenance of cost records under section 209(I) (d) of the Act for any of the services rendered by the Company.
- ix) a) According to the information and explanations given to us the provisions of Employees Provident Fund Act, 1952, and Employees State Insurance Act, 1948, are not applicable to the Company and on the basis of our examination of the books of account, *except for some minor delays in depositing income tax deducted at source and service tax (amount deposited with interest)*, the Company has generally been regular in depositing the undisputed statutory dues including income tax, cess and other statutory dues and there are no arrears as at March 31, 2013 which were due for more than six months from the date they became payable. The Company was not required to pay any sales tax, wealth tax, customs duty or excise duty during the year.
- b) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited with the appropriate authorities on account of any dispute.
- x) The Company does not have accumulated losses as at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi) The Company did not have any outstanding dues to any banks, financial institutions or debenture holders.
- xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society.
- xiv) The Company has maintained proper records of the transactions for dealing in securities and timely entries have been



## INTEGRATED CAPITAL SERVICES LIMITED

made in the records maintained for the purposes. The securities were/are being held by the Company in its own name except for 1 (one) equity share each held in the name of nominee of the Company, in RAAS e Solutions Private Limited, Green Infra Profiles Private Limited, wholly owned subsidiaries of the Company and Greenway Advisors Private Limited, an associate company.

- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) The Company has not taken any term loans.
- xvii) According to the information and explanations given to us, the Company has not raised any funds on short term basis.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix) The Company has not issued any debentures during the year.
- xx) The Company has not raised any money by way of public issues during the year.
- xxi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

117, New Delhi House  
27, Barakhamba Road  
New Delhi – 110001

April 12, 2013

B.Bhushan & Co.  
Chartered Accountants  
Firm Regn. No. 001596N  
By the hand of  
Sd/-  
Kamal Ahluwalia  
Partner  
Membership no. 093812

# INTEGRATED CAPITAL SERVICES LIMITED



## BALANCE SHEET AS AT MARCH 31, 2013

	Notes	March 31, 2013	March 31, 2012
		Rs.	Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' fund</b>			
Share capital	2	96,150,00	96,150,000
Reserves and surplus	3	19,889,321	17,651,286
		<u>1,16,039,321</u>	<u>113,801,286</u>
<b>Non-current liabilities</b>			
Deferred tax liability (Net)	4	163,003	137,046
Long term provisions	5	81,513	191,300
		<u>244,516</u>	<u>328,346</u>
<b>Current liabilities</b>			
Trade payables	6	-	107,816
Other current liabilities	7	1,002,633	530,056
Short term provisions	8	218,357	-
		<u>1,220,990</u>	<u>637,872</u>
<b>TOTAL</b>		<u><b>117,504,826</b></u>	<u><b>114,767,504</b></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	9	2,159,033	1,181,533
Non-current investments	10	94,289,802	93,528,498
Long term loans and advances	11	17,150,567	17,150,468
		<u>113,599,402</u>	<u>111,860,499</u>
<b>Current assets</b>			
Trade receivables	12	2,433,946	825,608
Cash and bank balances	13	1,248,722	1,433,348
Short term loans and advances	14	-	550,000
Other current assets	15	222,757	98,049
		<u>3,905,425</u>	<u>2,907,005</u>
<b>TOTAL</b>		<u><b>117,504,826</b></u>	<u><b>114,767,504</b></u>
<b>ACCOUNTING POLICIES</b>			
<b>NOTES</b>	1 2-29		

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

As per our report of even date.

B. Bhushan & Co.  
Chartered Accountants  
Firm Registration No. 001596N  
By the hand of

Sd/-  
Rajiv Jaiswal  
Managing Director

Sd/-  
Kamal Ahluwalia  
Partner  
Membership No. 093812  
April 12, 2013  
New Delhi.

Sd/-  
Sajeve Deora  
Director

Sd/-  
Ashish Wadhwa  
Company secretary



## INTEGRATED CAPITAL SERVICES LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

	Notes	March 31, 2013 Rs.	March 31, 2012 Rs.
<b>INCOME</b>			
Revenue from operations	16	10,351,615	6,635,142
Other income	17	315,207	3,271,806
<b>Total income</b>		<b>10,666,822</b>	<b>9,906,948</b>
<b>EXPENSES</b>			
Employees benefit expense	18	2,237,735	2,405,594
Depreciation	9	268,775	212,940
Other expenses	19	4,923,535	4,355,425
<b>Total expenses</b>		<b>7,430,045</b>	<b>6,973,959</b>
<b>Profit before prior period adjustments and tax</b>		<b>3,236,777</b>	<b>2,932,989</b>
Less: Prior period adjustments		(8,956)	(28,294)
<b>Profit before tax</b>		<b>3,227,821</b>	<b>2,904,695</b>
(Less)/add: Tax expense			
Current tax		(1,123,419)	(996,340)
Deferred tax		(25,957)	23,111
<b>Profit after tax</b>		<b>2,078,445</b>	<b>1,931,467</b>
Earnings per equity share - Basic and Diluted	20	0.06	0.05
[Face value per equity share is Re. 1 (Re. 1)]			

### ACCOUNTING POLICIES

1

### NOTES

2-29

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

As per our report of even date.

B. Bhushan & Co.  
Chartered Accountants  
Firm Registration No. 001596N  
By the hand of

Sd/-  
Rajiv Jaiswal  
Managing Director

Sd/-  
Kamal Ahluwalia  
Partner  
Membership No. 093812  
April 12, 2013  
New Delhi.

Sd/-  
Sajeve Deora  
Director

Sd/-  
Ashish Wadhwa  
Company secretary

# INTEGRATED CAPITAL SERVICES LIMITED



## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Year ended March 31, 2013 Rs.	Year ended March 31, 2012 Rs.
<b>A. Net profit before tax</b>	3,227,821	2,904,695
Adjustments for		
Depreciation	268,775	212,940
Exchange rate fluctuation	-	(24,676)
Excess provision of gratuity written back of earlier years	159,590	-
Interest receipts	(91,951)	(3,070,989)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	3,564,236	21,970
(Increase)/decrease in trade receivables	(1,608,338)	(745,673)
(Increase)/decrease in short term loans and advances	550,000	(550,000)
(Increase)/decrease in other current assets	(127,294)	347,872
Increase/(decrease) in long term provisions	(109,787)	60,000
Increase/(decrease) in trade payables	(107,816)	(802,297)
Increase/(decrease) in other current liabilities	472,576	(3,004,250)
Increase/(decrease) in short term provisions	-	(280,307)
<b>CASH GENERATED FROM OPERATIONS</b>	2,633,577	(4,952,685)
Less: Income tax paid	(902,475)	(990,353)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	1,731,102	(5,943,038)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	(1,246,276)	(129,460)
(Increase)/decrease in long term loans and advances	(99)	37,791,905
Increase on investments	(761,304)	(92,800,000)
Interest receipts	91,951	3,953,253
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	(1,915,728)	(51,184,302)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Issuance of share capital	-	60,000,000
Share application money refunded	-	(1,150,000)
Expenses related to issue of shares	-	(440,600)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	-	58,409,400
<b>INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(184,627)	1,282,060
<b>OPENING CASH AND CASH EQUIVALENTS</b>	1,433,348	151,287
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	1,248,722	1,433,348

### Auditors Report

We have examined the Cash Flow Statement of Integrated Capital Services Limited for the year ended March 31, 2013. The statement prepared by the Company is in accordance with the requirement of Clause 32 of the Listing Agreement with the Stock Exchanges and is based on and in agreement with the corresponding Statement of Profit and Loss and Balance Sheet covered by our Report to the members of the Company in terms of our attached Report as of even date.

B. Bhushan & Co.  
Chartered Accountants  
Firm Registration No. 001596N  
By the hand of  
Sd/-  
Kamal Ahluwalia  
Partner  
Membership No. 093812  
April 12, 2013  
New Delhi

Sd/-  
Rajiv Jaiswal  
Managing Director

Sd/-  
Sajeve Deora  
Director

Sd/-  
Ashish Wadhwa  
.Company Secretary

Notes to the financial statements as at March 31, 2013

## **1 ACCOUNTING POLICIES**

### **a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as notified by the Companies (Accounting Standards) Rules, 2006, the provisions of Companies Act, 1956, and guidelines issued by the Securities Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### **b) USE OF ESTIMATES**

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the reporting period. Although these estimates are based on the managements' best knowledge of current events and actions that the Company may undertake in future, the actual results could differ from those estimates. Any material changes in estimates are adjusted prospectively.

### **c) FIXED ASSETS - TANGIBLE**

Fixed assets are stated at cost and other incidental expenses, less accumulated depreciation and impairment losses. The cost comprises purchase price and any attributable cost incurred in bringing the asset to its working condition for its intended use.

An item of fixed assets is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the fixed asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the financial statements in the year the asset is de-recognised.

### **d) IMPAIRMENT OF ASSETS**

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, the recoverable value of assets is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount, the latter being greater of net selling price and value in use.

### **e) DEPRECIATION**

Depreciation on fixed assets is charged on the straight line method at rates as specified in Schedule XIV of the Companies Act, 1956. Depreciation on the acquisition/purchase of assets during the year has been provided on pro-rata basis according to the period each asset was put to use during the year.

In respect of an asset for which impairment loss is recognised, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

### **f) INVESTMENTS**

Trade investments are the investments made to enhance the Company's business interests. Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investments and are stated at cost and provision is made when there is a decline, other than temporary, in the value thereof. Investments other long term investments, being current investments, are stated at cost or fair value, whichever is lower.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

### **g) RECOGNITION OF REVENUE AND EXPENDITURE**

Income and expenditure are accounted on accrual basis.

Interest income is recognised on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

Dividend on shares earned are accounted in the year of receipt.

**h) FOREIGN CURRENCY TRANSLATIONS AND TRANSACTIONS**

Revenue and expenditure items, current assets, current liabilities, if any, appearing/outstanding at the year end, are converted into equivalent Indian Rupees at the exchange rate prevailing at the year end except in cases where actual amount has been ascertained by the time of finalization of accounts.

Transactions in foreign currencies are accounted at the exchange rate prevailing at the time of transaction. Foreign currency monetary assets and liabilities are translated at year end exchange rates. Exchange difference arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

**i) TAXES ON INCOME**

Provision for current income tax is made as per the provisions of the Income tax Act, 1961.

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

**j) EARNINGS PER SHARES**

The Company reports basic and diluted per equity share in accordance with Accounting Standard (AS) 20, "Earnings per Share" issued by the Institute of Chartered Accountants of India. Basic earnings per equity share is computed by dividing net income by the weighted average number of equity shares outstanding for the year. Diluted earning per equity share is computed by dividing net income by the weighted average number of equity shares outstanding including shares pending allotment.

**k) CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

**l) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, and short term investments with an original maturity period of three months or less.

**m) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provision involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

**n) RETIREMENT BENEFITS**

In accordance with the Accounting Standard -15 on "Employee Benefits", the Company provides for gratuity covering eligible employees on the basis of actuarial valuation as carried out by an Actuary. The liability is unfunded.

Liability in respect of leave encashment is accounted for at the time of termination of service.

**o) SHARE ISSUE EXPENSES**

Expenditure incurred in connection with and connected with issue of shares is amortised against premium received on issue of shares.



# INTEGRATED CAPITAL SERVICES LIMITED

## Notes to the Financial Statement as at March 31, 2013

	March 31, 2013 Rs.	March 31, 2012 Rs.
<b>2 SHARE CAPITAL</b>		
Authorised		
4,00,00,000 (4,00,00,000 ) equity shares of Re. 1 (Re. 1) each	40,000,000	40,000,000
6,00,000 (6,00,000) 7% cumulative non convertible redeemable preference shares of Rs. 100 (100) each	60,000,000	60,000,000
	<u>100,000,000</u>	<u>100,000,000</u>
Issued, subscribed, and paid up		
3,61,50,000 (3,61,50,000) equity shares of Re. 1 (Re. 1) each fully paid up	36,150,000	36,150,000
6,00,000 (6,00,000) 7% cumulative non-convertible redeemable preference shares (CNCRPS) of Rs. 100 (100) each fully paid up	60,000,000	60,000,000
	<u>96,150,000</u>	<u>96,150,000</u>

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Particulars	March 31, 2013		March 31, 2012	
	Nos.	Rs.	Nos.	Rs.
<b>Equity shares</b>				
Outstanding at the beginning of the year	36,150,000	36,150,000	35,550,000	35,550,000
Issued during the year	-	-	600,000	600,000
Outstanding at the end of the year	36,150,000	36,150,000	36,150,000	36,150,000
<b>CNCRPS</b>				
Outstanding at the beginning of the year	600,000	60,000,000	-	-
Issued during the year	-	-	600,000	60,000,000
Outstanding at the end of the year	600,000	60,000,000	600,000	60,000,000

### b) Terms/rights attached to equity share

The Company has only one class of equity share having a par value of Re. 1 per share. Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### c) Terms of redemption of CNCRPS

The Company has one class of CNCRPS carrying cumulative dividend of 7% per annum. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting. Each holder of CNCRPS is entitled to one vote per share only on resolutions placed before the Company which directly affect the rights attached to CNCRPS.

The CNCRPS are redeemable in one or more tranches at the option of the Company within a period of 7 years from the date of allotment. However, the preference shareholder shall subject to notice of 90 days be entitled to put part or whole of the shares for redemption during the lock-in-period of 2 years from the date of issue of said shares and in the event of exercise of put option by the shareholders, no dividend shall be payable.

### d) Number of equity shares held by holding company

2,50,41,000 (2,50,41,000) equity shares being 69.27% (69.27%) of total equity shares of the Company are held by Deora Associates Pvt. Ltd., the holding company.

### e) Details of shareholders holding more than 5% shares in the Company:

Name of shareholder	March 31, 2013		March 31, 2012	
	Nos.	%	Nos.	%
<b>Equity shares</b>				
a) Deora Associates Pvt. Ltd.	25,041,000	69.27	25,041,000	69.27
b) Ruchi Malhotra	2,370,000	6.56	2,370,000	6.56
<b>CNCRPS</b>				
a) Kalakar Exports Pvt. Ltd.	600,000	100	600,000	100



# INTEGRATED CAPITAL SERVICES LIMITED



	March 31, 2013 Rs.	March 31, 2012 Rs.
<b>3 RESERVES AND SURPLUS</b>		
Securities premium account		
Balance at the beginning of the year	7,525,900	5,566,500
Add: Securities premium credited on share issue	-	2,400,000
Less: Expenses incurred towards issuance of shares	-	440,600
Balance at the end of the year (a)	<u>7,525,900</u>	<u>7,525,900</u>
Surplus in the statement of Profit and Loss		
Balance at the beginning of the year	10,125,386	8,193,919
Add: Net profit for the year	2,078,445	1,931,467
Add: Excess Provision of gratuity written back of earlier years	<u>159,590</u>	<u>-</u>
Balance at the end of the year (b)	<u>12,363,420</u>	<u>10,125,386</u>
Total Reserves and Surplus (a+b)	<u>19,889,320</u>	<u>17,651,286</u>

	As at April 1, 2012 Rs.	Charged/(credited) to statement of Profit and Loss Rs.	As at March 31, 2013 Rs.
<b>4 DEFERRED TAX LIABILITY (NET)</b>			
Deferred tax liability			
Difference of depreciation as per income tax laws and books of account (a)	196,158	(7,968)	188,190
Deferred tax asset			
Employee benefits (b)	<u>59,112</u>	<u>(33,924)</u>	<u>25,188</u>
Net deferred tax Assets/(liability) (a-b)	<u>137,046</u>	<u>25,957</u>	<u>163,003</u>

In accordance with the provisions of the Accounting Standard-22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has recognised deferred tax liability of Rs. 1,88,190 (Rs. 1,96,158) and deferred tax asset of Rs. 25,188 (Rs. 59,112) as at March 31, 2013.

The net deferred tax (liability)/asset amounting to (Rs. 25,957) [Rs. 23,111] for the year has been adjusted from the Statement of Profit and Loss.

## 5 LONG TERM PROVISIONS

Provision for employee benefits

Gratuity (unfunded) 81,513 191,300

i) In accordance with the Accounting Standard 15 (Revised) (AS-15) on "Employee Benefits" issued by the Institute of Chartered Accountants of India, the Company has recognised its liability towards gratuity of Rs. 81,513 (Rs. 1,91,300).

ii) The fair value of plan assets is Nil since employee benefit plans are wholly unfunded as on March 31, 2013.

## 6 TRADE PAYABLES

For services - 107,816

The Company has no amounts payable to micro, small and medium enterprises as defined in section 7(1) of the Micro, Small and Medium Enterprises Development Act, 2006, to the extent such parties have been identified from the available information.

	March 31, 2013 Rs.	March 31, 2012 Rs.
<b>7 OTHER CURRENT LIABILITIES</b>		
Advance for which value has to be given	-	109,829
Others		
Expenses payable	765,926	332,128
Duties and taxes	80,269	88,099
Book overdraft	<u>156,437</u>	<u>-</u>
	<u>1,002,633</u>	<u>530,056</u>

								March 31, 2013	March 31, 2012	
								Rs.	Rs.	
8	<b>SHORT TERM PROVISIONS</b>									
	Provision for income tax (Net off advance income tax)						218,357		-	
9	<b>TANGIBLE ASSETS</b>									
Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2012 Rs.	Additions during the year Rs.	Sales during the year Rs.	As at March 31, 2013 Rs.	Upto March 31, 2012 Rs.	For the year Rs.	Depreciation written back Rs.	Upto March 31, 2013 Rs.	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
Furniture and fixtures	100,875	500,000	-	600,875	9,090	30,231	-	39,322	561,553	91,785
Vehicles	692,120	634,641	-	1,326,761	279,759	84,747	-	364,506	962,255	412,361
Office equipments	330,824	73,425	-	404,249	73,878	18,978	-	92,857	311,392	256,946
Computers	810,872	38,210	-	849,082	390,431	134,819	-	525,250	323,832	420,441
Books	100,711	-	-	100,711	100,711	-	-	100,711	-	-
Total	2,035,402	1,246,276	-	3,281,678	853,869	268,776	-	1,122,645	2,159,033	1,181,533
Previous year	1,905,942	129,460	-	2,035,402	640,929	212,940	-	853,869	1,181,533	1,265,013

**10 NON CURRENT INVESTMENTS**
**Trade investments (valued at cost unless otherwise stated)**
**Unquoted equity instruments**
**In subsidiaries**

RAAS e Solutions Private Limited

84,000 (84,000) equity shares of Rs. 10 (Rs. 10) each fully paid up 84,000 84,000

Green Infra Profiles Private Limited

10,000 (10,000) equity shares of Rs. 10 (Rs. 10) each fully paid up 100,000 100,000

**In associates**

Greenway Advisors Private Limited

10,000 (10,000) equity shares of Rs. 10 (Rs. 10) each fully paid up 100,000 100,000

Sunlinks Limited

2,500 (2,500) equity shares of 1 GBP (1 GBP) each fully paid up 205,802 204,498

**Other investments (valued at cost unless otherwise stated)**
**Unquoted equity instruments**
**In associates**

KW Publishers Private Limited

1,000,000 (24,000) equity shares of Rs. 10 (Rs. 10) each fully paid up 1,000,000 240,000

**In others**

ACE Derivative &amp; Commodity Exchange Limited

4,64,00,000 (4,64,00,000) equity shares of Rs. 10 (Rs. 10) each fully paid up 92,800,000 92,800,000

**Aggregated value of unquoted equity investment**

92,289,802 93,528,498

**11 LONG TERM LOANS AND ADVANCES**
**Unsecured, considered good**
**Loans and advances to related parties**

Subsidiaries

6,850,000 6,850,000

Associates

10,240,567 10,240,468

Security deposits

60,000 60,000

17,150,567 17,150,468

**Disclosure in respect of Loans and Advances in the nature of loans pursuant to clause 32 of the Listing Agreement:**

- Loan of Rs. 68,50,000 (Rs. 68,50,000) is recoverable from subsidiary company, Green Infra Profiles Pvt. Ltd. The maximum amount outstanding during the year was Rs. 68,50,000 (Rs. 1,44,20,508).
  - Loan of Rs. 1,02,25,000 (Rs. 1,02,25,000) is recoverable from an associate company, Greenway Advisors Pvt. Ltd. The maximum amount outstanding during the year was Rs. 1,02,25,000 (Rs. 1,04,50,000).
  - Advance of Rs. 15,567 (Rs. 15,468) is recoverable from an associate company, Sunlinks Limited. The maximum amount outstanding during the year was Rs. 17,181 (Rs. 15,468).
- No loans have been given (other than loans to employees), wherein there is no repayment schedule or repayment is beyond seven years; and
- No investment has been made by the loanee in the shares of parent company.

# INTEGRATED CAPITAL SERVICES LIMITED



	March 31, 2013 Rs.	March 31, 2012 Rs.
<b>12 TRADE RECEIVABLES</b>		
Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they became due for payment	77,055	248,175
Outstanding for a period less than 6 months from the date they became due for payment	2,356,891	577,433
	<u>2,433,946</u>	<u>825,608</u>
<b>13 CASH AND BANK BALANCES</b>		
Cash and cash equivalents		
Balances with banks		
On current accounts	54,160	179,147
Deposits with maturity of less than 3 months	862,762	1,208,231
Foreign currency in hand	-	39,170
Cash on hand	331,800	6,800
	<u>1,248,722</u>	<u>1,433,348</u>
a) Balances with banks on current accounts are non-interest bearing		
b) Short term deposits are made for varying periods ranging from one day to three months depending on the immediate requirements of the Company, and earn fixed interest at the respective short-term deposit rates.		
<b>14 SHORT TERM LOANS AND ADVANCES</b>		
Unsecured, considered good		
Loans and advances		
Others	-	550,000
	<u>-</u>	<u>550,000</u>
<b>15 OTHER CURRENT ASSETS</b>		
Interest accrued but not due	3,863	7,078
Advance income tax (net off provision for income tax)	-	2,586
Others		
Prepaid expenses	02,518	33,269
Expenses recoverable	116,376	55,115
	<u>222,757</u>	<u>98,049</u>
<b>16 REVENUE FROM OPERATIONS</b>		
Consulting and advisory	<u>10,351,615</u>	<u>6,635,142</u>
	<u>10,351,615</u>	<u>6,635,142</u>
<b>17 OTHER INCOME</b>		
Interest income		
On fixed deposits	91,951	44,325
On others	-	3,026,664
Amounts written back	33,256	175,907
Gain on exchange fluctuation	-	21,306
Insurance claim receipts	190,000	-
Micellaneous receipts	-	3,605
	<u>315,207</u>	<u>3,271,806</u>
<b>18 EMPLOYEES BENEFIT EXPENSES</b>		
Salaries, wages and bonus	2,146,113	2,306,543
Gratuity	49,803	60,000
Staff welfare	41,819	39,051
	<u>2,237,735</u>	<u>2,405,594</u>

	March 31, 2013 Rs.	March 31, 2012 Rs.
<b>19 OTHER EXPENSES</b>		
Professional fees	1,409,384	1,697,028
Travelling and conveyance	1,362,927	534,680
Advertisement and promotion	514,342	457,473
Rent	240,000	240,000
Communication	224,976	214,377
Payment to auditors		
As audit fees	200,000	200,000
Repairs and maintenance		
Vehicles	260,926	239,861
Office	138,428	165,747
Computers	12,577	22,549
Others	6,905	-
Printing and stationery	109,137	126,300
Training expenses	62,364	5,000
Electricity	99,250	95,533
Filing fees	85,312	70,002
Meetings and conference	42,670	-
Miscellaneous	154,336	286,876
	<b>4,923,535</b>	<b>4,355,425</b>

**20 EARNINGS PER SHARE**

EPS is calculated by dividing the profit after tax attributable to the equity shareholders by the weighted average of the number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

	March 31, 2013 Rs.	March 31, 2012 Rs.
a) Net profit available for equity shareholders	2,078,445	1,931,467
b) Weighted average number of equity shares outstanding for calculation of		
- Basic and diluted earnings per share	36,150,000	35,610,822
c) Nominal value	1	1
d) Earning per share (a)/(b)		
- Basic and diluted	0.06	0.05

21 The Company had initiated arbitration proceedings against its clients in accordance with the rules and regulations of the National Stock Exchange of India Limited in respect of trades conducted by the Company for such clients at trading counter of the aforesaid stock exchange. The learned Arbitrators issued awards short of the claimed amounts by Rs. 22.10 lacs (Rs.22.10 lacs) (excluding interest demanded by the Company). The Company's appeals are pending before the Courts.

22 As per Accounting Standard -21 on "Consolidated Financial Statement" and Accounting Standard -23 on "Accounting for Investments in Associates in Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India, the Company has presented consolidated financial statements separately.

23 The Company deals only in one segment, Consulting and Advisory Services, hence, no separate information for segment-wise disclosure is required under Accounting Standard - 17 "Segment Reporting", issued by the Institute of Chartered Accountants of India.

**24 Additional information pursuant to provisions of Para 5 (viii) of Part II of Schedule VI of the Companies Act, 1956:**

Particulars	March 31, 2013 Rs.	March 31, 2012 Rs.
a) Earnings in foreign exchange		
Consultancy and Advisory	-	-
b) Expenditure in foreign exchange		
Travelling	331,641	183,751
Business promotion	28,380	47,462
Membership fees	-	78,705
Books	6,411	-
Gifts	3,846	-

**25 Related Party Disclosures:**

Pursuant to Accounting Standard (AS18) - "Related Party Disclosure" issued by Institute of Chartered Accountants of India following parties are to be treated as related parties:

# INTEGRATED CAPITAL SERVICES LIMITED



## a) Name of related parties and description of relationship

### Holding company

Deora Associates Pvt. Ltd.

### Subsidiary companies

RAAS e Solutions Pvt. Ltd.

Green Infra Profiles Pvt. Ltd.

### Associate companies

KW Publishers Pvt. Ltd.

Sun Links Ltd.

Greenway Advisors Pvt. Ltd.

### Key management personnel

B. B. Deora

Chairman & Director

Sajeve Deora

Director

Arun Deora

Director

Ambarish Chatterjee

Director

Suresh Chander Kapur

Director

Sandeep Chandra

Director

Rajiv Jaiswal\*

Managing Director

Harinder Kumar Chadha#

Director

\* Appointed on April 13, 2012

# Held office upto April 12, 2012

Note: The above parties have been identified by the management

## b) Transactions with related parties during the year

Nature of transactions	Related party	For the year ended March 31, 2013 Rs.	For the year ended March 31, 2012 Rs.
Investments	KW Publishers Pvt. Ltd.	760,000	-
Purchase of books	KW Publishers Pvt. Ltd.	61,769	92,934
Loan repaid by subsidiary	Green Infra Profiles Pvt. Ltd.	-	14,370,508
Loan given to subsidiary	Green Infra Profiles Pvt. Ltd.	-	6,800,000
Reimbursement of expenses	Green Infra Profiles Pvt. Ltd.	-	408
Loan repaid by an associate company	Greenway Advisors Pvt. Ltd.	-	225,000
Reimbursement of expenses	Greenway Advisors Pvt. Ltd.	-	612
Reimbursement of expenses	RAAS e Solutions Pvt. Ltd.	510	306
Share application money paid back	Ambarish Chatterjee	-	1,150,000
Reimbursement of expenses	Ambarish Chatterjee	2,040	219,406
Reimbursement of expenses	KW Publishers Pvt. Ltd.	-	306
Reimbursement of expenses	Sajeve Deora	27,159	-
Expenses incurred on behalf	Sun Links Limited	-	1,144

## c) Balance outstanding as at March 31, 2013

Account head	Related party	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
Investments	RAAS e Solutions Pvt. Ltd.	84,000	84,000
Investments	Green Infra Profiles Pvt. Ltd.	100,000	100,000
Investments	KW Publishers Pvt. Ltd.	1,000,000	240,000
Investments	Greenway Advisors Pvt. Ltd.	100,000	100,000
Investments	Sun Links Limited	205,802	204,498
Long term loans and advances	Green Infra Profiles Pvt. Ltd.	6,850,000	6,850,000
Long term loans and advances	Greenway Advisors Pvt. Ltd.	10,225,000	10,225,000
Long term loans and advances	Sun Links Limited	15,567	15,468
Other current liabilities	KW Publishers Pvt. Ltd.	1,254	-

26 A notice under section 148 of Income tax Act, 1961, dated March 26, 2013, was received on April 1, 2013 from Income tax Department, New Delhi, for re-assessment of the income of the Company for the assessment year 2006-07. The said notice does not state any reason for which the assessment has been reopened.

27 In the opinion of the Board, the assets, other than fixed assets and non-current investments, do have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

28 Figures and words in brackets pertain to previous year unless otherwise specified.

29 Figures have been rounded off to the nearest Rupee.

30 Figures of the previous year have been regrouped/recast, wherever necessary, to confirm to current years presentation.

Signatures to the above accompanying notes are an integral part of the financial statements.

New Delhi.  
April 12, 2013

Sd/-  
Rajiv Jaiswal  
Managing Director

Sd/-  
Sajeve Deora  
Director

Sd/-  
Ashish Wadhwa  
Company Secretary



CONSOLIDATED INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Integrated Capital Services Limited

We have audited the accompanying consolidated financial statements of Integrated Capital Services Limited ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2013, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

**Other Matter**

We did not audit the financial statements of subsidiaries, whose financial statements reflect total assets (net) of Rs. 1,88,18,872 as at March 31, 2013, total revenues of Rs. 46,26,823 and net cash outflows amounting to Rs. 15,41,500 for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

117, New Delhi House  
27, Barakhamba Road  
New Delhi – 110001.

April 12, 2013

B.Bhushan & Co.  
Chartered Accountants  
Firm Regn. No. 001596N  
By the hand of  
Sd/-  
Kamal Ahluwalia  
Partner  
Membership no. 093812

# INTEGRATED CAPITAL SERVICES LIMITED



## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

		March 31, 2013 Rs.	March 31, 2012 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' fund</b>			
Share capital	2	96,150,000	96,150,000
Reserves and surplus	3	25,676,936	21,826,158
		<u>121,826,936</u>	<u>117,976,158</u>
<b>Non-current liabilities</b>			
Deferred tax liability (Net)	4	238,306	266,648
Long term provisions	5	168,013	257,800
		<u>406,319</u>	<u>524,448</u>
<b>Current liabilities</b>			
Trade payables	6	-	107,816
Other current liabilities	7	8,275,207	7,585,037
Short term provisions	8	218,357	-
		<u>8,493,564</u>	<u>7,692,853</u>
		<u>130,726,819</u>	<u>126,193,459</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	9	16,832,965	16,254,825
Non-current investments	10	95,107,744	94,274,050
Long term loans and advances	11	10,308,067	10,307,968
Other non-current assets	12	1,152	2,304
		<u>122,249,928</u>	<u>120,839,147</u>
<b>Current assets</b>			
Trade receivables	13	3,469,021	1,435,541
Cash and bank balances	14	4,555,904	3,199,029
Short term loans and advances	15	-	550,000
Other current assets	16	451,966	169,741
		<u>8,476,891</u>	<u>5,354,311</u>
		<u>130,726,819</u>	<u>126,193,459</u>

### ACCOUNTING POLICIES

1

### NOTES

2 - 30

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

B. Bhushan & Co.  
Chartered Accountants  
Firm Registration No. 001596N  
By the hand of

Sd/-  
Kamal Ahluwalia  
Partner  
Membership No. 093812

Sd/-  
Rajiv Jaiswal  
Managing Director

Sd/-  
Sajeve Deora  
Director

Sd/-  
Ashish Wadhwa  
Company Secretary

April 12, 2013  
New Delhi.



## INTEGRATED CAPITAL SERVICES LIMITED

### STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

	Notes	March 31, 2013 Rs.	March 31, 2012 Rs.
<b>INCOME</b>			
Revenue from operations	17	14,868,308	10,831,052
Other income	18	513,490	3,332,646
<b>Total income</b>		<b>15,381,798</b>	<b>14,163,698</b>
<b>EXPENSES</b>			
Employees benefit expenses	19	2,626,824	3,016,042
Depreciation	9	668,136	1,072,200
Other expenses	20	6,829,910	6,170,511
<b>Total expenses</b>		<b>10,124,870</b>	<b>10,258,752</b>
<b>Profit before prior period adjustments and tax</b>		5,256,928	3,904,945
Less: Prior period adjustments		(10,076)	(28,294)
<b>Profit before tax</b>		5,246,852	3,876,651
(Less)/Add: Tax expense			
Current tax		(1,584,007)	(1,326,052)
Deferred tax		28,343	19,187
<b>Profit after tax</b>		<b>3,691,188</b>	<b>2,569,787</b>
<b>Earnings per equity share - Basic and Diluted</b>	21	0.10	0.07
[Face value per equity share is Re. 1 (Re. 1)]			
<b>ACCOUNTING POLICIES</b>	1		
<b>NOTES</b>	2 - 30		

The accompanying notes are an integral part of the consolidated financial statements.  
As per our report of even date.

B. Bhushan & Co.  
Chartered Accountants  
Firm Registration No. 001596N  
By the hand of

Sd/-  
Kamal Ahluwalia  
Partner  
Membership No. 093812

Sd/-  
Rajiv Jaiswal  
Managing Director

Sd/-  
Sajeve Deora  
Director

Sd/-  
Ashish Wadhwa  
Company Secretary

April 12, 2013  
New Delhi.



# INTEGRATED CAPITAL SERVICES LIMITED



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Year ended March 31, 2013 Rs.	Year ended March 31, 2012 Rs.
<b>A. Net profit before tax</b>	5,246,852	3,876,651
Adjustments for		
Depreciation	668,136	1,072,200
Exchange rate fluctuation	(960)	(24,676)
Share of profit in associates	(72,389)	107,035
Excess provision of gratuity written back of earlier years	159,590	-
Adjustment of miscellaneous expenditure	1,152	1,152
Interest receipts	(194,002)	(3,106,595)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	5,808,378	1,925,768
(Increase)/decrease in trade receivables	(2,033,480)	(827,383)
(Increase)/decrease in short term loans and advances	550,000	(550,000)
(Increase)/decrease in other current assets	(282,225)	686,078
Increase/(decrease) in long term provisions	(89,787)	80,000
Increase/(decrease) in trade payables	(107,816)	(802,297)
Increase/(decrease) in other current liabilities	690,171	(3,141,148)
Increase/(decrease) in short term provisions	218,357	(280,307)
<b>CASH GENERATED FROM OPERATIONS</b>	4,753,598	(2,909,289)
Less: Income tax paid	(1,584,007)	(1,337,262)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	3,169,591	(4,246,551)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	(1,246,276)	(283,830)
Decrease in long term loans and advances	(99)	30,221,397
Advance received against property	-	7,000,000
Increase on investments	(760,344)	(92,800,000)
Interest receipts	194,002	3,988,858
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	(1,812,717)	(51,873,575)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Issuance of share capital	-	60,000,000
Share application money received	-	-
Share application money refunded	-	(1,150,000)
Expenses related to issue of shares	-	(440,600)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	-	58,409,400
<b>INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,356,873	2,289,274
<b>OPENING CASH AND CASH EQUIVALENTS</b>	3,199,029	909,755
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	4,555,904	3,199,029

### Auditors Report

We have examined the Consolidated Cash Flow Statement of Integrated Capital Services Limited for the year ended March 31, 2013. The statement prepared by the Company is in accordance with the requirement of Clause 32 of the Listing Agreement with the Stock Exchanges and is based on and in agreement with the corresponding Statement of Profit and Loss and Balance Sheet covered by our Report to the members of the Company in terms of our attached Report as of even date.

B. Bhushan & Co.  
Chartered Accountants  
Firm Registration No. 001596N  
By the hand of  
Sd/-  
Kamal Ahluwalia  
Partner  
Membership No. 093812  
April 12, 2013  
New Delhi

Sd/-  
Rajiv Jaiswal  
Managing Director  
  
Sd/-  
Sajeve Deora  
Director  
  
Sd/-  
Ashish Wadhwa  
Company Secretary

## **1. ACCOUNTING POLICIES**

### **a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of Integrated Capital Services Limited and its subsidiary companies (the Group) are prepared in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as notified by the Companies (Accounting Standards) Rules, 2006, the provisions of Companies Act, 1956 and guidelines issued by the Securities Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### **b) USE OF ESTIMATES**

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the reporting period. Although these estimates are based on the managements' best knowledge of current events and actions that the Company may undertake in future, the actual results could differ from those estimates. Any material changes in estimates are adjusted prospectively.

### **c) PRINCIPLES OF CONSOLIDATION**

The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as of the Company.

The consolidated financial statements have been prepared on the following basis:

- The consolidated financial statements have been prepared in accordance with Accounting Standard-21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India, to the extent possible in the same format as that adopted by the parent Company for its separate financial statements by regrouping, recasting or rearranging figures wherever considered necessary.
- The consolidation of the financial statements of the parent Company and its subsidiaries is done to the extent possible on line-by-line basis by adding together like items of assets, liabilities, income and expenses. Inter-company balances, transactions and unrealized profits or losses have been fully eliminated in the process of consolidation.
- The excess of cost to the Company of its investment in the subsidiary over its share of the equity of the subsidiary, at the date on which the investment in the subsidiary was made, is recognised as 'Goodwill' being an asset in the Consolidated Financial Statements.
- Goodwill arising on consolidation is fully amortised in the year of arising of the same.
- The audited financial statements of associates are used in the consolidation, if available, otherwise unaudited financial statements are used. Financial statements of all associate companies have been consolidated based on equity method as per Accounting Standard-23 "Accounting for Investments in Associates in Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

### **d) FIXED ASSETS - TANGIBLE**

Fixed assets are stated at cost and other incidental expenses, less accumulated depreciation and impairment losses. The cost comprises purchase price and any attributable cost incurred in bringing the asset to its working condition for its intended use.

An item of fixed assets is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the fixed asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the financial statements in the year the asset is de-recognised.

### **e) IMPAIRMENT OF ASSETS**

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, the recoverable value of assets is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount, the latter being greater of net selling price and value in use.

**f) DEPRECIATION**

Depreciation on fixed assets is charged on the straight line method at rates as specified in Schedule XIV of the Companies Act, 1956. Depreciation on the acquisition/purchase of assets during the year has been provided on pro-rata basis according to the period each asset was put to use during the year.

In respect of an asset for which impairment loss is recognised, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

**g) INVESTMENTS**

Trade investments are the investments made to enhance the Company's business interests. Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investments and are stated at cost and provision is made when there is a decline, other than temporary, in the value thereof. Investments other long term investments, being current investments, are stated at cost or fair value, whichever is lower.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

**h) RECOGNITION OF REVENUE AND EXPENDITURE**

Income and expenditure are accounted on accrual basis.

Interest income is recognised on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

Dividend on shares earned are accounted in the year of receipt.

**i) FOREIGN CURRENCY TRANSLATIONS AND TRANSACTIONS**

Revenue and expenditure items, current assets, current liabilities, if any, appearing/outstanding at the year end, are converted into equivalent Indian Rupees at the exchange rate prevailing at the year end except in cases where actual amount has been ascertained by the time of finalization of accounts.

Transactions in foreign currencies are accounted at the exchange rate prevailing at the time of transaction. Foreign currency monetary assets and liabilities are translated at year end exchange rates. Exchange difference arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

**j) TAXES ON INCOME**

Provision for current income tax is made as per the provisions of the Income tax Act, 1961.

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

**k) EARNINGS PER SHARES**

The Company reports basic and diluted per equity share in accordance with Accounting Standard (AS) 20, "Earnings per Share" issued by the Institute of Chartered Accountants of India. Basic earnings per equity share is computed by dividing net income by the weighted average number of equity shares outstanding for the year. Diluted earning per equity share is computed by dividing net income by the weighted average number of equity shares outstanding including shares pending allotment.

**l) CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

**m) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, and short term investments with an original maturity period of three months or less.

**n) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provision involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

**o) RETIREMENT BENEFITS**

In accordance with the Accounting Standard -15 on "Employee Benefits", the Company provides for gratuity covering eligible employees on the basis of actuarial valuation as carried out by an Actuary. The liability is unfunded. Liability in respect of leave encashment is accounted for at the time of termination of service.

**p) SHARE ISSUE EXPENSES**

Expenditure incurred in connection with and connected with issue of shares is amortised against premium received on issue of shares.

**q) MISCELLANEOUS EXPENDITURE**

Miscellaneous expenditure is amortised over a period of 5 years.

	March 31, 2013 Rs.	March 31, 2012 Rs.
<b>2 SHARE CAPITAL</b>		
Authorised		
4,00,00,000(4,00,00,000 ) equity shares of Re. 1 (Re. 1) each	40,000,000	40,000,000
6,00,000 (6,00,000) 7% cumulative non-convertible redeemable preference shares of Rs. 100 (100) each	60,000,000	60,000,000
	<u>100,000,000</u>	<u>100,000,000</u>
Issued, subscribed, and paid up		
3,61,50,000 (3,61,50,000) equity shares of Re. 1 (Re. 1) each fully paid up	36,150,000	36,150,000
6,00,000 (6,00,000) 7% cumulative non-convertible redeemable preference shares (CNCRPS) of Rs. 100 (Rs. 100) each fully paid up	60,000,000	60,000,000
	<u>96,150,000</u>	<u>96,150,000</u>

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:**

Particulars	March 31, 2013		March 31, 2012	
	Nos.	Rs.	Nos.	Rs.
<b>Equity shares</b>				
Outstanding at the beginning of the year	36,150,000	36,150,000	35,550,000	35,550,000
Issued during the year	-	-	600,000	600,000
Outstanding at the end of the year	36,150,000	36,150,000	36,150,000	36,150,000
<b>CNCRPS</b>				
Outstanding at the beginning of the year	600,000	60,000,000	-	-
Issued during the year	-	-	600,000	60,000,000
Outstanding at the end of the year	600,000	60,000,000	600,000	60,000,000

**b) Terms/rights attached to equity shares**

The Company has only one class of equity share having a par value of Re. 1 per share. Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Terms of redemption of CNCRPS**

The Company has one class of CNCRPS carrying cumulative dividend of 7% per annum. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting. Each holder of CNCRPS is entitled to one vote per share only on resolutions placed before the Company which directly affect the rights attached to CNCRPS.

The CNCRPS are redeemable in one or more tranches at the option of the Company within a period of 7 years from the date of allotment. However, the preference shareholder shall subject to notice of 90 days be entitled to put part or whole of the shares for redemption during the lock-in-period of 2 years from the date of issue of said shares and in the event of exercise of put option by the shareholders, no dividend shall be payable.

## INTEGRATED CAPITAL SERVICES LIMITED



- d) Number of equity shares held by holding company  
2,50,41,000 (2,50,41,000) equity shares being 69.27% (69.27%) of total equity shares of the Company are held by Deora Associates Pvt. Ltd., the holding company.
- e) Details of shareholders holding more than 5% shares in the Company:

Name of shareholder	March 31, 2013		March 31, 2012	
	Nos.	%	Nos.	%
<b>Equity shares</b>				
a) Deora Associates Pvt. Ltd.	25,041,000	69.27	25,041,000	69.27
b) Ruchi Malhotra	2,370,000	6.56	2,370,000	6.56
<b>CNCRPS</b>				
a) Kalakar Exports Pvt. Ltd.	600,000	100	600,000	100
<b>3 RESERVES AND SURPLUS</b>				
Securities premium account				
Balance at the beginning of the year			7,525,900	5,566,500
Add: Securities premium credited on share issue			-	2,400,000
Less: Expenses incurred towards issuance of shares			-	440,600
Balance at the end of the year		(a)	7,525,900	7,525,900
Surplus in the Statement of Profit and Loss				
Balance at the beginning of the year			14,300,258	11,730,471
Add: Net profit for the year			3,691,187	2,569,787
Add: Excess Provision of gratuity written back of earlier years			159,590	-
Balance at the end of year		(b)	18,151,035	14,300,258
		(a+b)	25,676,935	21,826,158

## 4 DEFERRED TAX LIABILITY (NET)

Particulars	As at April 1, 2012	Charged/(credited) to Statement of Profit and Loss	As at March 31, 2013
	Rs.	Rs.	Rs.
Deferred tax liability			
Difference of depreciation as per income tax laws and books of account	(a) 356,571	(5,120)	351,451
Deferred tax asset			
Unabsorbed depreciation	(b) 10,262	(50,967)	61,229
Employee benefits	(b) 79,661	27,745	51,916
Net deferred tax asset/(liability);	(a-b) 266,648	(28,343)	238,306

In accordance with the provisions of the Accounting Standard-22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has recognised deferred tax liability of Rs. 3,51,451 (Rs. 3,56,571) and deferred tax asset of Rs. 1,13,145 (Rs. 89,923) as at March 31, 2013.

The deferred tax asset amounting to Rs. 28,343 (Rs. 19,187) for the year has been adjusted from the Statement of Profit and Loss.

## 5 LONG TERM PROVISIONS

Provision for employee benefits

Gratuity (unfunded) 168,013 257,800

- i) In accordance with the Accounting Standard 15 (Revised) (AS-15) on "Employee Benefits" issued by the Institute of Chartered Accountants of India, the Company has recognised its liability towards gratuity of Rs. 1,68,013 (Rs. 2,57,800).
- ii) The fair value of plan assets is Nil since employee benefit plans are wholly unfunded as on March 31, 2013.

	March 31, 2013 Rs.	March 31, 2012 Rs.
<b>6 TRADE PAYABLES</b>		
For services	-	107,816
The Company has no amounts payable to micro, small and medium enterprises as defined in section 7(1) of the Micro, Small and Medium Enterprises Development Act, 2006, to the extent such parties have been identified from the available information.		
<b>7 OTHER CURRENT LIABILITIES</b>		
Advance for which value has to be given	7,000,000	7,109,829
Other payables		
Expenses payable	867,675	382,729
Book overdraft	163,746	-
Duties and taxes	96,562	92,032
Others	147,224	446
	<u>8,275,207</u>	<u>7,585,037</u>
<b>8 SHORT TERM PROVISIONS</b>		
Provision for income tax (net off advance income tax)	218,357	-
<b>9 TANGIBLE ASSETS</b>		

TANGIBLE ASSETS											
Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at April 1, 2012 Rs'	Additions during the year Rs'	Sales during the year Rs'	As at March 31, 2013 Rs'	Upto March 31, 2012 Rs'	For the year Rs'	Adjustment Rs.	Depreciation written back Rs'	Upto March 31, 2013 Rs'	As at March 31, 2013 Rs'	As at March 31, 2012 Rs'
Building	15,916,388	-	-	15,916,388	2,024,107	694,616	(435,177)	-	2,283,544	13,632,844	13,892,281
Furniture and fixtures	369,107	500,000	-	869,107	51,284	47,210	-	-	98,494	770,613	317,823
Vehicles	1,371,257	634,641	-	2,005,898	415,865	149,266	-	-	565,131	1,440,767	955,392
Office equipments	562,468	73,425	-	635,893	106,441	29,981	-	-	136,423	499,470	456,027
Computers	1,103,424	38,210	-	1,141,634	470,121	182,242	-	-	652,363	489,271	633,303
Books	100,711	-	-	100,711	100,711	-	-	-	100,711	-	-
Total	19,423,355	1,246,276	-	20,669,631	3,168,529	1,103,314	(435,177)	-	3,836,666	16,832,965	16,254,826
Previous year	19,139,525	283,830	-	19,423,355	2,096,330	1,072,199	-	-	3,168,529	16,254,826	17,043,195

**10 NON CURRENT INVESTMENTS**

**Trade investments (valued at cost unless otherwise stated)**

Unquoted equity instruments

**In associates**

Greenway Advisors Private Limited

10,000 (10,000) equity shares of Rs. 10 (Rs. 10) each fully paid up 100,000 100,000

Share in Reserves (44,300) (80,452)

Sunlinks Limited

2,500 (2,500) equity shares of 1 GBP (1 GBP) each fully paid up 205,802 204,498

Share in Reserves 33,873 49,636

**Other investments (valued at cost unless otherwise stated)**

Unquoted equity instruments

**In associates**

KW Publishers Private Limited

1,00,000 (24,000) equity shares of Rs. 10 (Rs. 10) each fully paid up 1,000,000 240,000

Share in Reserves 1,012,368 960,368

**In others**

ACE Derivative & Commodity Exchange Limited

4,64,00,000 (4,64,00,000) equity shares of Rs. 10 (Rs. 10) each fully paid up 92,800,000 92,800,000

Aggregate value of unquoted equity investments 95,107,744 94,274,050

**11 LONG TERM LOANS AND ADVANCES**

Unsecured, considered good

Loans and advances to related parties

Associates

10,240,567 10,240,468

Security deposits

67,500 67,500

10,308,067 10,307,968

# INTEGRATED CAPITAL SERVICES LIMITED



Disclosure in respect of Loans and Advances in the nature of loans pursuant to clause 32 of the Listing Agreement:

- a) I) Loan of Rs. 1,02,25,000 (Rs. 1,02,25,000) is recoverable from an associate company, Greenway Advisors Pvt. Ltd. The maximum amount outstanding during the year was Rs. 1,02,25,000 (Rs. 1,04,50,000).
- ii) Advance of Rs. 15,567 (Rs. 15,468) is recoverable from an associate company, Sunlinks Limited. The maximum amount outstanding during the year was Rs. 17,181 (Rs. 15,468).
- b) No loans have been given (other than loans to employees), wherein there is no repayment schedule or repayment is beyond seven years; and
- c) No investment has been made by the loanee in the shares of parent company.

	March 31, 2013 Rs.	March 31, 2012 Rs.
<b>12 OTHER NON-CURRENT ASSETS</b>		
Unamortized preliminary expenses	1,152	2,304
	<u>1,152</u>	<u>2,304</u>
<b>13 TRADE RECEIVABLES</b>		
Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they became due for payment	164,194	363,990
Outstanding for a period less than 6 months from the date they became due for payment	3,304,827	1,071,551
	<u>3,469,021</u>	<u>1,435,541</u>
<b>14 CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents		
Balances with banks		
On current accounts	366,402	1,240,643
Deposits with maturity of less than 3 months	3,525,688	1,897,052
Foreign currency in hand	-	39,170
Cash on hand	663,814	22,164
	<u>4,555,904</u>	<u>3,199,029</u>
a) Balances with banks on current accounts are non-interest bearing.		
b) Short term deposits are made for varying periods ranging from one day to three months depending on the immediate requirements of the Company, and earn fixed interest at the respective short-term deposit rates.		
	March 31, 2013 Rs.	March 31, 2012 Rs.
<b>15 SHORT TERM LOANS AND ADVANCES</b>		
Unsecured, considered good		
Loans and advances		
Others	-	550,000
<b>16 OTHER CURRENT ASSETS</b>		
Advance income tax (net off provision for income tax)	25,170	48,090
Interest accrued but not due	22,404	11,716
Taxes receivables from Government authorities	4,326	4,326
Others		
Prepaid expenses	111,991	44,031
Unbilled revenue	163,168	-
Expenses recoverable	124,907	61,578
	<u>451,966</u>	<u>169,741</u>
<b>17 REVENUE FROM OPERATIONS</b>		
Consulting and advisory	14,868,308	10,831,052
<b>18 OTHER INCOME</b>		
Interest income		
On fixed deposits	194,002	59,564
On others	-	3,047,031

	March 31, 2013 Rs.	March 31, 2012 Rs.
Amounts written back	40,375	191,454
Gain on exchange fluctuation	960	30,992
Share of profit in associate companies	88,153	-
Insurance claim receipts	190,000	-
Miscellaneous receipts	-	3,605
	<u>513,490</u>	<u>3,332,646</u>
<b>19 EMPLOYEES BENEFIT EXPENSES</b>		
Salaries, wages and bonus	2,506,006	2,882,202
Gratuity	69,803	80,000
Staff welfare	51,015	53,840
	<u>2,626,824</u>	<u>3,016,042</u>
<b>20 OTHER EXPENSES</b>		
Professional fees	2,749,059	2,821,526
Travelling and conveyance	1,382,832	595,622
Advertisement and promotion	516,214	457,473
Rent	240,000	240,000
Communication	257,554	282,134
Payment to auditors		
As audit fees	370,000	370,000
Repairs and maintenance		
Vehicles	392,890	381,513
Office	253,438	229,580
Computers	36,282	35,572
Others	6,905	-
Electricity	99,250	95,533
Printing and stationery	111,225	129,022
Filing fees	85,924	70,002
Share of loss in associate company	15,763	107,035
Meetings and conference	42,670	-
Training expenses	66,297	5,000
Miscellaneous	203,608	350,499
	<u>6,829,910</u>	<u>6,170,511</u>

**21 EARNINGS PER SHARE**

EPS is calculated by dividing the profit after tax attributable to the equity shareholders by the weighted average of the number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

	March 31, 2013 Rs.	March 31, 2012 Rs.
a) Net profit available for equity shareholders	3,691,187	2,569,787
b) Weighted average number of equity shares outstanding for calculation of		
- Basic and diluted earnings per share	36,150,000	35,610,822
c) Nominal value of per equity share	1	1
d) Earning per share (a)/(b)		
- Basic and diluted	0.10	0.07

- 22** a) The Consolidated Financial Statements include the accounts of the Integrated Capital Services Ltd. (Holding Company), the subsidiaries and associate companies (as listed below). The subsidiaries have been defined as that entity in which the holding company owns directly or indirectly more than one half of the voting power or otherwise



has power to exercise control over the composition of the Board of Directors of such entities. The financial statements of subsidiaries are consolidated from the date on which effective control is acquired. The associates of the holding company have been defined as that entity which is neither the subsidiary nor the joint venture and meeting the definition criteria as laid down in Accounting Standard-23 on "Accounting for Investments in Associates in Consolidated Financial Statements" issued by Institute of Chartered Accountants of India.

Detail of subsidiaries and associates are as follows:

S.No.	Name of companies	Relationship	Country of incorporation	Percentage of shareholding
i)	RAAS e Solutions Pvt. Ltd.	Subsidiary	India	100%
ii)	Green Infra Profiles Pvt. Ltd.	Subsidiary	India	100%
iii)	Greenway Advisors Pvt. Ltd.	Associate	India	50%
iv)	KW Publishers Pvt. Ltd	Associate	India	40%
v)	Sun Links Limited	Associate	U.K.	50%
b)	The Consolidated Financial Statements are prepared using uniform accounting policies for the transactions and other events in similar circumstances.			
c)	Figures pertaining to the subsidiaries have been classified wherever necessary to bring them in line with the Company's financial statements.			
23	In the opinion of the Board, the assets, other than fixed assets and non-current investments, do have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.			
24	The Company had initiated arbitration proceedings against its clients in accordance with the rules and regulations of the National Stock Exchange of India Limited in respect of trades conducted by the Company for such clients at trading counter of the aforesaid stock exchange. The learned Arbitrators issued awards short of the claimed amounts by Rs. 22.10 lacs (Rs.22.10 lacs) (excluding interest demanded by the Company). The Company's appeals are pending before the Courts.			
25	The holding company deals only in one segment, Consulting and Advisory services, hence, no separate information for segment wise disclosure is required under Accounting Standard - 17 "Segment Reporting", issued by the Institute of Chartered Accountants of India.			
26	Additional information pursuant to provisions of Para 5 (viii) of Part II of Schedule VI of the Companies Act, 1956:			
Particulars	March 31, 2013	March 31, 2012		
	Rs.	Rs.		
a) Earnings in foreign exchange				
Consultancy and Advisory	40,525	569,067		
b) Expenditure in foreign exchange				
Travelling	331,641	183,751		
Business promotion	28,380	47,462		
Membership fees	-	78,705		
Books	6,411	-		
Gifts	3,846	-		

27 Related Party Disclosures:

Pursuant to Accounting Standard (AS18) - "Related Party Disclosure" issued by Institute of Chartered Accountants of India following parties are to be treated as related parties:

a) **Name of related parties and description of relationship**

**Holding Company**

Deora Associates Pvt. Ltd.

**Subsidiary Companies**

RAAS e Solutions Pvt. Ltd.

Green Infra Profiles Pvt. Ltd.

**Associate Companies**

KW Publishers Pvt. Ltd.

Sun Links Ltd.

Greenway Advisors Pvt. Ltd.



## INTEGRATED CAPITAL SERVICES LIMITED

### Key management personnel

B. B. Deora	Chairman & Director
Sajeve Deora	Director
Arun Deora	Director
Ambarish Chatterjee	Director
Suresh Chander Kapur	Director
Sandeep Chandra	Director
Rajiv Jaiswal*	Managing Director
Harinder Kumar Chadha#	Director
Heera Lal Bhasin	Director of associate company

\* Appointed on April 13, 2012

# Held office upto April 12, 2012

Note: The above parties have been identified by the management

### b) Transactions with related parties during the year

Nature of transactions	Related party	For the year ended March 31, 2013 Rs.	For the year ended March 31, 2012 Rs.
Investments	KW Publishers Pvt. Ltd.	760,000	-
Purchase of books	KW Publishers Pvt. Ltd.	61,769	92,934
Reimbursement of expenses	KW Publishers Pvt. Ltd.	918	306
Loan repaid by an associate company	Greenway Advisors Pvt. Ltd.	-	225,000
Reimbursement of expenses	Greenway Advisors Pvt. Ltd.	408	612
Share application money paid back	Ambarish Chatterjee	-	1,150,000
Expenses incurred on behalf of company	Ambarish Chatterjee	2,550	219,406
Reimbursement of expenses	Sun Links Limited	-	1,144
Expenses incurred on behalf of company	Sajeve Deora	27,159	-

### c) Balance outstanding as at March 31, 2013

Account head	Related party	As at March 31, 2012 Rs.	As at March 31, 2012 Rs.
Investments	KW Publishers Pvt. Ltd.	1,000,000	240,000
Investments	Greenway Advisors Pvt. Ltd.	100,000	100,000
Investments	Sun Links Limited	205,802	204,498
Long term loans and advances	Greenway Advisors Pvt. Ltd.	10,225,000	10,225,000
Long term loans and advances	Sun Links Limited	15,567	15,468
Other current liabilities	KW Publishers Pvt. Ltd.	1,254	-
"	Ambarish Chatterjee	204	-

28 Depreciation on fixed assets, of a subsidiary company, is charged on the written down value method at the rates as specified in Schedule XIV of the Companies Act, 1956. Depreciation on abovesaid fixed assets has been adjusted to align with the accounting policy of the holding company of charging depreciation as per straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956. The said adjustment has resulted in decrease in total depreciation in the consolidated financial statements by Rs. 4,35,177.

29 A notice under section 148 of Income tax Act, 1961, dated March 26, 2013, was received on April 1, 2013 from Income tax Department, New Delhi, for re-assessment of the income of the Company for the assessment year 2006-07. The said notice does not state any reasons for which the assessment has been reopened.

30 Figures and words in brackets pertain to previous year unless otherwise specified.

31 Figures have been rounded off to the nearest Rupee.

32 Figures of the previous year have been regrouped/recast, wherever necessary, to confirm to current years presentation.

Signatures to the above accompanying notes are an integral part of the financial statements.

April 12, 2013	Sd/- Rajiv Jaiswal	Sd/- Sajeve Deora	Sd/- Ashish Wadhwa
New Delhi.	Managing Director	Director	Company Secretary

**INTEGRATED CAPITAL SERVICES LIMITED**

**Registered Office:** 606, New Delhi House, 27 Barakhamba Road, New Delhi 110 001

**FORM OF PROXY**

I/We.....of.....in  
the district of.....being a member/members of the  
**INTEGRATED CAPITAL SERVICES LIMITED**, hereby appoint Mr/Mrs/Miss.....  
of.....in the district of.....or failing him/her  
Mr/Mrs/Miss.....of.....in the district of  
.....as my/our Proxy to attend and vote for me/us on my/ our behalf,  
the 20<sup>th</sup> Annual General Meeting to be held on Saturday, the June 1,2013 at 11.00 A.M. at 606, New Delhi  
House, 27 Barakhamba Road, New Delhi 110 001 or any adjournment thereof

Signed this.....day of.....2013

Folio No.....

Signature.....

Client ID.....

Affix a  
Re. 1/-  
Revenue  
Stamp

Note : If a member is unable to attend the meeting, he/she may thes form and send it to theRegistered Office  
of the Company so as to reach atleast 48 hours before the time for holding the meeting.

**INTEGRATED CAPITAL SERVICES LIMITED**

**Registered Office:** 606, New Delhi House, 27 Barakhamba Road, New Delhi 110 001

**ATTENDANCE SLIP**

Please complete this Attendance Slip and hand it over at the Entrance of the Hall. Only Membersor their Proxies  
are entitled to be present at the meeting.

Name and Address of the Member	Folio No.
	Client ID No.
	DP ID No.
	No. of Shares Held

I hereby record my presence at the 20<sup>th</sup> Annual General Meeting of the Company held on Saturday, June 01,  
2013 at 11.00 A.M. at 606, New Delhi House, 27 Barakhamba Road, New Delhi 110 001

Signature of the Shareholder	Signature of the Proxy

- Note :** 1. The copy of Annual Report may please be brought to the Meeting Hall.  
2. Briefcasis, Hand Bags etc. are not allowed inside the Meeting Hall.  
3. **Please note that no gifts will be distributed at the meeting.**

BOOK-POST

***If undelivered please return to:***  
Integrated Capital Services Limited  
606, New Delhi House,  
27 Barakhamba Road,  
New Delhi-110001