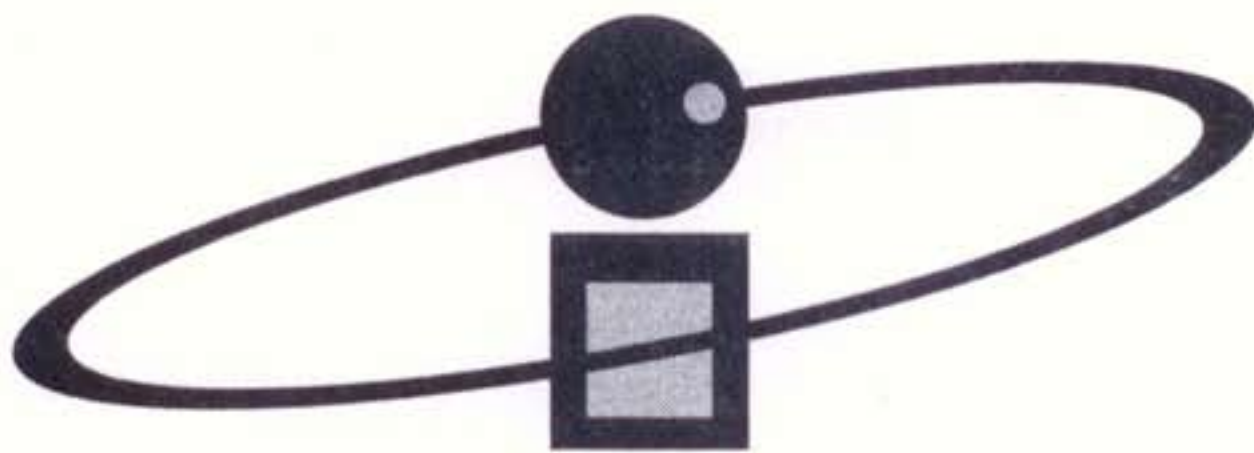


*Eighteenth Annual
Report*

2009 - 2010



ISL CONSULTING LIMITED

Board of Directors

Mr. C K Kothari
Director

Mr. Hitesh C Kothari
Director

Mr. Hasmukh M Thakkar
Director

Mr. Jagadvish V Thakkar
Director

Registered Office

No.3, Murthy Lane, First Floor,
Rattan Bazar, Chennai 600 003.

Bankers

Axis Bank Limited
HDFC Bank Limited

Auditors

Venkatesh & Co.,
Chartered Accountants
Chennai.

**Registrar & Share
Transfer Agents**

Cameo Corporate Services Limited
No- 1, Subramaniam Building,
Club House Road, Chennai - 600002

NOTICE

Notice is hereby given that the 18th Annual General Meeting of the Company will be held on the 30th day of September, 2010 at 11.00 A.M. at the Registered office of the Company at No. 3, Murthy Lane, 1st Floor, Off: Devaraja Mudali Street, Ratan Bazaar, Chennai 600 003 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the audited Balance Sheet of the Company as at 31st March 2010, the Profit and Loss Account for the year ended as on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. C.K. Kothari, who retires by rotation and being eligible, offers himself for re-appointment as Director.
3. To appoint a Director in place of Mr. Hitesh C Kothari, who retires by rotation and being eligible, offers himself for re-appointment as Director.
4. To appoint Auditor of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of then ext Annual General Meeting and to fix his remuneration. M/s VENKATESH & Co, Chartered Accountants, Chennai, retiring Statutory Auditors are eligible for reappointment.

SPECIAL BUSINESS

To consider and if thought fit to pass the following with or without modification as an **ORDINARY RESOLUTION:**

RESOLVED THAT pursuant to Sections 198, 269, 309 and 310 read with Schedule XIII of the Companies Act, 1956 the approval of the shareholders of the company be and is hereby accorded for the appointment of Mr. Hitesh C Kothari as the Managing Director of the Company for a further period of Five (05) years with effect from 01st day of October, 2009 on the following terms and conditions:

A. Basic Salary: Rs.50, 000/= per month with an eligibility of 50% annual increment subject to the limits as prescribed under Schedule XIII of the Companies Act, 1956.

B. Perquisites:

- a) Free furnished residential accommodation
- b) Medical benefits for self and family. Reimbursement of expenses actually incurred including surgical and hospitalization expenses.
- c) Leave passage benefits for self and family. Passenger to Gujarat and back once a year and in any place in India including to and fro air fare.
- d) Personal accidental insurance of an amount the annual premium of which does not exceed Rs.1, 000/= (Rupees One thousands only)
- e) Leave salary: One month's salary with full pay and allowance for every eleven month's of service.
- f) Reimbursement of entertainment, hotel and other expenses actually and properly incurred for the legitimate business purposes of the company.
- g) Other perquisites as applicable to the employees of the company.
- h) Gratuity: As per Payment of Gratuity Act

RESOLVED FURTHER THAT THE above said salary and remuneration be paid/payable to Mr. Hitesh C Kothari, Managing Director of the Company as "Minimum Remuneration" in case of absence or inadequacy of profits in any financial year of the company during his term of office subject, however that the said remuneration and perquisites shall be governed by as accordingly be within the limits specified in Section II of Part II of the Schedule XIII of the Companies Act, 1956.

BY ORDER OF THE BOARD
FOR ISL CONSULTING LIMITED

Place: Chennai
Date: 04/09/2010

C.K.KOTHARI
DIRECTOR

Notes:

1. ***A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and a proxy need not be a member of the Company. Instrument of Proxies, in order to be effective, must be deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting.***
2. A bio-data of the Directors proposed to be re-appointed at SerialN o. 2 and SerialN o.3 of the Ordinary Business are given below

Mr. C.K. Kothari	He is a dynamic business and is engaged in the securities markets business for more than 54 years. And is having wide experience in business administration, managerial skills and management.
Mr. Hitesh C Kothari	He is a dynamic business and is engaged in the securities markets business for more than 33 years. And is having wide experience in business administration, managerial skills and management and looks after the management of the affairs of the company on whole time basis.

3. **The Register of Members and the Share Transfer Books of the Company will remain closed from 29th day of September 2010 to 30th day of September 2010 (Both days inclusive).**
4. Members/Proxy holders are requested to bring with them the following to the meeting:
(i)The attendance slips and hand it over at the entrance duly signed.
(ii)Their copies of the annual report.
5. Members desiring any information regarding accounts are requested to write to the Registered Office of the Company at an early date to enable the management to keep the information ready at the meeting.
6. As per provisions of Section 109A of the Companies Act, 1956 Member(s) who are holding Equity shares in the company may nominate a person on whom the Shares will vest in the event of death of the holder(s) in the prescribed manner. Member(s) desiring to make such a nomination are requested to send the prescribed Form-2B to the Registered Office of the Company.
7. Equity shares of the company are in the Depository, set up by National Securities Depository Limited and Central Depositories Services (India) Limited. The shares of the Company are in the compulsory dematerialization list specified by SEBI and are traded in the demat mode and the shareholders are requested to get their holding dematerialized as early possible, in their own interest.

Explanatory statement under Section 173 of the Companies Act, 1956

At the Board meeting held on 30-09-2009, the directors had re-appointed Mr. Hitesh C Kothari, as the Managing Director for a further period of five years wef 01-10-2009 on the terms and conditions as morefully stated in the resolution. The remuneration and perquisites offered are in line with the business trend and commensurate with the duties and functions of the Managing Director. As required under the provisions of Section 269 read with Schedule XIII of the Companies Act, 1956 the consent/approval of the members are sought.

Except Mr. Hitesh C Kothari and Mr. C.K. Kothari none of the director is interested or concerned in the resolution.

**BY ORDER OF THE BOARD
FOR ISL CONSULTING LIMITED**

Place: Chennai
Date: 04/09/2010

**C.K.KOTHARI
DIRECTOR**

DIRECTORS' REPORT TO THE MEMBERS OF THE COMPANY

Your Directors have great pleasure in presenting their 18th Annual Report and the Audited Accounts of the Company for the year ended 31st March 2010.

FINANCIAL RESULTS:

Rupees in lacs

Particulars	Year ended 31-03-2010	Year ended 31-03-2009
Gross Profit/ (Loss) before Depreciation	29.28	71.73
Less: Depreciation	(0.35)	(0.33)
Profit/ (Loss) for the year	28.93	71.40
Profit after tax for the year	20.16	63.45
Balance Brought forward	(115.73)	(179.19)
Balance Carried forward to Balance Sheet	(95.57)	(115.73)
Earning Per Share in Rs.	0.67	2.12

DIVIDEND

Your Directors do not recommend any dividend during the financial year 2009-2010, in view of accumulated losses of the company.

DIRECTORS

Mr. C.K. Kothari, and Mr. Hitesh C Kothari, retire by rotation, at the ensuing Annual General Meeting and being eligible, offers themselves for reappointment as Directors.

A bio-data of the Directors proposed to be re-appointed at the ensuing Annual General Meeting is attached in the notice calling the meeting.

Further at this meeting, the consent of the members is sought for the appointment of Mr. Hitesh C Kothari, as the Managing Director of the Company for a further period of Five years wef 01-10-2009 on the terms and conditions as mentioned in the resolution placed before this Annual General Meeting.

DEPOSITS

The Company has not accepted any deposits from the public

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to section 217 (2AA) of the Companies Act, 1956, the Directors confirm that:

- a) In the preparation of the annual accounts, the applicable Accounting standards have been followed along with the proper explanation with respect to the material departures if any;
- b) Appropriate accounting policies have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit/ (Loss) of the company for that period;

Proper and sufficient care has been taken 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:

The annual accounts have been prepared on a going concern basis:

AUDITORS AND AUDITOR'S REPORT

Members are hereby informed that M/s VENKATESH & Co, Chartered Accountants, Chennai have been appointed as Auditor of the Company to hold office till the conclusion of next Annual General Meeting. M/s.VENKATESH & Co, Chartered Accountants, have offered their services to act as Auditor and have also confirmed the Board their appointment, if considered would be within the prescribed limit under section 224(1B) of the Companies Act, 1956. The Board request the members to consider their appointment from the conclusion of the ensuing AGM till the conclusion of the subsequent AGM.

REPLY TO THE REMARKS MADE BY THE STATUTORY AUDITORS IN THEIR REPORT

With reference to the remarks made by the statutory auditors of the company, your directors would like to state that the directors of the company are taking necessary steps to improve the performance of the company and with the performance improving the company is hopeful of wiping off its losses and also to post better net worth in the forthcoming years. Further with the directors itself overseeing the operations on day-to-day basis the internal control system of the company is considered better and is in commensurate with the size of the company.

STATEMENT UNDER SECTION 217(2A)

Particulars of employees pursuant to section 217(2A) of the Companies Act, 1956 (read with companies particulars of employees rules, 1975) regarding particulars of employees, are not applicable, since none of the employees are in receipt of remuneration in excess of the limit specified herein during the period under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The provisions of Section 217(1) (e) of the Companies Act, 1956 relating to conservation of energy, technology absorption are not applicable to the Company.

Foreign Exchange Earning	: NIL
Foreign Exchange Outgo	: NIL

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Clause 49 of the listing agreement, a Management Discussion and Analysis Report is given as addition to this report

REPLIES TO THE QUALIFICATORY REMARKS MADE BY THE AUDITORS OF THE COMPANY

1. The Company's policy of making investments in equity shares is one of the long terms and hence the question of provision for diminution in the value for the said investments in each year does not arise.
2. The company is in the process of obtaining the confirmation of balances of debtors and creditors, loans and advances and bank accounts as required.
3. Necessary steps have been initiated to update the fixed assets register and already physical verification of the assets have been done by the directors of the company after the balance sheet date.
4. The Directors are looking after the affairs of the company on whole time basis and they exercise strict internal control and steps for the effective management of the company and hence the directors are of the opinion that separate internal audit department may not necessary. Currently the Directors of the Company are looking after all operations of the company and hence the Board is of the opinion that the Internal control and audit is commensurate with the size and operations of the company.
5. The notes to the accounts referred to in the Auditors Report are self-explanatory and therefore, do not call for any further comments.

SECRETARIAL COMPLIANCE CERTIFICATE

As required under Section 383A of the Companies Act, 1956 the Secretarial Compliance Certificate obtained from the Practicing Company Secretary is annexed herewith and forms part of this report.

CORPORATE GOVERNANCE

Your Company has always striven to incorporate appropriate standard for good corporate governance. It has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under amended Listing Agreements of the Stock Exchanges with which the company is listed are complied with. A separate report on Corporate on Governance is produced as a part of Annual Report. Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges a report on Corporate Governance along with Auditors Certificate of its Compliance is included as part of the Annual Reports

ACKNOWLEDGEMENT

Your Directors wish to place on record their deep appreciation of the dedication and commitment of the employees to the growth of your Company during the year. Your Directors also express their sincere gratitude to the consultants, auditors and shareholders for their continuous patronage and co-operation.

**FOR AND ON BEHALF OF THE BOARD
ISL CONSULTING LIMITED**

Place: Chennai
Date: 04/09/2010

**C.K.KOTHARI
Chairman**

ANNEXURE 'A'

**TO THE 18TH ANNUAL REPORT OF THE BOARD OF DIRECTORS
OF M/S ISL CONSULTING LIMITED
REPORT ON CORPORATE GOVERNANCE**

1. Introduction

The Company is complying with the mandatory requirements of the code of Corporate Governance introduced by the SEBI and incorporated in Clause 49 of the Listing Agreement in all material respects.

2. Company's Philosophy on Code of Corporate Governance

The Basic philosophy of the company towards Corporate Governance is to protect and enhance the long-term value of all the stakeholders shareholders, clients, creditors and employees. The Company is committed to achieve these objectives within regulatory framework through transparency in dealings.

3. Board of Directors

The Company is managed by Board of Director and it meets at regular intervals. Policy formulation, evaluation of performance and control functions vest with Board.

During the year ended 31st March, 2010 Seven (07) 15-05-2009, 31-07-2009, 02-09-2009, 30-09-2009, 30-10-2009, 31-01-2010 and 30-03-2010

The last Annual General meeting was held on 30th day of September, 2009

The Composition of Board, attendance of each Director at the Board Meetings held during the year under review as well as in the last Annual General Meeting and numbers of other Directorship / Committee memberships held by them are as follows

Name(s) of Director(s)	Designation and Category	No. Of Board Meetings in The Year		Attendance Last AGM	Number of outside Directorships (Excludes Private and Foreign companies)	Number of Board Committee memberships Held in other companies
		Held	Attended			
C.K.KOTHARI	Director INDEPENDENT NT	07	07	Yes	3	NIL
HITESH C. KOTHARI	Director EXECUTIVE	07	07	Yes	2	NIL
JAGADISH V. THAKKAR	Director INDEPENDENT	07	07	Yes	1	NIL
HASMUKH M. THAKKAR	Director INDEPENDENT NT	07	07	Yes	1	NIL

Further the Board of Directors would like to inform the members that none of the directors are disqualified to act as directors of this company or any other public company under Section 274(1)(g) and other applicable provisions of the Companies Act, 1956.

Information about the Directors proposed to be appointed/ re-appointed required to be furnished pursuant to Clause 49 of the listing agreement with the Stock Exchanges is forming part of the notice Of the 17th Annual General Meeting to the shareholders of the Company.

Committees of the Board

1. Audit Committee

Your company has an independent audit committee. The composition procedures, powers and role/functions of the audit committee constituted by the company comply with the requirements of Clause 49 of the Listing Agreement. The terms of reference of the Audit Committee included the following:

- Overseeing the company's financial reporting process and the disclosure of its financial information.
- Recommending appointment and removal of the external auditor, fixing of audit fees and approving payments for any other service.
- Reviewing with management the quarterly, half yearly and annual financial statement with primary focus on accounting policies and practices, compliance with accounting standards and stock exchange and legal requirements concerning financial statements.
- Reviewing adequacy of internal control systems in order to have the effective use and safeguard of resources and compliance with statutes policies and procedures and ensure compliance of internal control systems and reviewing the company's financial and risk management policies.
- Reviewing reports furnished by the Statutory Auditors and ensuring suitable follow up thereon.

Composition and Attendance

The Company has an Audit Committee of the Board consisting of THREE "Non-Executive Directors", who are also Independent Directors, and during the year under review the said committee was reconstituted by electing Mr. Hasmukh M Thakkar as the Chairman and by inducting Mr. C.K. Kothari as a member of the said committee and further their composition and attendance of the meeting held during the financial year are as under:

Name of Directors	Status	No. Of Meetings held	No. Of Meetings attended
HASMUKH M THAKKAR	Chairman	06	06
H C KOTHARI	Member	06	06
C K KOTHARI	Member	06	06

The quorum shall be either 2 members or one third of the members of the Audit Committee, whichever is higher and there shall be a minimum of two independent directors. Head of Finance and Representatives of Statutory Auditors are also invited to attend the meeting.

2. Remuneration Committee

The Committee has formed remuneration committee during the year under review with the following directors as members:

Name of Directors	Status	No. Of Meetings held	No. Of Meetings attended
HASMUKH M THAKKAR	Chairman	01	01
H C KOTHARI	Member	01	01
JAGDISH V THAKKAR	Member	01	01

The Committee is the approving committee for the remuneration payable to the directors and oversees the employee's remuneration also.

Non-Executive Director

Non-Executive Directors of the Company are remunerated by way of sitting fees for the meetings of the Board/Committees of the Board attended by them, subject to the extent waived off.

None of the non-executive directors has pecuniary relationship with company, its promoters, management or its subsidiaries.

Share Transfer and Investor's Grievance Committee

Terms of Reference

The Committee oversees share transfers and monitor investors grievances such as complaints on transfer of shares, non-receipt of balance sheet, etc., and redress thereof, within the purview of the guidelines set out in the listing agreement.

Composition and Attendance

The Board of Directors constituted a Shareholders/Investors Grievance Committee consisting of the following Directors as members thereof -

Name of Directors	Status
HITESH C.KOTHARI	Chairman
JAGADISH V. THAKKAR	Member
HASMU KH M. THAKKAR	Member

Mr. HITESH C.KOTHARI is the Compliance Officer. The quorum for the Meeting shall be two.

No complaints of any material nature was noticed or received during the year under review.

GENERAL BODY MEETINGS:

The last three Annual General Meeting held as follows:

Financial Year	AGM	Location	Date
2008-2009	AGM	No. 3, Murthy Lane, 1 st Floor, Off: Devaraja Mudi Street, Ratan Bazaar, Chennai 600 003	Sep. 30, 2009
2007-2008	AGM	No. 3, Murthy Lane, 1 st Floor, Off: Devaraja Mudi Street, Ratan Bazaar, Chennai 600 003	Sep. 20, 2008
2006-2007	AGM	No. 3, Murthy Lane, 1 st Floor, Off: Devaraja Mudi Street, Ratan Bazaar, Chennai 600 003	Sep. 29, 2007

Disclosures

Related Party Disclosure

During the year under review there were no materially significant related party transaction with its promoter, director and management that had a potential conflict with the interest of the Company at large except to the extent duly disclosed in the notes on accounts as enclosed along with this report.

Compliance by the Company

There have been no instances of non-compliance on any matter relating to the capital market during the last three years. The company's share continued to be on suspension and the company is taking all necessary steps to revoke the same and provide for trading.

Means of Communication

The Board of Directors takes of the Company takes on record the Un-audited financial results in the prescribed form within one of the close of the quarter and announces the results to the Stock Exchanges where the Company's shares were listed and the notice calling the Annual General Meeting are promptly and routinely communicated to the Stock Exchanges where the Company's shares are listed. During the year under review no presentation were made to analyst.

Management Analysis and Discussion

Appended to this Report

GENERAL SHAREHOLDER'S INFORMATION

1.	AGM Date Time & Venue	30 day of September 2010 at 1.00 A.M at No.3, Murthy Lane, 1 st Floor, Off: Devaraja Mudi Street, Ratan Bazaar, Chennai 600 003.
2.	Financial Calendar (Tentative) <u>Financial reporting for the -</u> Quarter ending June 30, 2010 Quarter ending September 30, 2010 Quarter ending December 31, 2010 Quarter ending March, 31, 2011	By Fourth week of July, 2010 By Fourth week of October, 2010 By Fourth week of January 2011 By Fourth week of April, 2011 or within three months from the close of the said quarter ending March 31, 2011
3.	Dates of book closure	29 th September 2010 to 30 th September 2010 (Both days inclusive)
4.	Dividend Payment Date	N.A
5.	The Equity Shares of Rs.10/- each are listed at -	Mumbai Stock Exchange Limited Stock Code: Demat SIN NO: INE569B01014
6.	Registered Office	Registered Office of the Company No.3, Murthy Lane, 1 st Floor, Off: Devaraja Mudi Street, Ratan Bazaar, Chennai 600 003

Stock Market data

- During the year under review, the Company's shares are not traded on Stock Exchanges.

Graphical representation of volume of Shares of during financial year 2009-2010: NOT APPLICABLE

Shareholders' Services

The Company as and when receives from the investors/shareholders for the conversion of their shares from physical mode to demat is usually confirmed within in a 15 days time after adhering to the formalities as required under the regulations and has no pending cases as at the end of the financial year. Totally nearly 34.46% of the equity shares of the Company are held in demat mode as on 31-03-2010.

The companies attend to its shareholders complaints/grievances and send to them corresponding letters/clarification letters and none of the shareholders letters received by the company have been unattended/unanswered.

Share Transfer System

The Company has full fledged Share transfer agents **M/s Cameo Corporate Services Limited, Chennai - 2** and the entire share transfers, transmissions etc., and shareholders Grievances, corresponding have been handled by them.

Instruments

The Company has not issued GDRs/A DRs/ Warrants / Convertible Instruments.

Address for Communication

ISL CONSULTING LIMITED
No.3, Murthy Lane, 1st Floor,
Off: Devaraja Mudi Street,
Ratan Bazar,
Chennai 600 003.

**For and on behalf of the Board
For ISL CONSULTING LIMITED
CHAIRMAN**

Place: CHENNAI
Date: 04/09/2010

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE & DEVELOPMENT

There are very few listed Corporate Companies in the area of brokerages and related activities and your Company is one among them.

OPPORTUNITIES & THREATS/ RISKS & RESOURCES

With the company getting the membership from Multi Commodity Exchange for trading in commodities and the results are showing better signs and is hoping for better future ahead. However with the competition bringing down the brokerage income the company is approaching the future with cautious optimism.

INTERNAL CONTROL SYSTEMS

The Company's systems and procedures are fully computerized and all the Internal control procedures required in operating all the financial transactions are system based.

The Company's accounts have been periodically reviewed by the undersigned along with the senior management personnel and the Statutory Auditors.

DISCUSSION OF FINANCIAL PERFORMANCE

The Company is hopeful of improving its turnover and bottom line and hopeful of posting better revenue ahead.

MATERIAL DEVELOPMENT

There has been no material development, which affects or has material effect on the future of the company.

By Order of the Board
For ISL CONSULTING LIMITED

Chairman

Registered Office
No. 3, Murthy Lane, 1st Floor,
Off: Devaraja Mudi Street,
Ratan Bazar,
Chennai 600 003.

REPORT OF THE AUDITORS TO THE MEMBERS OF

ISL CONSULTING LIMITED

1. We have audited the attached Balance Sheet of ISL CONSULTING LTD as at 31st March 2010 and the Profit & Loss Account for the year ended on that date along with the Cash Flow statement annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government in terms of sub section (4A) section 227 of the Companies Act 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, 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 purposes of our audit.
 - b. In our opinion, the Company has kept proper books of accounts as required by law, so far as appear from our examination of those books.
 - c. The Balance Sheet, Profit and Loss account and the Cash Flow statement referred to in this report are in agreement with the books of account.
 - d. In our opinion, the Balance sheet, Profit and loss account and Cash flow statement dealt with by this report comply with the accounting standards prescribed u/s 211(3c) of the Companies Act, 1956 except with regard to matters stated in para (5) below. Subject to non-provision for accrued gratuity liability, bonus and leave encashment in accordance with As-15 on Employee Benefits in the financial statements of the employer issued by the Institute Of Chartered Accountants Of India.
 - e. The company has not levied or collected any cess for the purpose of rehabilitation or revival or protection of assets of the Sick Industrial Companies on its annual turnover and has not paid to the credit of The Central Government the said levy as required u/s 441 A of the Companies Act as the same has not been notified by the Central Government.
 - f. On the basis of written representations received from the Directors, and taken on record by Board of Directors, we report that none of the directors is disqualified as on 31st march, 2010 from being appointed as a director in terms of clause (g) of sub - section (1) of section 274 of the Companies Act, 1956.

5. We further report that

- a. Kothari Securities Limited 22, 50,000/- and M/s Innovation Agro Products Ltd. Rs.8, 15,000/- respectively which the Company has classified as long term We are unable to comment on realizable value of investment made in the above company, in the absence of the Balance sheet of the investee Company.
- b. No provision has been made for Retirement Liabilities.
- c. The Company has made advances of Rs.2771404/- or which no repayment stipulations are made and the reliability is not ascertainable.
- d. The Share Certificates with regard to investments made by the company were not available for physical verification.

6. In our opinion, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required give a true & fair view.

- (i) In so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and
- (ii) In so far as it relates to the Profit and Loss account of the Profit of the Company for the year ended on that date.
- (iii) In the case of the cash flow statement, of the cash flows for the year ended on the date

**For Venkatesh & Co.,
Chartered Accountants
F.R.No.:-004636S**

**Place: Chennai
Date: 04/09/2010
Membership No.26336**

**CA Dasaraty V
Partner**

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our Report of even date)

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company, as we considered appropriate and according to the information and explanations given to us during the course of the audit, we report that,

1.
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situations of fixed assets.
 - (b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
 - (c) No assets have been disposed off during the year and the going concern concept is not altered.
2.
 - (a) In respect of the securities held as stock in trade and investments the same have been physically verified at reasonable intervals by the Management.
 - (b) The procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) The company is maintaining proper records of inventory and no material discrepancies are noticed on such physical verification.
3. The Company has taken Interest free loan without any stipulation with regard to repayment from the parties covered in the register maintained under section 301 of the companies act of 1956. The maximum amount involved during the year was Rs.3, 70,80,798/- and The year end balance of loan taken from such party was Rs.4,38,798/-
4. In our opinion and according to the explanations given to us the internal control procedure of the Company needs to be streamlined commensurate with the size of the company and the nature of its business with regards to plant and machinery, equipment and other assets and with regard to the sale of securities. No instance of continuing failure to correct major weakness in internal control was noticed.
5. According to the information and explanations given to us there were transactions of sale of shares made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Companies Act 1956, which were made at market prices. The Company has maintained register u/s 301 of the Companies Act 1956.
6. The Company has not accepted any deposits from the public. Therefore the provisions of section 58 A and 58AA of the Companies Act 1956 and rules framed there under are not applicable.
7. The Company has no Internal Audit system.
8. The Central Government has not prescribed for the Company maintenance of the Cost Records under clause (d) of subsection (1) of section 209 of the Act.
9.
 - a) According to the records of the company, no deductions have been made towards provident fund and other statutory dues
 - b) According to the records of the Company and according to the information and explanations given to us, there are no dues of income tax, Wealth tax, Sales tax, Excise duty and Cess, which have not been deposited on account of dispute.

10. The accumulated losses of the Company do not exceed 50% of its net worth and it has not incurred any cash loss during the current year.
11. The company has not taken term loans from any financial institutions bank or issued Debentures. Hence the question of default in repayment of dues does not arise.
12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is dealing in shares and proper records have been maintained for the transactions. We are informed that the investments are held in the name of the Company.
14. The company has not given guarantee for loans taken by others from Bank or financial institution.
15. The company has not obtained term loans during the year.
16. As per the records of the company no funds were raised on short term Basis and used for long term investment and vice versa
17. The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act 1956.
18. The company has not issued any debentures and hence creation of Securities in respect of debentures does not arise.
19. The company has not raised money by way of public issue of shares.
20. According to information and explanations furnished to us no fraud on or by the company has been noticed or reported during the year.
21. The nature of the business of the company is such that the Clauses XIII, of paragraph 4 of the Companies Act (Auditors Report) Order 2003 are not applicable

For Venkatesh & Co.,
Chartered Accountants
F.R.No.-004636S

Place : Chennai
Date : 04/09/2010

CA Dasaraty V
Partner
Membership No.26336

ISL CONSULTING LIMITED
No 3, Murthy Lane 1st Floor,
Of-Devarafa Mudli Street, Ratan Bazar,
Chennai-600003
Balance Sheet as at 31.03.2010

	SCH.	AS AT 31.03.2010	AS AT 31.03.2009
SOURCE OF FUNDS			
		Rs	Rs
Share Holders Fund			
Share Capital	1	30,000,000.00	30,000,000.00
Loans Funds			
Unsecured Loans	2	438,798.00	805,000.00
Deferred Tax Liability	3	176454.00	181,426.00
		3,015,252.00	30,986,426.00
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	4	4,580,531.00	4,526,652.00
Less: Depreciation		3,900,153.00	3,865,045.00
Net Block		680,378.00	661,607.00
Investments			
At Cost	5	4,065,000.00	4,065,000.00
Current Assets Loans & Advances			
Inventory	6	21,390,422.00	748,122.00
Sundry Debtors	7	-	53,862,216.00
Cash & Bank	8	1,108,017.00	3,432,011.00
Loans & Advances	9	5,976,834.00	4,041,623.00
		28,475,272.00	62,083,972.00
Less: Current Liabilities & Provisions	10	12,162,790.00	47,397,737.00
Net Current Assets		16,312,482.00	14,686,235.00
Profit & Loss Account		3,557,392.00	11,573,585.00
		30615252.00	30,986,426.00
Notes on Accounts & Significant Accounting Policies	13		
For ISL Consulting Limited		As per report of even date	
		For Venkatesh & Co.	
		Chartered Accountants	
		F.R.No.0046365	
Hitesh C.Kothari	C.K. Kothari		
Director	Director		
		Ca Dasaraty.V	
		Partner	
		Membership No. 26336	
Place: Chennai			
Date : - 04/09/2010			

ISL CONSULTING LTD
No 3, Murthy Lane 1st floor, Of-Devaraj Mudli Street
Chennai 600 003

Profit and Loss account for the year ended 31.03.2010			
	Sch	Year Ended 31.03.2010	Year Ended 31.03.2009
INCOME		Rs	Rs
Sales		-	95,952,675.00
Other Income	11	50,690,662.00	20,262,751.00
Closing Stock	6	21,390,422.00	748,122.00
		72,081,084.00	116,963,548.00
EXPENDITURE			
Opening Stock		748,122.00	1,042,539.00
Purchases/Cost of Project		67,142,300.00	105,092,310.00
Loss in commodities trading/ shares		-	964,200.00
Administrative & Other Expenses	12	1,261,928.00	2,690,875.00
Depreciation		35,108.00	32,718.00
		69,187,457.00	109,822,641.00
Profit or Loss Before Tax		2,893,627.00	7,140,906.00
Deffered tax		4,972.00	3,595.00
Provision for Taxation		882,406.00	790,732.00
Provision for FBT		-	8,074.00
Profit After Tax		2,016,193.00	6,345,695.00
Balance Brought Forward		(11,573,585)	(17,919,281)
Balance Carried Forward		9,557,392.00	(11,573,585)
Notes on accounts & Significant accounting policies	13		
Earning Per Share		0.67	2.12
Number of Shares		3,000,000.00	3,000,000.00

As per our Report of even date

For ISL Consulting Limited

For Venkatesh & Co.

Chartered Accountants

F.R.No.0046365

Hitesh C.Kothari
Director

C.K. Kothari
Director

CA Dasaraty.V
Partner
Membership No. 26336

Place: Chennai
Date : - 04/09/2010

ISL CONSULTING LIMITED

#REF!

#REF!

Schedules attached to and forming part of the of the Balance Sheet

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
1.Share Capital	Rs	Rs
Authorised Capital 3000000 Equity Shares of Rs.10/- each	30,000,000.00	30,000,000.00
Issued ,Subscribed & Paid Up 3000000 Equity shares of Rs.10/- each	30,000,000.00	30,000,000.00
2.Unsecured loans C.K. Kothari Innovation Software Exports Ltd - from Director	438,798.00 - 438,798.00	- 805,000.00 805,000.00
3.Deferred tax liability	176454.00	181,426.00
4. 21 item 4		
5, INVESTMENTS		
UNQUOTED 25,000 shares of Indo Tech transformers Ltd at the rate of Rs.40/- each fully paid (Face value Rs.10/- each)	1,000,000.00	1,000,000.00
81,500 shares of Innovation Agro Products Ltd at the rate of Rs.10/- each fully paid Face value Rs.10/- each)	815,000.00	815,000.00
225000 shares of Kothari securities Ltd at the rate of Rs.10/- each fully paid Face value Rs.10/- each)	2,250,000.00	2,250,000.00
	4,065,000.00	4,065,000.00
6 INVENTORIES (at cost or net realisable value whichever is lower) Inventories	21,390,422.00	748,122.00
	21,390,422.00	748,122.00
7.Sundry Debtors (Unsecured, considered good) Debts outstanding for more than 6 months Others	- -	- 53,862,216.00
		53,862,216.00

8.Cash and Bank Balances		
Cash on hand	631,805.00	902,826.00
Balances - with Scheduled Banks in Current account		
Axis Bank -4439	13,851.00	2,049,145.00
Axis Bank - 611	415,684.00	-
Axis Bank - 459	8,641.00	-
CBI Stock exchange	3,039.00	3,039.00
Gujarat Mer . Co op Bank	4,810.00	4,865.00
HDFC Bank	-	(62)
HDFC Bank - 2775	17,390.00	462,319.00
HDFC Bank -8382	465.00	465.00
ICICI Bank	-	3,244.00
HSBC Bank	3,937.00	663.00
Indian Overseas Bank	1,041.00	1,445.00
Natan Bank	7,353.00	3,739.00
Indus Bank	-	323.00
	1,108,017.00	3,432,011.00
9.Advances recoverable in cash or kind or value to be received (Unsecured ,considered good)		
Bhartiben Upadhyay	1,184,622.00	1,057,699.00
Consulting Fees & AMC	7,032.00	7,032.00
Kamalesh M Upadhyaya	-	1,010,384.00
Kamalesh M Upadhyaya - HUF	1,569,750.00	-
NiraliTrader	-	87,288.00
RSN Corporate Advisory Pvt. Ltd.	10,000.00	10,000.00
MCX Deposit	-	262,986.00
Office Deposit	-	39,468.00
Tds On Commission (A.Y 09-10)	1510561.00	1510561.00.00
Tds On Contractor (A.Y 2010-11)	1333400.00	-
Tds On Interest	34373.00	-
Tds On Interest (A.Y 09-10)	2476.51	2476.51.00
Tds On Interest (07- 08)	8870.00	8,870.00
Tds On Sub-Contractor (A.Y 09-10)	26358.00	26358.00
Iqara Moden Deposit	3500.00	3500.00
L.T.C. Margin Deposti	15000.00	15,000.00
Office Deposit(Chennai)	25000.00	-
Office Deposit (Satyam Mall)	14468.00	-
Vat Registration- Deposits	25000.00	-
VAT Credit	206,423.00	-
	5,976,834.00	4,041,623.00
10.Current Liabilities & Provisions		
Sundry Creditors:		
Creditors	518,687.00	46,342,283.00
Audit Fees Payable	55,150.00	105,712.00
TDS Payable	56.00	109,258.00
Provision for FBT	8,074.00	8,074.00
Provision for AEC Bill	9,600.00	-
Provision for Telephone Bill	2,315.00	-
Provision for Professional	5,000.00	-
Provision for Audit Fee	50,697.00	-
Provision for Taxation	-	832,410.00
Provision for Taxation (AY - 2009-10)	790,730.00	-
Provision for Taxation (AY - 2010-11)	882,406.00	-
Advance Against work	9,800,000.00	-
Multi commodities Exchange	40,076.00	-
	12,162,791.00	47,397,737.00

PARTICULARS	Year Ended 31.03.2010	Year Ended 31.03.2009
11. OTHER INCOME	Rs	Rs
Commission Income	-	13,332,414.00
Interest	470,662.00	417,392.00
Dividend Income	-	56.00
Brokerage Income	-	1,335,301.00
Contract Income	50,220,000.00	5,176,358.00
Round Off	-	1,230.00
	50,690,662.00	20,262,751.00
12. Purchase / Cost of project		
Purchases	20,642,300.00	105,092,310.00
Cost of Project	46,500,000.00	-
	67,142,300.00	105,092,310.00
13. ADMINISTRATIVE & OTHER EXPENSES		
Salary	320,960.00	184,010.00
Rent	114,036.00	96,532.00
Rates & Taxes	274,333.00	837,973.00
Bank Charges	70,575.00	78,502.00
Registrar Charges	40,079.00	-
Printing & Stationery	20,958.00	6,063.00
Professional & Consultancy Charges	33,000.00	60,000.00
Electricity Charges	9,600.00	24,572.00
Audit Fees	55,150.00	55,150.00
Travel & Conveyance	129,632.00	82,528.00
Postage, Telephone & Telegrams	32,864.00	56,445.00
Annual fees	75,000.00	116,383.00
Interest on IT	2,512.00	-
Office Expenses	63,644.00	55,826.00
Commision Expenses	-	992,498.00
Miscellaneous expenses	-	44,393.00
Repair and Maintenance Expenses	14,359.00	-
Bad debts	5,326.00	-
	1,261,928.00	2,690,875.00

Schedule 4 Depreciation Schedule as at 31.03.2010

(Amount in Rupees)

PARTICULARS	GROSS BLOCK			DEPRECIATION						NET BLOCK	
	Cost As on	Addition	Deletion	Cost as on	Rate of	Upto	Addition	Deletion	Upto	WDV as on	WDV as on
	April 1, 2009			March 31, 2010	Depreciation	March 31, 2009			March 31, 2010	March 31, 2010	March 31, 2009
	Rs.			Rs		Rs	Rs		Rs	Rs	Rs
Plant & Machinery	295,305.00	-	-	295,305.00	4.75%	110,815.00	14,027.00	-	124,842.00	170,463.00	184,490.00
Furniture & Fixtures	216,392.00	-	-	216,392.00	6.33%	167,388.00	13,698.00	-	181,085.00	35,307.00	49,004.00
Computer	3,954,135.00	23,879.00	-	3,978,014.00	16.21%	3,544,492.00	3,711.00	-	3,548,204.00	429,810.00	409,643.00
Office Equipment	60,820.00	30,000.00	-	90,820.00	4.75%	42,350.00	3,672.00	-	46,022.00	44,798.00	18,470.00
Total	4,526,652.00	53,879.00	-	4,580,531.00		3,865,045.00	35,108.00	-	3,900,153.00	680,378.00	661,607.00

Additions

715486

Computer	23879	16-Apr-09	31-Mar-10	349	3,711
Office Equipment	30000	12-Sep-09	31-Mar-10	200	783

ISL CONSULTING LIMITED
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

As per Part IV to Schedule VI to the Companies Act, 1956.

1. REGISTRATION DETAILS

Registration No.	18 - 2 2 9 4 8	STATE CODE	1 8
Balance Sheet Date	3 1 0 3 2 0 1 0		
	Date Month Year		

II. CAPITAL RAISED DURING THE YEAR (Amount in 000's)

PUBLIC ISSUE	RIGHTS ISSUE
N I L	N I L
BONUS ISSUE	PRIVATE PLACEMENT
N I L	N I L

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

TOTAL LIABILITIES	TOTAL ASSETS
3 0 6 1 5	3 0 6 1 5

SOURCE OF FUNDS

PAID UP CAPITAL	PENDING ALLOTMENT	RESERVE & SURPLUS
3 0 0 0 0	N I L	N I L
SECURED LOANS	UN SECURED LOANS	DEFERRED TAX LIABILITY
N I L	4 3 8	0 0 0 1 7 6

APPLICATION OF FUNDS

NET FIXED ASSETS	INVESTMENTS
0 0 6 8 0	0 0 4 0 6 5
NET CURRENT ASSETS	MISCELLANEOUS EXPENSES
1 6 3 5 4	N I L
ACCUMULATED LOSSES	
0 9 5 1 5	

IV. PERFORMANCE OF THE COMPANY

TURNOVER

0 7 2 0 8 2

TOTAL EXPENDITURE

0 6 9 1 5 9

+ - PROFIT BEFORE TAX

- 2 9 5 3

+ -- PROFIT AFTER TAX

-- 2 0 5 8

EARNINGS PER SHARE (ANNUALISED) IN RS.

0 . 6 9

DIVIDEND RATE

N I L

V. GENERIC NAMES OF THE THREE PRINCIPAL PRODUCTS /S ERVICES OF COMPANY

A) ITEM CODE NO. (ITC CODE)

N A

PRODUCT DESCRIPTION

SHARE TRADING

B) ITEM CODE NO. (ITC CODE)

N A

PRODUCT DESCRIPTION

Investment

PLACE : CHENNAI
DATE :- 04/09/2010

HITESH C.KOTHARI
DIRECTOR

C.K. KOTHARI
DIRECTOR

**M/S ISL CONSULTING LTD
CASH FLOW STATEMENT**

Rs. In ' 000s

PARTICULARS	Year Ended 31.03.2010	Year Ended 31.03.2009
Cash flow from operating activities		
Net Profit before tax	2,894.00	7,141.00
Deffered tax	5.00	4.00
Adjustment for Depreciation	35.00	33.00
Income tax	(900)	(789)
Operating Profit before Working Capital changes	2,034.00	6,389.00
ADJUSTMENT FOR INCREASE/(DECREASE)		
Inventory	(20,642)	294.00
Loans and Advances	(1,923)	1,665.00
Sundry Debtors	53,862.00	(53,862.00)
Current liabilities	(35,235).00	44,521.00
Net cash flow from operations	(3,938).00	(7,382)
Cash flow from investing activities		
Increase/Decrease in Fixed Assets	(53.88).00	(47.95)
Increase/Decrease in Investments	-	2,657.00
Cash flow from financing activities		
Increase/Decrease in Long term Loans	(366)	805.00
Net increase in cash & cash equivalents		
Cash & cash equivalents in the beginning of the period	3433.00	1012.00
Cash & cash equivalents at the end of the period	1108.00	3433.00

AUDITORS' CERTIFICATE

We have examined the attached Cash flow Statement of ISL Consulting Limited for the year ended 31 March 2010. The statement has been prepared by the company and is based in accordance with the requirements of clauses 32 of the listing agreements(s) on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the company covered by our report of 4th September 2010 to the members of the Company

**For Venkatesh & Co.
Chartered Accountants
F.R.No.0046365**

**PLACE : CHENNAI
DATE : 04/09/2010**

**Ca Dasaraty.V
Partner.
Membership No 26336**

ISL Consulting Ltd.

No.3, Murthy Lane, 1st Floor, off.Devaraja Mudi Street,Ratan Bazar,Chennai-3

ATTENDANCESLIP

18th Annual General Meeting

Thursday the 30th September, 2011 at 11.00 am

Place : At the Registered Office of the Company at:

107,Satyam Mall, Nr. Kameshwar School,

Jodhpur Cross Road, Satellite, Ahmedabad-380015

Phone : 079-40030352 , E-mail : innogroup@gmail.com

Signature of Member/Proxy attending the meeting

Notes:

1. This meeting is only for members. Please, therefore, do not bring person in the meeting who is not a member.
2. Please bring this attendance slip duly signed and hand it over to the representative of the Company at the entrance of the meeting place.

ISL Consulting Ltd.

No.3, Murthy Lane, 1st Floor, off.Devaraja Mudi Street,Ratan Bazar,Chennai-3

FORM OF PROXY

I/We _____ Of _____ in the district of

_____ Being member /s of the above named Company hereby appoint _____

Of _____ in the district of _____ or failing

him _____ Of _____ in the district of

_____ as my/our Proxy to attend and vote for me/us on my/our behalf at the 18thAnnual General Meeting of

the Company, to be held on Thursday, the 30th September, 2010 and at any adjournment thereof.

Signed the _____ day of _____ 2010.

Signature _____

Affix /
Revenue
Stamp

N.B.: This Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.

Book Post

To,

If undelivered Please return to

ISL Consulting Ltd.

**No.3, Murthy Lane, 1st Floor,
off.Devaraja Mudi Street,
Ratan Bazar,Chennai-600 003.**