



Integrated Financial Services Ltd.

- Board of Directors** : Sh. S. C. Khaneja, Chairman
Smt. Rajni Khaneja, Wholetime Director
Sh. Virender Khaneja, Director
Smt. Rachna Batra, Director
Sh. Sunil Sobti, Director
Sh. S. P. Oberoi, Director
- Registered Office** : 303-304, 3rd Floor, New Delhi House,
27, Barakhamba Road, New Delhi-110001.
- Bankers** : The Royal Bank of Scotland
HDFC Bank Ltd.
- Auditors** : M/s. Dua & Kumar, Chartered Accountants
P-1, Pilanji, Sarojni Nagar, New Delhi-110023.

NOTICE

NOTICE is hereby given that **Nineteenth Annual General Meeting** of INTEGRATED FINANCIAL SERVICES LTD will be held on Wednesday, 29th day of September, 2010 at 10.00 A.M. at 303-304, 3rd Floor, New Delhi House, 27, Barakhamba Road, New Delhi-110001 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2010, the Profit and Loss Account for the year ended on that date and Reports of the Board of Directors and Auditors thereon.
2. To declare dividend for the year ended 31st March, 2010
3. To appoint a Director in place of Mr. Sunil Sobti who retires by rotation and being eligible offers himself for the reappointment.
4. To appoint a Director in place of Mr. S. P. Oberoi who retires by rotation and being eligible offers himself for the reappointment.
5. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of Board of Directors

Sd/-

S.C. Khaneja
Director

Place : New Delhi
Date : 31.07.2010

NOTES :

1. A member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote on a poll on his/her behalf and such proxy need not be a member of the Company. Proxies, in order to be effective, must be deposited at the Registered office of the company not less than 48 hours before the commencement of this Annual General Meeting.
2. The Register of Members and the Share transfer books of the Company will remain closed from Wednesday, 22nd September 2010 to Wednesday, 29th September 2010 (both days inclusive).
3. The disclosures required under clause 49 of the listing agreement in respect of the directors being appointed/reappointed at this Annual General Meeting are given in the annexure to this Notice.
4. Members holding shares in physical mode are requested to intimate any change in their address immediately. Members/Proxies are requested to bring their copies of Annual Report to the meeting and the attendance slip duly filled in for attending the meeting.
5. Those members who are still holding shares in physical form are requested to dematerialize the same by approaching any of the Depository Participants registered with SEBI.
6. Members who hold shares in dematerialized form are requested to bring their Client-ID and DP-ID for easy identification of attendance at the meeting.

By order of Board of Directors

Sd/-

S.C. Khaneja
Director

Place: New Delhi
Date : 31.07.2010



DIRECTOR'S REPORT

To

The Members,

Your Directors have pleasure in presenting the Nineteenth Annual Report together with the Audited Statement of Accounts of the company for the year ended 31st March, 2010.

FINANCIAL RESULTS

	(Rs. in Lakhs)	
	YEAR ENDED 31ST MARCH, 2010	YEAR ENDED 31ST MARCH, 2009
Income from Operation	296.11	114.56
Profit before Depreciation and Tax	266.75	92.10
Depreciation	2.17	1.69
Profit before Tax	264.58	90.41
Provision for Tax	42.55	6.55
Profit After Tax	222.03	83.86
Proposed Dividend	36.00	Nil
Tax on Dividend	6.12	Nil
Transfer to General Reserve	180.19	83.86

OPERATIONS

The year under review witnessed a strong revival of real economy and financial markets across the globe, more particularly in India. On a Consolidated basis, the Income from Operations of the Company for the financial year 2009-2010 stood at Rs.296.11 Lacs against of Rs. 114.56 Lacs in the previous year. The profit after tax stood at Rs. 222.03 Lacs during the year under review against Rs. 83.86 Lacs during the previous year.

DEPOSITS

The company has neither accepted nor invited any fixed deposit within the meaning of Company (Acceptance of Deposits) Rules' 1975 from the public, during the year.

DIVIDEND

The Directors are pleased to recommend the payment of dividend of 6% (Paise Sixty per share) for the year under review. The dividend, if declared, at the ensuing Annual General Meeting, will be paid to those members whose name appears in the Register of Members on 22nd September 2010. In respect of the shares held in electronic form, the dividend will be paid to those persons whose names shall appear as beneficial owners at the close of the business hours on Tuesday, 21st September 2010 as per details furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd. The Payment of dividend will entail an outlay of Rs. 36 Lacs. The Company will also have to bear the distribution tax of Rs. 6.12 Lacs.

DIRECTORS

In accordance with the provisions in section 256 of the Companies Act, 1956 and the Articles of Association of the company, Mr. Sunil Sobti and Mr. S.P Oberoi, Directors retire by rotation and being eligible offer themselves for the reappointment.

Brief resume of the Directors proposed to be reappointed, nature of their expertise in specific functional areas and names of the Companies in which they hold directorships and memberships/chairmanships of Board/ Committees, as stipulated under Clause 49 of Listing Agreement with Bombay Stock Exchange Limited, are provided in the Report on Corporate Governance forming part of this Annual Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of section 217(2AA) of the Companies Act, 1956, your Directors wish to state that:

1. in the preparation of the annual accounts, for the year ended 2009-2010, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. they had 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 31st March, 2010 and of the profit of your company for that period;



3. they had 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;
4. they had prepared the Annual Accounts of the Company on a 'Going Concern' basis.

CORPORATE GOVERNANCE

During the Financial Year 2009-10, the company has complied with all the norms of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

A detailed report on Corporate Governance forms part of the Annual Report of the company. A certificate from the Auditors of the company confirming compliance with the requirements of Corporate Governance Clause of the Listing Agreement is annexed to the Report on Corporate Governance.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Management Discussion and Analysis report also accompanies this report.

LISTING OF SHARES

Presently, the shares of the company are listed at the Bombay Stock Exchange Limited, Mumbai. The company has paid the Annual Listing fee for the year under review to the stock exchange.

AUDITORS

M/s. DUA & KUMAR, Chartered Accountants, New Delhi, retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS REMARKS

The observations made by the Auditors with reference to notes on the accounts for the year under report are self-explanatory and need no further comments from the directors.

PARTICULARS OF EMPLOYEES

There is no eligible employee whose particulars under section 217(2A) of the Companies Act, 1956 are called for.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO.

Information under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the report of Board of Director) Rules, 1988, is not being furnished, as the same is not applicable. No particulars are furnished on conservation of energy and technology absorption. There was no foreign exchange earning or outgo during the year under review.

ACKNOWLEDGEMENTS

The directors place on record their appreciation of the excellent performance and hard work put in by the employees at all levels in the company's growth and development. The Directors also convey their grateful thanks to the esteemed shareholders for their continued cooperation, support and the confidence reposed by them in the company.

By order of Board of Directors

Sd/-

**S.C. KHANEJA
CHAIRMAN**

PLACE : NEW DELHI

DATE : 31.07.2010



MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW: Following the deepest global downturn in recent history, economic growth showed signs of returning to life during FY 2009-10. The rate of contradiction in the economic activities and the extent of pressures on the financial system started easing with the global economy showing signs of recovery signaling, albeit, hesitantly, the winding down of global recession.

INDUSTRY OVERVIEW: As you know that our Company is an Investment oriented. We depend on the market sentiments. As compared to last year, the market sentiments are healthy for investment and market experts feel that the sensex will perform better in the current year as compared to the last year.

OPPORTUNITIES AND THREATS: The Company as a NBFC is engaged predominantly in the business of investment, the future business prospects are closely linked with the variations in the stock market and also in the government policy and world economy. With the GDP growth having stabilized and projected for the future reflecting optimism, we can say with confidence that India has weathered the crisis well and the Indian economy now is in far better position than it was a year ago. Improved sentiments in the secondary markets will also enhance the participation of investors across segments thereby helping the prospects of equity brokerage business.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:

Your Company is mainly engaged in investment activities, which is the only business segment. Segment-wise reporting is not applicable to your company.

OUTLOOK: Your company is mainly engaged in investment of shares and debentures of other companies. It has 49% equity stake in Integrated Master Securities (P) Ltd., which is a member of National Stock Exchange of India Ltd., Bombay Stock Exchange Ltd., The Delhi Stock Exchange Association Ltd., The Ludhiana Stock Exchange Association Ltd., The Vadodara Stock Exchange Ltd. MCX-SX Stock Exchange and Depository Participant of National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd (CDSL).

RISK AND CONCERNS: The Company like any other company is exposed to the risk factors relating to the business of the company and the industry in which it operates. The performance of your company to a major extent depends upon the Capital Market and therefore, it is exposed to the risk factors which are applicable to Capital Market. The Company recognizes the importance of risk management on account of market volatility and manages these risks by adherence to best practices, internal control measurers and risk management systems.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY: Given the nature of business and size of operations, the Company's Internal Control System has been designed to provide for:

- Accurate recording of transactions with internal checks and prompt reporting.
- Adherence to applicable Accounting Standards and policies.
- Compliance with applicable statutes, policies, listing requirements and management policies and procedures.
- Effective use of resources and safeguarding of assets.

The Audit Committee of the Board reviews Internal Control systems of the company on periodical basis.

In addition to above IFSL has an adequate internal audit and control system across all the businesses. Towards this endeavour we have a team of experienced internal auditors supported by qualified external auditors. IFSL has centralized Compliance Department, which ensure compliance with all the applicable laws. In addition, it provides advice on general regulatory matters including formulating policies on prevention of Insider Trading, etc.

HUMAN RESOURCES

The company has adequate human resources, who is commensurate with the current volume of activity and is reviewed by the management periodically and the company would induct competent personnel on increase/expansion of the activity.

The human resource policy of the Company seeks to inculcate in every employee a sense of belonging with the company so that every individual who is a part of the organization works with utmost sincerity and devotion. Employees have easy accessibility to the senior management through the open door policy and are given adequate exposure to explore innovative ideas and pursue novel concepts. It is very important to us to ensure that employee morale is high and they feel a sense of pride and belonging to the organization.



CORPORATE GOVERNANCE REPORT:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company has always attributed utmost importance to Corporate Governance and endeavors to achieve the goals and objectives of the company without affecting or violating any society or people and has followed Corporate Governance in its operations to make them highly transparent, accountable, integrate and responsible, by adequate disclosures made in the report.

BOARD OF DIRECTORS:

- a) **Composition:** The composition of the Board is governed by the Companies Act, 1956, the Listing Agreement and Article of Association of the company. The Board comprises of a Non-executive Chairman and five directors. Out of total strength of Six directors, three directors are promoter directors and three are non-promoter directors. One of the directors is Executive Director and remaining five directors are Non-executive Directors out of which three are independent directors. There are no nominee directors and institutional directors on the Board of the Company.
- b) **Board Meetings:** The Board meets at least once a quarter and the time gap between two Board Meetings is not more than four calendar months. During the financial year 2009-2010, the Board of Directors met six times on 30th May 2009, 30th June, 2009, 31st July, 2009, 30th September 2009, 31st October, 2009 and 30th January, 2010.

The information regarding the meetings attended by the Directors is given below: -

Name of Director	Category of Director	No. of meetings attended/Attendance of Board Meetings.	Total No. of other Directorship in public Ltd. Companies	Attendance at last AGM	Committee Membership	Committee Chairmanship
Sh S.C.Khaneja	Chairman, Promoter, Non-Executive	5	1	Yes	1	----
Smt Rajni Khaneja	Promoter, Executive	6	Nil	Yes	----	----
Sh Virender Khaneja	Promoter, Non-Executive	6	Nil	Yes	----	----
Ms. Rachna Batra	Independent, Non-Executive	6	1	Yes	2	2
Sh Sunil Sobti	Independent, Non-Executive	6	Nil	Yes	2	----
Sh. S. P. Oberoi	Independent, Non-Executive	6	Nil	Yes	----	----

Mr. Sunil Sobti, and Mr. S.P. Oberoi, Director of the Company, retires by rotation at the ensuing Annual General Meeting and offers themselves for reappointment.

Mr. Sunil Sobti is a Fellow Member of Institute of Company Secretaries of India, L.L.B. (from Delhi University) by qualification. He has a rich experience of nearly 10 years in the financial and Capital Market. He is also a director in Mahek Infoarts (P) Ltd.

Mr. S.P. Oberoi is a fellow member of Institute of Company Secretaries of India and L.L.B. (from Delhi University) by qualification and holds a certificate in Proficiency of Law from Delhi University. He has experience over 40 years in the areas of Law and Accounts. He has worked as Company Secretary from 1993 to 2006 in Synthesis Medical (P) Ltd. Before such joining, he worked in M/s. Gem India Ltd. as group Company Secretary from 1974 to 1993. During the period from 1965 to 1974, he has worked as Company Secretary with Delhi Safe Deposit Company Ltd. He has worked as Company Secretary In Imation (India) Private Ltd. from 2006 to 2009.

Relationship of Directors with other Directors

Name of Director	Relationship	Other Director Name
Sh. S. C. Khaneja	Husband	Smt. Rajni Khaneja
Sh. S. C. Khaneja	Brother	Sh. Virender Khaneja

Other directors are not related to each other.

- c) **Periodic review of compliances of all applicable laws:** The Company has adopted a system whereby all the acts, rules and regulations applicable to the company have been identified and compliance with such acts, rules and regulations is monitored by the compliance officer on a regular basis.



COMMITTEES OF THE BOARD:

AUDIT COMMITTEE

The Audit Committee of the company comprises of 3 directors i.e. Shri S.C.Khaneja, Ms. Rachna Batra and Sh. Sunil Sobti, all being Non-executive directors. Ms. Rachna Batra and Mr. Sunil Sobti are independent directors. Ms. Rachna Batra is heading the Committee. All the members have requisite financial and management expertise. The terms of reference of the Audit Committee are as contained in Section 292A of the Companies Act, 1956 and also as contained in Corporate Governance Clause of the Listing Agreement.

The Audit Committee met six times during the year. The attendance of the members of the Committee during the financial year 2009-2010 is given as below:

Committee Member	Category	No. of Meetings Attended
Ms. Rachna Batra	Member, Chairperson	6
Mr. S.C. Khaneja	Member, Director	5
Mr. Sunil Sobti	Member, Director	6

REMUNERATION COMMITTEE:

None of the Managerial Personnel have received or drawn any remuneration during the year under report. Therefore, the constitution of Remuneration committee will not serve any purpose in view of the limited staff, present operations and activities of the company

Mrs. Rajni Khaneja, Executive Director has drawn a remuneration of Rs. 20000/- (Rupees Twenty Thousand) per month from the company subject to TDS. Non-Executive directors do not draw any remuneration from the company except sitting fees of Rs. 2500/- per meeting.

SHAREHOLDERS/ INVESTOR GRIEVANCE COMMITTEE:

As a measure of good Corporate Governance and to focus on the shareholders' grievances and towards strengthening investor relations, Shareholders/Investors Grievance Committee has been constituted as a Committee of the Board.

CONSTITUTION AND COMPOSITION.

The Shareholders / Investors Grievance Committee comprises of two non-executive (all being independent) directors as members namely Ms. Rachna Batra and Mr. Sunil Sobti. The details of the composition of the Audit Committee are given below.

Committee Member	Category
Mrs. Rachna Batra	Member, Chairperson
Mr. Sunil Sobti	Member, Director

Mr. S.C.Khaneja, Chairman being a qualified Company Secretary (FCS) is the Compliance Officer of the company.

The company had received one complaint from the shareholder during the year and the complaint was duly resolved. No share transfers were pending as on 31st March 2010. No dematerialisation requests were pending as on 31st March 2010.

POSTAL BALLOT

None of the special resolutions were passed through postal ballot during the last year.

GENERAL BODY MEETINGS:

Detail of last three Annual General Meetings is as follows:-

Year	Venue	Date	Time	No. of Special Resolution Passed at AGM
2008-2009	303-304, New Delhi House, 27, Barakhamba Road, New Delhi-110001	30.09.2009	10.00 A.M	None
2007-2008	303-304, New Delhi House, 27, Barakhamba Road, New Delhi-110001	30.09.2008	10.00 A.M	None
2006-2007	B-3/6-7, Asaf Ali Road, New Delhi-110002	29.09.2007	10:00 A.M.	None



DISCLOSURES:

During the year, there was no material/significant transaction with the directors or the management, their relatives, etc. that have any potential conflict with interest of the Company at large. Related party disclosures are provided in Notes to the accounts forming part of the accounts in accordance with the provisions of Accounting Standard-18 Related Party Disclosures issued by the Institute of Chartered Accountants of India.

There is no deviation in following the treatments prescribed in any Accounting Standard (AS) in the preparation of the financial statements of the Company.

The Company has laid down procedures for risk management, assessment and its minimization. The Group risk management team places an update on risk management to the Board at its meetings.

The Stock Exchanges, RBI, SEBI or any other Statutory Authority has not imposed any penalty or strictures during the last three years.

The Board of Directors has adopted the code of conduct for Board Members and the senior management personnel. The said code has been communicated to the Directors and Members of the senior management, and they have affirmed their compliance with the said record.

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

MEANS OF COMMUNICATION

- **Quarterly Disclosures:** The quarterly/half yearly results of the company are published in "Business Standards" (English and Hindi Edition).
- **Website:** There is no Website of the company. Financial results/Shareholding Pattern/Important announcements are being sent the Bombay Stock Exchange Limited where the shares of the company are listed, for putting in their own website.
- **News Release, Presentation etc.:** The Company has not made any official Bulletin for circulation so far. There are no institutional investors in the company and no presentations are being made to analysts.
- **Designated Exclusive E-MAIL ID:** The Company has designated an e-mail ID called 'investorrelations@rediffmail.com' exclusively for redressal of shareholders complaints/grievance. For any query please write us at investorrelations@rediffmail.com.

GENERAL SHAREHOLDERS INFORMATION:

(a) Date, Time and Venue of Annual General Meeting:

TIME	10:00 a.m.
DAY	Wednesday
DATE	29 th September, 2010
VENUE	303-304, 3 rd Floor, New Delhi House, 27, Barakhamba Road, New Delhi – 110 001

(b) Financial Calendar 2009-2010 (Tentative) :

Schedule Financial Reporting	Tentative Date
For the quarter ending June 2010	End of July 2010
For the quarter ending September 2010	End of October 2010
For the quarter ending December 2010	End of Jan 2011
Annual Result for the year March 2011	End of June 2011

(c) Dates of Book Closure:

The Share transfer books of the company will remain closed from 22nd September 2010 to 29th September, 2010 (both days inclusive) for the purpose of AGM.

(d) Dividend Payment Date: The Dividend if declared at the AGM, shall be paid to those shareholders whose name appears on the Register of members as on 22nd September, 2010.

(e) Listing:

The Securities of the Company are listed on: Bombay Stock Exchange Limited (BSE),
P. J. Towers, Dalal Street, Fort,
Mumbai – 400 001.

Annual Listing fee for the year 2010-11, has been paid by the Company to BSE.

**(f) Stock Code:**

Bombay Stock Exchange Limited : 500212
 ISIN for Equity Shares : INE898B01017

(g) Registrar & Transfer Agent:

The Company has appointed Mas Services Limited, T-34, 2nd Floor, Okhala, Industrial Area, Phase – II, New Delhi-110 020 as Physical and Electronic Registrar through which the shares of the Company are available for transfer as well as dematerialization with effect from 01.09.2003

(h) Share Transfer System:

Shares lodged for transfer are normally processed within 15 days from the date of lodgment, if the documents are clear and in order in all respects.

The shares of the Company are traded on the Bombay Stock Exchange Limited compulsorily in demat form. The Company has participated as an issuer both with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL). The International Securities Identification Number (ISIN) is INE898B01017.

(i) Distribution of shareholding: As on 31st March 2010

	Category	No. of Shares held	%age of Shareholding
A.	Promoter's Holding		
1.	Indian Promoters	4474192	74.57
	Foreign Promoters	Nil	Nil
	Sub- Total	4474192	74.57
B.	Non-Promoters Holding		
a.	Institutional Investors	Nil	Nil
b.	Mutual Funds and UTI	Nil	Nil
c.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions, Non- government Institutions)	Nil	Nil
d.	FII's	Nil	Nil
	Sub-Total	NIL	NIL
C.	Others		
a.	Private Corporate Bodies	280146	4.669
b.	Individual	1239451	20.66
c.	Other		
	i. Non- Resident Indian	100	0.002
	ii. Clearing Member	6111	0.102
	Sub-Total	1525808	25.43
	Grand Total	60,00,000	100.00

(j) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion dates and likely impact on equity. The company has not, as of now, issued any GDRs/ADRs/Warrants or any Convertible Instruments.

(k) Dematerialization of shares:

As on 31st March 2010, 85.234% of the capital comprising 51,14,092 shares was dematerialized with Depository Participants.

(l) Address for correspondence:

Registered Office : 303-304, III Floor, New Delhi House, 27, Barakhamba Road, New Delhi – 110001.
 Telephone Nos. : 4307 4307 (30 Lines)
 Fax : 4307 4315

Shareholders holding shares in electronic mode should address all their correspondence to their respective



Depository Participants (DP).

(m) Stock Market Data:

The Stock Market Data of the company at BSE is furnished hereunder:

Month	High (Rs.)	Low (Rs.)
April, 2009	16.10	13.50
May, 2009	19.42	14.11
June, 2009	21.00	16.15
July, 2009	20.35	16.05
August, 2009	19.15	15.05
September, 2009	20.65	17.60
October, 2009	22.05	17.25
November, 2009	20.90	17.50
December, 2009	22.65	17.35
January, 2010	24.00	17.50
February, 2010	21.00	17.00
March, 2010	21.80	17.80

Compliance with Non Mandatory Requirements

- The company has not fixed the tenure for the Independent Directors on the Board of the Company.
- The Board has not set up the Remuneration Committee.
- The company has not yet adopted any training program for the members of the Board.
- The company has not adopted any Whistle Blower Policy.

Declaration of compliance with code of conduct

It is hereby affirmed that all the directors and the senior management personnel have complied with the Code of Conduct framed by the company and a confirmation to that effect has been obtained from the directors and senior management.

CEO/CFO Certification

A certificate from the Chairman as per the requirement of paragraph V of the revised Clause of the Listing Agreement was placed before the Table.

On behalf of Board of Directors

Sd/-

S.C. Khaneja

Chairman



Auditors' Certificate on Compliance of Corporate Governance Under Corporate Governance Clause of the Listing Agreement

To,

The Members of
Integrated Financial Services Limited,

We have examined the compliance of conditions of Corporate Governance procedures by **Integrated Financial Services Limited** during the year ended March 31, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and the best of our information and according to the explanations given to us and 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 the above-mentioned Listing Agreement.

We state that in respect of Investor grievances received during the year ended 31st March, 2010, no investor grievances are pending against the company for a period exceeding one month as on 31st March, 2010, as per the records maintained by the company and presented to Investors'/Shareholders' Grievance Committee.

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

**For DUA & KUMAR
CHARTERED ACCOUNTANTS**

**Sd/-
(Mahesh Kumar)
Proprietor
Membership No.: 85757**

**PLACE : NEW DELHI
DATED: 19.05.2010**



AUDITORS' REPORT

To
The Members of Integrated Financial Services Limited

We have audited the attached Balance Sheet of Integrated Financial Services Limited, as at 31st March, 2010 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards required 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 financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- 1) As required by the Companies (Auditor's Report) Order, 2003 issued by Government of India in terms of Sub-Section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said order.
- 2) Further to our comments in the Annexure referred to above, we report that:
 - i) 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.
 - ii) In our opinion, proper books of accounts as required by the law have been kept by the company so far as appears from our examination of those books.
 - iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - iv) In our opinion, Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - v) On the basis of written representations received from the Directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as Director in terms of Clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
 - vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required read together with other notes given in schedule 10, gives a true and fair view in conformity with the accounting principle generally accepted in India:
 - a) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2010;
 - b) In the case of Profit & Loss Account of the profit for the year ended on that date; and
 - c) In the case of Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

Place : New Delhi
Date : 19th May, 2010

For Dua & Kumar
Chartered Accountants
Sd/-
(MAHESH KUMAR)
Proprietor
M. No. 85757



ANNEXURE TO THE AUDITORS' REPORT

Statement referred to in paragraph (1) of our report of even date to the member of the Integrated Financial Services Limited on the accounts for the year ended 31st March, 2010.

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

(b) The Fixed Assets have been physically verified by the management during the year and there is also a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) No substantial part of fixed assets have been disposed off during the year.
2. The company does not have any inventory during the year.
3. (a) The company has given loans to the companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956.

(b) The company has not taken any loans, secured or unsecured from the companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sales of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
5. (a) According to the information and explanations given to us, we are of the opinion that the transaction that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits within the meaning of section 58A and 58 AA of the Companies Act, 1956.
7. In our opinion, the company has internal audit system commensurate with the size and nature of the business.
8. As explained to us the Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in the case of the company.
9. (a) The company is not covered under Provident Fund and the ESI Act.

(b) According to information and explanations given to us, no undisputed amounts is payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty were in arrears, as at 31.3.2010 for a period of six months from the date they became payable.
10. There are no accumulated losses at the end of financial year. The company has also not incurred cash losses during the financial year covered by our audit and preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.



12. According to information & explanations given to us, the company has not given any loan and advances on the basis of security by way of pledge of shares, debentures and other securities

13. The Company is not a chit fund. Therefore, the provisions of clause 4 (xiii) of Companies (Auditor Report) Order, 2003 are not applicable to the company.

14. In our opinion, the company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments. And timely entries have been made therein. All shares and debentures and other investments have been held by the company in its name.

15. According to information & explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.

16. The company has not raised any term loan during the year

17. According to the information and explanations given to us and on an overall examination of the Company, we report that the no funds raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets.

18. According to the information and explanation given to us, the company has not made preferential allotment of share to parties and companies during the year, covered in the register maintained under section 301 of the Act.

19. The Company has not issued debentures during the year.

20. The Company has not raised any money through public issue during the year.

21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported in the course of our audit.

Place : New Delhi
Date : 19th May, 2010

For Dua & Kumar
Chartered Accountants
Sd/-
(MAHESH KUMAR)
Proprietor
M. No. 85757

INTEGRATED FINANCIAL SERVICES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2010

	<u>SCHEDULE</u>		<u>AS AT</u> <u>31st March, 2010</u> <i>(Rupees)</i>	<u>AS AT</u> <u>31st March, 2009</u> <i>(Rupees)</i>
I. SOURCES OF FUNDS				
1. Shareholder's Funds.				
a) Share Capital	1	60,000,000	60,000,000	
b) Reserve & Surplus	2	<u>163,265,919</u>	<u>223,265,919</u>	<u>145,246,941</u>
2. Deferred Tax Liability			<u>376,446</u>	<u>404,363</u>
			<u>223,642,365</u>	<u>205,651,304</u>
II. APPLICATION OF FUNDS.				
1) Fixed Assets				
a) Gross Block	3	5,119,320	4,525,618	
b) Less: Depreciation		<u>2,291,811</u>	<u>2,598,930</u>	
c) Net Block			2,827,509	1,926,688
2) Investments	4		185,056,992	138,764,391
3) Current Assets, Loans & Advances.				
a) Cash & Bank Balances	5	3,965,673	755,322	
b) Other Current Assets	6	33,904,521	61,839,996	
c) Loans & Advances	7	<u>6,580,405</u>	<u>3,247,081</u>	
		<u>44,450,598</u>	<u>65,842,399</u>	
Less: Current Liabilities & Provisions.				
b) Other Liabilities	8	<u>8,692,734</u>	<u>882,175</u>	
		<u>8,692,734</u>	<u>882,175</u>	
Net Current Assets			35,757,864	64,960,225
Notes on Accounts	10			
			<u>223,642,365</u>	<u>205,651,304</u>

As per our report of even date attached.

for DUA & KUMAR
Chartered Accountants

On behalf of the Board

Place : New Delhi
Dated : 19th May, 2010

Sd/-
(Mahesh Kumar)
Proprietor

Sd/-
(S.C. Khaneja)
Director

Sd/-
(Rajni Khaneja)
Director

	As at <u>31st March, 2010</u> (Rupees)	As at <u>31st March, 2009</u> (Rupees)
SCHEDULE '1'		
SHARE CAPITAL		
<u>Authorised</u>		
60,00,000 Equity shares of Rs.10/- each		
(Previous year 60,00,000 Equity Shares of Rs.10/- each)	<u>60,000,000</u>	<u>60,000,000</u>
<u>Issued, Subscribed & Paid-up Capital</u>		
60,00,000 Equity Shares of Rs.10/- each fully paid		
(Previous year 60,00,000 Equity shares of Rs.10/- each fully paid).	60,000,000	60,000,000
	<u>60,000,000</u>	<u>60,000,000</u>
SCHEDULE '2'		
<u>RESERVE & SURPLUS</u>		
PROFIT & LOSS ACCOUNT		
As per last Balance Sheet	145,246,941	136,832,947
Add: Surplus for the year.	18,018,979	8,413,994
	<u>163,265,919</u>	<u>145,246,941</u>

SCHEDULE '3'
FIXED ASSETS AS AT 31ST MARCH, 2010

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As on	Additions	Sale During	Total as on	Upto	Adjustme	Total upto	W.D.V. as	W.D.V. as
	01.04.2009	uring the Yea	the Year	31.3.2009	31.3.2009	nt during	31.3.2010	on 31.3.2010	on 31.3.2009
1	2	3	4	5	For the year	the year	8	9	10
Office Premises	3,350,500	-		3,350,500	1,666,477	84,201	1,750,678	1,599,822	1,684,023
Car	702,623	1,296,325	702,623	1,296,325	480,686	129,724	86,433	1,209,892	221,937
Typewriter	25,400	-		25,400	23,134	315	23,449	1,951	2,266
Fan	7,050	-		7,050	6,521	74	6,595	455	529
Refrigerator	12,475	-		12,475	11,567	126	11,693	782	908
Computer	280,923	-		280,923	280,733	76	280,809	114	190
Furniture & Fixture	49,656	-		49,656	44,421	728	45,149	4,507	5,235
Fax Machine	60,000	-		60,000	53,172	950	54,122	5,878	6,828
Intercom	12,720	-		12,720	11,211	210	11,421	1,299	1,509
Filling Cabinet	14,291	-		14,291	12,284	279	12,563	1,728	2,007
Water Filter	9,980	-		9,980	8,724	175	8,899	1,081	1,256
TOTAL :	4,525,618	-		5,119,320	2,598,930	216,858	2,291,811	2,827,509	1,926,688
Previous Year :	4,525,618	-		4,525,618	2,429,320	169,610	2,598,930	1,926,688	

INTEGRATED FINANCIAL SERVICES LIMITED

SCHEDULE '4'

INVESTMENTS --- AT COST	Qty.	As on 31.3.2010 Amount (Rupees)	Qty.	As on 31.3.2009 Amount (Rupees)
QUOTED SHARES:				
AHMEDNAGAR FER	-	-	9,100	287,012.40
ALLAHABAD BANK LIMITED	-	-	7,000	325,470.05
AMFORGE INDUSTRIES LTD	25,000	111,500.00	25,000	111,500.00
ARVIND MILLS LTD	55,000	1,092,850.00	-	-
AMTEK INDIA LTD	10,000	714,275.10	-	-
ANDHRA PETROCHEMICAL	7,500	160,345.70	7,500	160,345.70
ANDHRA CEMENT LTD	5,000	139,750.00	-	-
ANSAL HOUSING & CONSTRUCTION	6,500	366,340.00	-	-
ARAVALI SECURITIES & FIN	15,000	198,900.00	15,000	198,900.00
BANK OF RAJASTHAN LTD	20,000	689,200.00	20,000	689,200.00
BAHARAT BHUSHAN SHARES & SEC	30,000	262,800.00	30,000	262,800.00
BANK OF MAHARASTRA	15,000	351,950.00	10,000	240,945.75
BAHARAT PETROLEUM	-	-	1,777	737,200.00
BINANI CEMENT LTD	10,500	399,105.00	-	-
BIHAR SPONGE IRON LIMITED	18,000	140,580.00	-	-
CANFIN HOMES LTD	29,000	1,362,581.09	50000	2,400,982.00
CHAMAN LAL SETIA EXPORTERS	10,500	343,640.55	10,500	343,640.55
CHAMBAL FERTILIZERS	34,000	1,398,519.30	45,000	1,565,910.70
COSCO (INDIA) LTD	22,500	564,975.29	26,000	652,860.34
COSMO FERRITES LTD	65,000	580,225.94	65,000	580,225.94
COSMO FILMS LTD	4,000	339,669.49	7,500	640,810.50
CIL SECURITIES LTD	60,000	917,416.37	60,000	917,416.37
CREATIVE EYE LTD	17,000	103,020.00	17,000	103,020.00
CUBEX TUBINGS LTD	4,000	64,929.40	-	-
DATAMATICS GLOBAL SERVICES	10,000	150,100.00	10,000	150,100.00
DOLPHIN MEDICAL SERVICES	110,000	354,200.00	110,000	354,200.00
DEVELOPMENT CREDIT BANK	37,000	1,297,059.20	10,000	515,275.00
DIGJAM LTD	11,000	60,060.00	-	-
ESCORTS LTD	10,000	619,828.06	10000	619,828.06
ETC NETWORKS LTD	7,693	641,193.92	7693	641,193.92
ELECTROSTEEL CASTINGS LTD	20,000	553,281.50	20000	553,281.50
FIRSTSOURCE SOLUTIONS LTD	20,000	422,950.00	15,000	252,900.00
FORTIS HEALTH CARE LTD	17,000	1,237,855.60	21000	1,557,456.00
FRONTIER SPRINGS LTD	2,900	44,209.00	2900	44,209.00
FINOLEX INDUSTRIES LTD	14,500	681,670.93	14503	699,130.02
FIRST LEASE COMPANY LTD	-	-	9000	383,242.08
GARDEN SILK MILLS LTD	5,000	371,044.26	5500	257,878.08

GHCL LTD	20,000	520,234.60	20000	520,234.60
GOLDIAM INTERNATIONAL	-	-	10000	713,600.00
GRAUER & WEIL (INDIA) LTD	161,000	10,933,960.00	87002	9,038,790.82
GUJARAT HOTELS LIMITED	11,000	189,413.90	11000	189,413.90
GUJARAT SIDHEE CEMENT LTD	26,000	387,779.18	26000	387,779.18
GAYATRI SUGARS LTD	45,000	153,450.00	45000	153,450.00
HELIOS & MATHESON	6,000	338,795.97	6000	338,795.97
HINDUSTAN COPPER LTD	16,800	935,795.15	21500	1,215,275.15
HOTEL LEELAVENTURE LTD	10,000	192,791.45	10000	192,791.45
HYDRO S&S INDUSTRIES LTD	3,000	100,523.92	-	-
31 INFOTECH	-	-	10000	266,656.75
IDBI BANK LTD	50,000	4,651,825.44	50000	4,651,825.44
INDO RAMA SYNTHETICS (I) LTD	32,500	768,950.00		
IDEA CELLULAR LTD	10,000	584,100.00	-	-
IFCI LTD	40,000	2,106,789.95	40000	273,850.00
INFRASTRUCTURE DEVELOPMENT	6,000	336,735.00	15,000	1,006,276.25
INDRAPRASTHA MED CORP. LTD	45,300	689,013.00	45300	689,013.00
INDIABULLS SECURITIES LTD	35,000	989,100.00		
INSILCO	-	-	10000	151,010.00
ISMT LTD	15,000	590,558.35	15000	590,558.35
ISPAT INDUSTRIES LTD	20,000	293,600.00	-	-
INTRA INFOTECH LTD	10,700	129,042.00	-	-
IKM FINANCE LTD	5,392	55,938.48	5000	52,550.00
JAGATJIT INDUSTRIES LTD	6,200	243,853.62	6200	243,853.62
JAMNA AUTO INDUSTRIES LTD	6,500	170,526.50	6,000	282,430.00
JASCH INDUSTRIES LTD	15,000	92,400.00	15,000	92,400.00
JCT LTD	100,000	372,950.00	100,000	372,950.00
JENSON & NICLSON	30,000	247,534.59	30000	247,534.59
JINDAL VIJAY NAGAR STEELS LTD	-	-	7230	1,450,657.55
JK PAPER LTD	66,000	1,479,060.00	-	-
JP HYDROPOWER	13,000	428,920.00	13000	373,540.00
JK TYRE INDUSTRIES LTD	-	-	5000	638,477.95
JYOTI LTD	8,000	323,083.08	-	-
KARUR KCP	-	-	11500	729,440.00
KARNATAKA BANK LTD	5,000	605,550.00	-	-
KINGFISHER AIRLINES LTD	2,500	66,975.00	2500	66,975.00
KALAM SPINNING MILLS LTD	2,500	44,837.30	6500	119,690.30
KAMANWALA HOUSING	20,000	1,177,652.07	20000	1,266,314.00
KHAITAN INDIA LTD	-	-	2545	131,419.45
LAKHANI INDIA LTD	10,129	430,085.69	10129	430,085.64
LIC HOUSING FINANCE LTD	-	-	3500	931,503.20
LAHOT OVERSEAS LTD	45,000	335,542.45	45000	335,542.45
LAXMI PRECISION	12,000	288,120.00	12,000	288,120.00

MACHINO PLAST	-	-	3000	149,421.10
MAJESTIC AUTO LTD	60,800	1,940,954.83	66,550	2,350,157.60
FORTIS MALAR HOSPITALS	5,715	162,521.75	-	-
MANGLORE REF. & PETRO LTD	12,000	613,443.60	12,000	613,443.60
MARAL OVERSEAS LTD	50,000	323,000.00	-	-
MARKET CREATORS LTD	7,600	114,602.00	7600	114,602.00
MICRO FORGE (INDIA) LTD	60,000	205,850.00	-	-
MOUNT EVEREST MINERAL LTD	5,000	347,268.20	-	-
MTZ POLYFILMS LTD	42,500	49,300.00	42,500	49,300.00
MUNJAL AUTO INDUSTRIES	24,600	2,144,210.00	25,000	2,161,950.00
MUNJAL SHOWA LTD	7,100	344,689.55		
MONNET ISPAT	5,000	1,938,219.80	5,000	781,974.70
NAGARJUNA FERTILIZERS LTD	92,000	643,085.00	92000	643,085.00
NAKODA LTD	10,000	291,566.58	-	-
NEYVELI LINITE CORPORATION	2,500	166,433.05	7500	531,480.25
NELCO LTD	10,000	344,760.35	10,000	344,760.35
NCL INDUSTRIES LTD	15,000	629,050.00	15,000	629,050.00
N G INDUSTRIES LTD	3,240	142,352.13	3240	142,352.13
NHPC LTD	100,000	3,196,000.00	-	-
NUCHEM	-	-	71,000.00	903,429.22
NTPC LTD	30,000	6,075,600.00	22500	5,061,115.65
NICCO CORPORATION	-	-	10000	361,875.00
NOCIL	-	-	5000	73,503.40
OCL IRON & STEEL LTD	10,000	223,000.00	-	-
OMAX AUTOS LTD	50,000	2,568,470.80	47000	2,497,490.80
OSWAL CHEMICAL & FERTILIZER LTD	100,000	532,810.00	100000	532,810.00
ORISSA SPONGE IRON & STEEL	10,000	3,533,400.00	-	-
PARSVNATH DEVELOPERS LTD	5,500	293,755.00	-	-
PETRONET LNG LTD	33,000	1,486,022.19	33,000	1,486,022.19
PNB GILTS LTD	49,000	952,191.47	50,000	960,512.20
PRAKASH INDUSTRIES LTD	20,000	518,895.57	20000	518,895.57
PRECISION CONTAINERS LTD	20,000	48,800.00	20000	48,800.00
PRIME INDUSTRIES LTD	23,200	103,430.00	23200	103,430.00
PUNJAB ALKALIES AND CHEMICALS	21,000	394,966.00	21000	394,966.00
RAMA PAPER MILLS LTD	25,000	332,896.20	24000	537,554.60
RSWM LTD	25,000	1,667,931.91	12300	264,736.76
RASHTRIYA CHEMICALS LTD	-	-	25,000	846,114.15
ROHIT FLRRO INDUSTIRES	-	-	14,000	228,340.00
ROYAL ORCHID HOTELS LTD	9,000	638,769.10	5,000	450,050.00
RICO AUTO INDUSTRIES LTD	20,000	500,266.20	14000	602,140.00
RELIANCE POWER LTD	12,000	1,689,370.00	-	-

SAHARA HOUSINGFINA CO	2,800	265,458.00	2800	265,458.00
SAHYA INDUSTRIES LTD	-	-	3,000	122,638.80
SAMKRG PISTONS AND RINGS	3,800	284,342.96	6,000	484,666.30
SM TELESYS LTD	-	-	228,780	1,721,974.99
SHARYANS RESOURCES LTD	1,000	78,707.95	-	-
SHIVAM AUTOTECH LTD	5,000	221,750.00	5000	221,750.00
SHREE RAYALASEEMA ALKALIES	10,000	150,850.00		
SHREE RAYALASEEMA HITECH	11,000	113,524.17	11,000	113,524.20
SIL BUSINESS ENTERPRISES	14,800	122,377.50		
SINGER INDUSTRIES LTD	-	-	1000	167,838.98
SNOWCEM INDIA LTD	-	-	14,800	122,377.50
SONA KOYA STEERING SYSTEM	11,000	146,300.00		
THE SOUTH INDIAN BANK LTD	22,500	720,000.00	22,500	720,000.00
SLIVER LINE	-	-	1	31.76
SPENTA INTERNATIONAL LTD	9,600	98,496.20		
SPENTEX INDUSTRIES LTD	100,000	643,369.60	-	-
SUJANA TOWERS LTD	15,000	750,900.00	-	-
SUMEDH FISCAL SERVICE	30,900	354,107.78	31000	339,949.72
SURYA ROSHINI LTD	20,000	792,528.10	18157	473,960.59
SOMDUTT FINANCE	10,000	116,600.00	10,000	116,600.00
SRI JAYALAXSHMI SPINNING MILLS	-	-	20000	70,200.00
STELCO STRIPS	-	-	16500	391,255.00
SUPREME PETRO	-	-	3000	53,632.60
TATA STL CCPS	-	-	48,000	2,336,869.20
TATA MOTORS (TELCO)	-	-	1,500	253,830.00
TAMILNADU PETRO PRODUCTS LTD	30,000	348,300.00	-	-
TEMPTATION FOODS LTD	40,000	1,212,400.00	-	-
TERA SOFTWARE LTD	10,000	390,600.00	-	-
TT LTD	10,000	123,400.00	-	-
UCO BANK	30,000	719,797.87	38000	894,188.62
UPERGANGES	-	-	5000	698,056.12
VALSON INDUSTRIES LTD	12,000	332,858.67	10100	329,178.23
VARDHAMAN ACRYLICS LTD	175,000	666,750.00	175,000	666,750.00
VARDHAMAN POLYTEX LIMITED	8,603	241,338.58	8,603	241,338.58
VIMAL OIL & FOODS LTD	4,000	129,442.45	5500	170,710.10
VARUN SHIPPING COMPANY	20,000	1,001,829.80	19317	962,952.07
VIDEOCON INDUSTRIES LTD	3,500	818,644.00	-	-
VIJAYA BANK LTD	21,000	961,486.15	22,000	1,015,546.15
VIPUL LTD	3,000	134,030.00	-	-
WALL STREET FINANCIAL LTD	10,000	475,100.00	-	-
WELSPUN GUJ STAHI LTD	5,000	274,798.00	5000	274,798.00
WHIRLPOOL INDIA LTD	-	-	14000	273,703.97
ZENITH FIBRES LTD	85,000	2,067,510.80	85000	2,067,510.80

TOTAL OF QUOTED SHARES

97,906,992.25

84,634,391.12

UNQUOTED SHARES

INTEGRATED MASTER SECURITIES (P) LTD	4,900,000	49,000,000.00	4900000	49,000,000.00
INTEGRATED COMMODITIES TRADES (P) LTD	250,000	3,150,000.00	-	-

INVESTMENT IN MUTUAL FUNDS

RELIANCE LIQID FUND		29,900,000.00	-	-
RELIANCE MONEY MANAGER		5,100,000.00	-	-

INVESTMENT IN SHARE WARRENTS

ANSAL HOUSING & CONSTRUCTION	-	-	200000	4,500,000.00
SEASON TEXTILES LIMITED	-	-	225000	315,000.00
SEASON FURNISHING LIMITED	-	-	225000	315,000.00

TOTAL		185,056,992.25		138,764,391.12
-------	--	-----------------------	--	----------------

MARKET VALUE OF QUOTED

INVESTMENT AS ON 31.03.2010**RS. 14,79,44,201.15**

(PREVIOUS YEAR Rs.63,291,477.53)

	As at <u>31st March, 2010</u> (Rupees)	As at <u>31st March, 2009</u> (Rupees)
SCHEDULE '5'		
<u>CASH & BANK BALANCES</u>		
With Scheduled Bank - On Current Account	3,965,673	755,322
	<u>3,965,673</u>	<u>755,322</u>
SCHEDULE '6'		
<u>OTHER CURRENT ASSETS</u>		
Integrated Master Securities Pvt. Limited	31,200,000	59,000,000
Bullion Engg (P) Ltd	2,600,000	2,600,000
Manoj Kumar	74,493	123,340
Ravi Batra	30,028	116,656
	<u>33,904,521</u>	<u>61,839,996</u>
SCHEDULE '7'		
<u>LOANS & ADVANCES</u>		
Income Tax Refund Due (Previous Years)	2,528,538	330,783
Fringe Benefit Tax Refund Due (A.Y.2008-09)	12,198	12,198
Fringe Benefit Tax (A.Y. 2009-10)	-	26,850
TDS & Advance Income Tax	4,029,179	2,826,360
Advance against Salaries	10,490	50,890
	<u>6,580,405</u>	<u>3,247,081</u>
SCHEDULE '8'		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
Sundry Payable	225,767	226,949
Income Tax for Previous Years	39,781	-
Provision for Income-tax(including MAT)	4,215,366	628,605
Provision for Fringe Benefit tax	-	26,621
Proposed Dividend	3,600,000	-
Corporate Dividend Tax	611,820	-
	<u>8,692,734</u>	<u>882,175</u>
SCHEDULE '9'		
<u>INCOME</u>		
Interest Received	8,315,386	9,692,469
Dividend Received	2,091,323	2,214,346
Miscellaneous Income	100	1,206
Profit on sale of Shares	18,602,877	(1,052,491)
Profit on sale of Car	1,354	-
Rent Received	600,000	600,000
	<u>29,611,041</u>	<u>11,455,531</u>

INTEGRATED FINANCIAL SERVICES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	<u>SCHEDULE</u>	For the year ended <u>31st March, 2010</u> <i>(Rupees)</i>	For the year ended <u>31st March, 2009</u> <i>(Rupees)</i>
I. INCOME	9	<u>29,611,041</u>	<u>11,455,531</u>
		29,611,041	11,455,531
II. EXPENDITURE			
Advertisement Expenses		22,389	19,400
General Meeting Expenses		86,763	68,331
Conveyance		83,069	54,127
Custody Fee		33,090	22,472
Insurance Charges		7,379	9,932
Auditor's Remuneration		22,060	22,472
Fees Registration & annual subscription		4,861	9,743
Registrar and Transfer agent charges		8,273	8,427
Newspaper & Periodicals		65,618	57,446
Postage & Telegram		263,900	221,025
Printing & Stationery		292,019	227,969
Professional charges		19,854	18,425
Office Repair, Maintenance Expenses		175,223	148,807
Salaries		980,459	832,370
Computer Expenses		59,234	25,425
Festival expenses		77,956	42,500
Sitting Fee		72,500	66,500
Staff Welfare		99,108	76,358
Securities Transaction Tax		298,281	111,962
Listing fee		16,545	16,625
Telephone Expenses		24,428	18,426
Tour & Travels		99,258	77,158
Vehicle Maintenance		123,659	89,850
Depreciation		216,858	169,610
		<u>3,152,783</u>	<u>2,415,360</u>
III. NET PROFIT			
Profit before Taxation		26,458,258	9,040,171
Provision for Tax (including MAT)		4,215,366	628,605
Provision for Fringe Benefit Tax		-	26,621
Previous Year Adjustment		40,010	-
Deferred Tax		27,917	29,049
Proposed Dividend		3,600,000	-
Corporate Dividend Tax		611,820	-
Balance carried forward to Balance Sheet		<u>18,018,979</u>	<u>8,413,994</u>

As per our report of even date attached.

for DUA & KUMAR
Chartered Accountants

On behalf of the Board

Place : New Delhi
Dated : 19th May, 2010

Sd/-
(Mahesh Kumar)
Proprietor

Sd/-
(S.C. Khaneja)
Director

Sd/-
(Rajni Khaneja)
Director

INTEGRATED FINANCIAL SERVICES LIMITED

SCHEDULE - 10 :

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS AS AT 31.3.2010

I SIGNIFICANT ACCOUNTING POLICIES

(a) Method of Accounting

The financial statements have been prepared with generally accepted accounting principles as well as the requirements of the Companies Act 1956. The accounts have been prepared under the historic convention and accrual basis.

(b) Incomes

(1) All Incomes are accounted on accrual basis.

(2) Dividend declared within the close of the Accounting year are accounted for in respect of the shares and securities held by the company.

(c) All expenses are accounted on accrual basis.

(d) Depreciation

Depreciation on fixed assets has been charged on Written Down Value method at the rates prescribed in Schedule XIV to the Companies Act, 1956.

(e) Fixed Assets

The fixed assets are stated at cost of their acquisition less depreciation.

(f) Taxes on Income

Current Tax is the amount of tax on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred Tax Liability/Asset is recognized subject to the consideration of prudence on timing difference, being the difference between taxable income and accounting income that originate in one period and/or capable of reversal in one or more subsequent periods.

- (g) Foreign Currency Transactions NIL

INTEGRATED FINANCIAL SERVICES LIMITED

II NOTES TO ACCOUNTS

- (a) Contingent Liabilities

Contingent Liabilities outstanding as on 31.3.2010 are Nil

- (b) Current Assets

In the opinion of the Board of Directors the realisable values of "Current Assets, Loans & Advances" in the ordinary course of business is at least equal to the amount stated in the balance sheet.

- (c) There is no employee in the company who is covered under the provisions of Section 217(2A) of the Companies Act, 1956.

- (d) In accordance with 'Accounting Standard 22', the Company has recognized a deferred tax asset of Rs. 27917/- for the year 31st March, 2010 as a charge to the Profit & Loss Account.

	31.03.2010	31.03.2009
Depreciation as per Companies Act, 1956	216858.00	169610.00
Depreciation as per Income Tax Act, 1961	134508.00	74679.00
Difference	82350.00	94931.00
Deffered Tax Asset (Liability)	27917.00	29049.00

- (e) Related Parties Disclosures

A. Key Management Personnel, their relatives and their enterprises where transactions have taken place

- | | | |
|-------------------------|---|----------|
| 1. Mrs. Rajni Khaneja | - | Director |
| 2. Sh. S.C. Khaneja | - | Director |
| 3. Sh. Virender Khaneja | - | Director |
| 4. Mrs. Rachna Batra | - | Director |

- | | | |
|------------------------------|---|----------|
| 5. Mr. Sunil Sobti | - | Director |
| 6. Mr. Surya Prakash Oberoi- | | Director |
| 7. S.C. Khaneja & Son (HUF) | | |

B. Other Related Parties

Integrated Master Securities (P) Limited

(related party relationship on the basis of requirements of Accounting Standard 18 (AS-18) is identified by the company and relied upon by the Auditors).

(f) Transactions carried out with related parties

(Rs. in lacs)

Nature of Transactions	Related Parties	
	Referred in Clause e(a)	Referred in Clause e(b)
<u>Expenses</u>		
Director Remuneration	2.60	Nil
Sitting Fee	0.73	Nil
Interest Received	Nil	83.00
Investments	Nil	490.00*
Rent Received	Nil	6.00
Loans and Advances	Nil	312.00

*All Investments in securities and sale thereof
Is done through Integrated Master Securities (P) Ltd.

(outstanding as on 31/03/2010)

(g) Basic and Diluted Earning Per Share

Earning per share pursuant to Accounting Standard (AS-20) 'Earning per share' issued by the Institute of Chartered Accountants of India.

(Rs. in lacs)

Particulars	Current Year	Previous Year
Net Profit for the year as per Profit & Loss Account	222.41	65.61
No. of Shares	60,00,000	60,00,000
Earning per share	3.70	1.09

(h) Previous years figures have been re-grouped/ rearranged wherever considered necessary.

(i) Additional Information pursuant to Part IV of Schedule VI of the Companies Act, 1956 is annexed.

As per our report of even date attached

For DUA & KUMAR

Chartered Accountants

On behalf of the Board

Date : 19.05.2010
Place : New Delhi

Sd/-
(Mahesh Kumar)
Proprietor

Sd/-
(S.C.Khaneja)
Director

Sd/-
(Rajni Khaneja)
Director

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2010

<u>PARTICULARS</u>	<u>AMOUNT</u> (Rs.) 2009-10	<u>AMOUNT</u> (Rs.) 2008-09
<u>A. CASH FLOW FROM OPERATION ACTIVITIES</u>		
NET PROFIT BEFORE TAX AND EXTRA ORDINARY ITMES	26,458,258.00	9,040,171.00
ADJUSTMENT FOR:		
DEPRECIATION	216,858.00	169,610.00
INTEREST	(8,315,386.00)	(9,692,469.00)
RENT	(600,000.00)	(600,000.00)
PROFIT ON SALE OF FIXED ASSETS	(1,354.00)	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	17,758,376.00	(1,082,688.00)
ADJUSTMENT FOR:		
TRADE PAYABLES	(1,182.00)	-
INVESTMENTS (NET)	(46,292,601.00)	6,165,842.00
TAX PAID (NET)	(4,029,179.00)	(2,853,210.00)
CASH GENERATED FORM OPERATIONS	<u>(32,564,586.00)</u>	<u>2,229,944.00</u>
CASH FLOW BEFORE EXTRA ORDINARY ITEMS	-	-
NET CASH FROM OPERTING ACTIVITIES	<u>(32,564,586.00)</u>	<u>2,229,944.00</u>
<u>B. CASH FROM INVESTING ACTIVITIES</u>		
RENT FROM PROPERTY	600,000.00	600,000.00
INTEREST INCOME	8,315,386.00	9,692,469.00
OTHER ASSETS	27,935,475.00	(5,986,450.00)
LOAN AND ADVANCES	40,400.00	(890.00)
SALE OF FIXED ASSETS	180,000.00	-
PURCHASE OF FIXED ASSETS	(1,296,325.00)	-
NET CASH FROM INVESTING ACTIVITIES	<u>35,774,936.00</u>	<u>4,305,129.00</u>
<u>C. CASH FROM FINANCING ACTIVITIES</u>		
DIVIDEND	0.00	(6,395,523.00)
DIVIDEND TAX PAID	0.00	(1,121,670.00)
	<u>-</u>	<u>(7,517,193.00)</u>
NET CASH FLOW IN CASH AND CASH EQUIVALENTS (A+B+C)	3,210,350.00	(982,120.00)
CASH AND CASH EQUIVALENTS AS ON 1.4.2009 (OP. BAL.)	755,322.00	1,737,442.00
CASH AND CASH EQUIVALENTS AS ON 31.3.2010 (CL. BAL.)	3,965,673.00	755,322.00

Place : New Delhi
Dated : 19th May,2010

for DUA & KUMAR
Chartered Accountants
Sd/-
(Mahesh Kumar)
Proprietor

On behalf of the Board
Sd/-
(S.C.Khaneja)
Director

INTEGRATED FINANCIAL SERVICES LTD.

Regd. Office: 303-304, New Delhi House, 27, Barakhamba Road,
New Delhi – 110 001.

PROXY FORM

Regd. Folio No. _____ DP ID: _____

No. of Shares held _____ Client ID: _____

I/We _____ of

_____ Being a member/members of the

above named company hereby appoint _____ of

_____ of failing him/her _____ of

_____ of in as my/our proxy to vote for me/us on my

behalf at the 19th Annual General Meeting of the company to be held on Wednesday the 29th September, 2010 at 10.00 A.M. at its Registered Office at 303-304, 3rd Floor, New Delhi House, 27, Barakhamba Road, New Delhi – 110 001 and at any adjournment thereof.

Signed this _____ day of _____ 2010

Signature _____

Affix Re. 1/- Revenue Stamp

Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

INTEGRATED FINANCIAL SERVICES LTD.

Regd. Office: 303-304, New Delhi House, 27, Barakhamba Road,
New Delhi – 110 001

ATTENDANCE SLIP

19th Annual General Meeting 29th September, 2010

Regd. Folio No. _____

DP ID: _____

No. of Shares held _____

Client ID: _____

I certify that I am a registered shareholder/proxy for the registered shareholder of the company. I hereby record my presence at the 19th Annual General Meeting of the Company at 303-304, 3rd Floor, New Delhi House, 27, Barakhamba Road, New Delhi – 110 001 hold on Wednesday the 29th September, 2010 at 10.00 A.M. and at adjournment thereof.

Member's Proxy Name
IN BLOCK LETTERS

Member's/Proxy
Signature

Note: Please fill in this attendance slip and hand it over at the Entrance of the Hall.