



Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2009.

1. Company's Philosophy

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

- (i) The members of the Board are persons in whom the shareholders have reposed their confidence and trust. Persons appointed to the Board are conscious of their corporate and social responsibilities and maintain highest standards of integrity.
- (ii) Highest standards of compliance, disclosure and transparency are maintained by the Company.

2. Board of Directors

Mr. B. Bhushan Deora retires at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Maneesh Gupta resigned from the Board of Directors w.e.f. January 9, 2009. Mr. Sandeep Chandra was appointed as an Additional Director of the Company on January 9, 2009 and he holds office till the ensuing Annual General Meeting. The company has received notice in writing from a member alongwith Rs. 500/- proposing his candidature for the office of Director liable to retire by rotation. Being eligible, he offers himself for re-appointment as Director of the Company.

Directors' Profile

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

- (i) **Mr. B. Bhushan Deora**, aged 76, is a qualified Chartered Accountant and Cost Accountant having more than 50 years of experience with large corporate houses where he has held functional responsibility for Financial and accounting matters, Direct and Indirect taxation matters, Corporate laws and economic legislative matters and Business structuring and restructuring, amongst others.

He is also a member of the Investment Committee of the Company.

Mr. B. Bhushan Deora does not hold any shares in the Company as on March 31, 2009.

- (ii) **Mr. Sajeve Deora**, aged 49, is the son of Mr. B. Bhushan Deora, the Chairman and one of the other Directors of the Company. Mr. Sajeve Deora is a qualified Chartered Accountant having more than 26 years of experience in Corporate and related Economic legislations, restructuring of business and debt, structuring entry strategy for overseas investments, mergers and acquisitions and takeovers, issue of new capital, and identifying vendors for new project investments.

He is also a member of the Audit Committee, the Shareholders' Grievance Committee and Remuneration Committee of the Company.

Mr. Sajeve Deora does not hold any shares in the Company as on March 31, 2009.

- (iii) **Mr. Ambarish Chatterjee**, aged 46, is a qualified Company Secretary having an experience of 20 years in the raising of finances from public, representation before the Company Law Board and Registrar of Companies and Reserve Bank of India, drafting of commercial contracts, restructuring through amalgamation / merger / demerger, acquisition / takeover of businesses, formation of joint venture companies.

He was also Chairman of the Audit Committee upto January 9, 2009 and is presently a member thereof, and is Chairman of the Shareholders' Grievance Committee, the Remuneration Committee and the Investment Committee of the Company.

Mr. Ambarish Chatterjee does not hold any shares in the Company as on March 31, 2009.

- (iv) **Ms. Sushmaa Chhabra**, aged 51, is a qualified Company Secretary having an experience of more than 20 years holding functional responsibility for corporate and secretarial and legal matters, including merger, acquisition / takeover of business, dealing with matters related to stock exchanges and SEBI. Her last position was Head of the listing department of the Delhi Stock Exchange.

Ms. Sushmaa Chhabra does not hold any shares in the Company as on March 31, 2009.

- (v) **Mr. Sandeep Chandra**, aged 48, is a qualified Chartered Accountant having an experience of 24 years in managing a family owned sugar manufacturing factory and supervising financial, banking, technical and administrative functions thereof.

He is the Chairman of the Audit Committee and also a member of the Shareholders' Grievance Committee, Remuneration Committee and the Investment Committee of the Company.

Mr. Sandeep Chandra does not hold any shares in the Company as on March 31, 2009.

INTEGRATED CAPITAL SERVICES LIMITED



Details of designation of directors, attendance of Board Meetings / AGM and other directorship and chairmanship/membership of Committees

| S. No. | Name of Director | Category of Directorship | Attendance of Meetings during 2008-09 | | No. of Directorships and Committee Memberships/Chairmanships (including this Company) | | |
|--------|-------------------------|--------------------------|---------------------------------------|-----------|---|-----------------------|-------------------------|
| | | | Board Meetings | Last AGM* | Directorships | Committee Memberships | Committee Chairmanships |
| 1. | Mr. B. Bhushan Deora | Non Executive | 6 | Yes | 3 | 4 | - |
| 2 | Mr. Sajeve Deora | Executive | 6 | Yes | 10 | 5 | 8 |
| 3 | Mr. Ambarish Chatterjee | Non Executive | 6 | No | 7 | 4 | 4 |
| 4. | Ms. Sushmaa Chhabra | Executive | 6 | Yes | 2 | - | - |
| 5 | Mr. Sandeep Chandra* | Non Executive | Nil | N.A. | 1 | 3 | 1 |
| 6 | Mr. Arun Deora ** | Non Executive | 1 | No | 1 | - | - |
| 7. | Mr. Maneesh Gupta *** | Non Executive | 6 | Yes | - | - | - |

* Appointed after the last AGM.

** Ceased to be a director on May 10, 2008.

*** Resigned from office of director during the year.

3. Meetings of the Board / Committees

Board Meetings

During the year ended March 31, 2009, six (6) meetings of the Board of Directors were held on April 11, 2008, June 9, 2008, June 20, 2008, July 11, 2008, October 10, 2008 and January 9, 2009.

Audit Committee

The Audit Committee, which earlier comprised Mr. Ambarish Chatterjee, Mr. Sajeve Deora and Mr. Maneesh Gupta was reconstituted on January 9, 2009 to comprise Mr. Sandeep Chandra as Chairman and Mr. Sajeve Deora and Mr. Ambarish Chatterjee as Members.

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

During the year ended March 31, 2009, four (4) meetings of the Audit Committee were held on April 11, 2008, July 11, 2008, October 10, 2008 and January 11, 2009.

Shareholders' Grievance Committee

The Shareholders' Grievance Committee, which earlier comprised Mr. Ambarish Chatterjee, Mr. Sajeve Deora and Mr. Maneesh Gupta, was reconstituted on January 9, 2009 to comprise Mr. Ambarish Chatterjee as Chairman and Mr. Sajeve Deora and Mr. Sandeep Chandra as Members.

During the year ended March 31, 2009, two (2) meetings of the Shareholders' Grievance Committee were held on June 9, 2008 and October 12, 2008.

One complaint was received from a shareholder during the year and it was resolved.

Remuneration Committee

The Remuneration Committee, which earlier comprised Mr. Ambarish Chatterjee, Mr. Sajeve Deora and Mr. Maneesh Gupta, was reconstituted on January 9, 2009 to comprise Mr. Ambarish Chatterjee as Chairman and Mr. Sajeve Deora and Mr. Sandeep Chandra as Members.

During the year ended March 31, 2009, one (1) meeting of the Remuneration Committee was held on April 11, 2008.

Investment Committee

During the year, an Investment Committee was constituted comprising Mr. Ambarish Chatterjee as Chairman and Mr. B. Bhushan Deora and Mr. Maneesh Gupta as Members. The Investment Committee was reconstituted on January 9, 2009 to comprise Mr. Ambarish Chatterjee as Chairman and Mr. B. Bhushan Deora and Mr. Sandeep Chandra as Members

During the year ended March 31, 2009, three (3) meetings of the Investment Committee were held on June 20, 2008, July 11, 2008 and January 9, 2009.



INTEGRATED CAPITAL SERVICES LIMITED

4. General Body Meetings

Location, date and time of the Annual General Meetings held during the preceding 3 years and the Special Resolutions passed thereat are as follows:

| Year | Location | Date and Time | Special Resolutions Passed |
|---------|------------------------------------|-----------------------------|---|
| 2005-06 | D 300, Anand Vihar, Delhi - 110092 | July 15, 2006 at 10.00 A.M. | Nil |
| 2006-07 | D 300, Anand Vihar, Delhi - 110092 | July 9, 2007 at 10.00 A.M. | Nil |
| 2007-08 | 74, Janpath, New Delhi - 110001 | May 10, 2008 at 11.00 A.M. | Issue and allotment of 1,00,000 equity shares on preferential basis |

5. Subsidiary Company/Joint Ventures

100% Subsidiary Company – RAAS e Solutions Private Limited

The Company acquired the entire share capital of RAAS e Solutions Private Limited on April 11, 2008.

RAAS e Solutions Private Limited (RAAS) is engaged in the business of providing financial accounting services on an outsourced basis to clients within and outside India. RAAS has successfully developed processes for systematic work flow to carry out remote access accounting and the work flow is customized to suit client requirements.

The Company is promoting a 100% Subsidiary company to invest in applications in Green Technology.

Joint Ventures

KW Publishers Private Limited

The Company has an investment of 40% in the equity capital of KW Publishers Private Limited.

KW Publishers Private Limited is engaged in publishing and distribution of books on subjects of Defence, Strategic Studies and International Affairs.

Sun Links Limited

The Company has invested 50% in the equity capital of Sun Links Limited, a joint venture company set up in the U.K. (funded after March 31, 2009)

Sun Links Limited proposes to undertake the following businesses:

- Providing consultancy services to businesses having interests in extending their operations / activities in India;
- Generally to trade in goods and merchandise, and to act as general commission/ sales agent;
- Investment of funds in stocks, securities, and real estate for use of the Company.

6. Disclosure on materially significant related party transactions

None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of Members is drawn to the disclosures of transactions with the related parties set out in Notes on Accounts – Schedule '15', forming part of the Annual Report.

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

Consequent on termination / expulsion of its dealership by OTCEI for non payment of OTCEI fee as the Company considered trading operation of OTCEI as unviable, the Company did not pay SEBI fee post the aforesaid termination assuming it is not payable. SEBI issued a show cause notice to the Company on October 10, 2004 for non-payment of SEBI registration fee which was duly replied. However, SEBI demanded outstanding fee, which too was paid with interest. Thereafter, the Company surrendered the SEBI Registration to SEBI through OTCEI for its cancellation. SEBI, vide its Order dated January 23, 2008, cancelled the certificate of registration of the Company.

8. Means of Communication

Quarterly Results

Quarterly Results are published in 'The Financial Express' and 'Jansatta'.

Annual Report

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

9. General Shareholder Information

Company Registration Details

The Company is registered in the NCT of Delhi, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74899DL1993PLC051981

INTEGRATED CAPITAL SERVICES LIMITED



Annual General Meeting:

Day, Date, Time and Venue: Saturday, May 23, 2009
509, New Delhi House, Barakhamba Road, New Delhi – 110001

Financial Year:

April 1 to March 31

Book Closure Period:

Thursday, May 21, 2009
to Saturday, May 23, 2009
(both days inclusive), for AGM

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

| Stock Exchange | No. of Shares Listed | Trading ISIN |
|--|----------------------|--------------|
| Delhi Stock Exchange Association Limited (DSE) 3/1, Asaf Ali Road, New Delhi-110002. | 33,50,000 | INE682B01015 |
| Madras Stock Exchange Limited (MSE) Exchange Building, 11, Second Line Beach, Chennai-600001. | 33,50,000 | |
| Ahmedabad Stock Exchange Limited (ASE) Kamdhenu Complex, Opp: Sahjanand College, Panjarapole, Ahmedabad-380015. | 33,50,000 | |
| Jaipur Stock Exchange Limited (JSE). Stock Exchange Building, Jawaharlal Nehru Marg, Malviya Nagar, Jaipur-302017. | 33,50,000 | |

Payment of Listing Fees:

Annual listing fee for the year 2009-10 (as applicable) has been paid by the Company to DSE, MSE, ASE and JSE.

Stock Market Data

The shares of the Company have not been traded on any of the stock exchanges where the shares of the Company are listed as there has been no trading on these exchanges for the year under report.

Registrar and Transfer Agent :

Link Intime India Private Limited,
A – 40, 2nd Floor, Naraina Industrial Area Phase II, New Delhi - 110028
E-Mail: delhi@linkintime.co.in
Telephone Nos. : +91-11-41410592 / 93 / 94

Share Transfer System

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

Distribution of Shareholding as on March 31, 2009

| S. No. | Category | Shares | | | | | |
|--------|------------------|------------------|-----------------------|-----------------|-----------------------|------------------|-----------------------|
| | | Electronic Form | | Physical Form | | Total | |
| | | No. of Shares | %age of Total Capital | No. of Shares | %age of Capital Total | No. of Shares | %age of Total Capital |
| 1 | Promoters | 25,04,100 | 74.75 | - | - | 25,04,100 | 74.75 |
| 2 | Bodies Corporate | 1,51,300 | 4.52 | 900 | 0.02 | 1,52,200 | 4.54 |
| 3 | Individuals | 3,22,900 | 9.64 | 3,70,800 | 11.07 | 6,93,700 | 20.71 |
| | Total | 29,78,300 | 88.91 | 3,71,700 | 11.09 | 33,50,000 | 100.00 |



INTEGRATED CAPITAL SERVICES LIMITED

Shareholding Pattern by Size

| S. No. | Category | Share holders | | No. of Shares | | | |
|--------|------------------|---------------|----------------------------|-----------------|------------------|------------------|-----------------------|
| | | No. | %age of Total Shareholders | Form Physical | Electronic Form | Total | %age of Total Capital |
| 1 | Upto 2500 | 42 | 6.85 | 4,700 | 1,000 | 5,700 | 0.17 |
| 2 | 2501-5000 | 274 | 44.70 | 1,05,500 | 27,700 | 1,33,200 | 3.97 |
| 3 | 5000-10000 | 254 | 41.43 | 1,88,800 | 24,400 | 2,23,200 | 6.66 |
| 4 | 10001-20000 | 20 | 3.26 | 23,800 | 7,300 | 31,100 | 0.93 |
| 5 | 20001-30000 | 14 | 2.28 | 26,000 | 10,600 | 36,600 | 1.09 |
| 6 | 30001-40000 | 1 | 0.16 | 3,700 | - | 3,700 | 0.11 |
| 7 | 40001-500000 | 2 | 0.32 | 9,600 | - | 9,600 | 0.28 |
| 8 | 50001 – 100000 | 2 | 0.32 | 9,600 | 8,000 | 17,600 | 0.52 |
| 9 | 100001 and above | 4 | 0.65 | - | 28,89,300 | 28,89,300 | 86.24 |
| | Total | 613 | 100.00 | 3,71,700 | 29,78,300 | 33,50,000 | 100.00 |

Address for Correspondence

509, 5th Floor, New Delhi House, Barakhamba Road, New Delhi – 110001.

10. Compliance Certificate of the Auditors

Certificate from the Auditors of the Company, M/s. Lalit K Khanna Associates Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49, is annexed to the Directors' Report forming part of the Annual Report.

11. Adoption of Requirements of Clause 49

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

By Order of the Board of Directors

New Delhi.
April 17, 2009.

B. Bhushan Deora
Chairman & Director

Lalit K Khanna Associates
To the Members,
Integrated Capital Services Limited

We have examined the compliance of conditions of Corporate Governance by Integrated Capital Services Limited for the year ended on March 31, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

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

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

For Lalit K Khanna
Chartered Accountants
By the hand of

Place : 74, Janpath,
New Delhi 110 001
Dated : April 17, 2009.

Vineet Kumar
Partner
Membership No. 091556

Directors' Report

Dear Shareholders,

It gives us immense pleasure to present the 16th Annual Report and the audited accounts of the Company for the year ended March 31, 2009.

Financial Results

The financial performance of the Company for the year ended March 31, 2009 is summarized below:

Rs., Lacs

| | 2008-09 | 2007-08 |
|----------------------------------|---------|-----------|
| Income from Operation | 157.13 | 110.49 |
| Other Income | 29.16 | 29.01 |
| Total Expenditure | 94.31 | 5.58 |
| Interest | 0.13 | 0.12 |
| Depreciation | 3.48 | 2.03 |
| Net Profit | 61.20 | 79.39 |
| Paid up Equity Share Capital | 335.00 | 325.00 |
| Reserves (excluding revaluation) | 10.38 | (-) 65.83 |
| Earning Per Share, in Rs. | 1.83 | 2.44 |

Results of Operations

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

Turnover for the year was Rs. 186.29 Lacs against Rs. 139.50 Lacs in the previous year. During the year, the Company set out to consolidate its activities and continues its efforts to increase its presence in areas of operations.

Preferential Issue of Equity Shares

As approved in the last Annual General Meeting, 1,00,000 equity shares of the Company were allotted on preferential basis at a price of Rs. 25/- per share to person other than promoter. The said shares have since been listed at the DSE, ASE, JSE and MSE. The funds raised by the Company were utilised for the intended purposes.

To acquire business infrastructure and increase the available resources for its operations, the directors proposed to issue and allot 2,05,000 (Two Lacs Five Thousand Only) equity shares of the face value of Rs. 10/- per share and a premium of Rs. 20/- per share, aggregating to Rs. 61,50,000/-, on preferential allotment basis to investors as specified in the Explanatory Statement annexed with the Notice of the ensuing Annual General Meeting. The shares to be issued under the preferential offer are subject to lock-in for a period of one year from the date of allotment thereof.

Management's Discussion and Analysis Report

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

Subsidiary Company/ Joint Ventures

100% Subsidiary Company – RAAS e Solutions Private Limited

The Company acquired the entire share capital of RAAS e Solutions Private Limited on April 11, 2008.

RAAS e Solutions Private Limited (RAAS) is engaged in the business of providing financial accounting services, on an outsourced basis to clients within and outside India. RAAS has successfully developed processes for systematic work flow to carry out remote access accounting and the work flow is customized to suit client requirements.

The Company is promoting a 100% Subsidiary company to invest in applications in Green Technology.

Joint Ventures

KW Publishers Private Limited

The Company has investment of 40% in the equity capital of KW Publishers Private Limited, a joint venture.

KW Publishers Private Limited is engaged in publishing and distribution of books on subjects of Defence, Strategic Studies and International Affairs.

Sun Links Limited

The Company has invested 50% in the equity capital of Sun Links Limited, a joint venture company set up in the U.K.



INTEGRATED CAPITAL SERVICES LIMITED

Sun Links Limited proposes to undertake the following businesses:

- (i) Providing consultancy services to businesses having interests in extending their operations/activities in India;
- (ii) Generally to trade in goods and merchandise, and to act as general commission/ sales agent;
- (iii) Investment of funds in stocks, securities, and real estate for use of the Company.

Fixed Deposits

The Company has not accepted any fixed deposit during the year under review.

Directors

Pursuant to the provisions of Section 256 of the Companies Act, 1956 and Article 104 of the Articles of Association of the Company, Mr. B. Bhushan Deora retires by rotation and being eligible, offers himself for reappointment.

Mr. Maneesh Gupta resigned from the Board of Directors w.e.f. January 9, 2009.

Pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 92 of the Articles of Association of the Company, Mr. Sandeep Chandra was appointed as an Additional Director with effect from January 9, 2009 who would hold office up to the date of the ensuing Annual General Meeting. The Company has received notice in writing from a member along with Rs. 500/- proposing his candidature for the office of Director liable to retire by rotation.

Brief resume of Mr. Sandeep Chandra, nature of his expertise in specific functional areas and number of companies in which he holds directorships and memberships/chairmanships of Board Committees, as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges in India, are provided in Report on Corporate Governance forming part of the Annual Report.

Directors' Responsibility Statement

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

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2009 and of the profit of the Company for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

Auditors and Auditors' Report

M/s. Lalit K Khanna Associates, Chartered Accountants, Auditors of the Company, who hold office until the conclusion of the ensuing Annual General Meeting have intimated the Company that they may not be re-appointed as Auditor of the Company.

M/s. Anshu Agarwal & Associates, Chartered Accountants, have agreed to be appointed as Statutory Auditor of the Company. The Company has received letter from M/s. Anshu Agarwal & Associates, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such appointment within the meaning of Section 226 of the said Act.

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

Particulars of Employees

There is no employee who was employed throughout the year or for part of the year whose particulars are required to be given in terms of Clause 217(2A) of the Companies Act, 1956.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

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

| | |
|---|-----------|
| <i>Foreign Exchange Earnings and Outgo:</i> | Rs., Lacs |
| Foreign Exchange Earned | 47.12 |
| Foreign Exchange Used | 0.44 |



Corporate Governance

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

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

Acknowledgement

The Directors would like to express their appreciation for the continued confidence reposed in them by the shareholders of the Company and look forward to their continued support.

For and on behalf of the Board of Directors

Place : New Delhi.
Date : April 17, 2009.

B. Bhushan Deora
Chairman & Director

Management Discussion and Analysis

Market Overview

The global meltdown precipitated by the sub-prime crisis led to liquidity crunch, and had its toll globally in a cross section of businesses. However, unprecedented collaborative action by major economies to bring the international economic conditions on rails are expected to bear fruits over the coming years.

The impact of recession faced by US and the European countries is evident on the Indian economy.

Opportunities and Threats

As in all industries, the financial / advisory services industry has been hit hard.

The slowdown is expected to generate opportunities for viable and attractive acquisitions. In the wake of emerging need to focus on core activities, consolidation of businesses are expected to result in improving synergies between associated / affiliated enterprises.

Business and Debt Restructuring will be the dominant features of any long term growth strategy.

With a view to prevent the perpetration of frauds of the magnitude discovered in the recent past, the Governments and Regulatory Authorities are reviewing the prevailing guidelines, and new requirements may be provided in the near term in order to have greater monitoring of business/es and their operations.

The slower pace of new investments is likely to slow down the growth in Company's business in the current year. The engagements in restructuring advisory and turnaround management are expected to generate higher revenue for the Company.

Segment-wise or product-wise performance

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

Internal control systems and their adequacy

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



Consolidated Auditors' Report

TO THE BOARD OF DIRECTORS OF INTEGRATED CAPITAL SERVICES LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INTEGRATED CAPITAL SERVICES LIMITED & ITS SUBSIDIARY

1. We have audited the attached Consolidated Balance Sheet of Integrated Capital Services Limited (the Company) and its subsidiary, (collectively called 'the Integrated Group') as at March 31, 2009, the Consolidated Profit and Loss Account and the Cash Flow 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.
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. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, 'Consolidated Financial Statements' and Accounting Standard (AS) 13 'Accounting for Investments' issued by the Institute of Chartered Accountants of India.
4. On the basis of the information and explanations given to us, and on the consideration of the separate audit reports on individual audited financial statements of the Company and its subsidiary, in our opinion the consolidated financial statements together with accounting policies and notes thereon give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In case of the Consolidated Balance Sheet, of the state of affairs of the Company of the Integrated Group as at March 31, 2009;
 - ii) In case of the Consolidated Profit and Loss Account, of the profit of the Integrated Group for the year ended on that date; and
 - iii) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Integrated Group for the year on that date. .

For Lalit K Khanna Associates
Chartered Accountants
By the hand of

Place : 74, Janpath,
New Delhi. 110 001
Dated : April 10, 2009.

Vineet Kumar
Partner
Membership No. 091556



INTEGRATED CAPITAL SERVICES LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2009

| | Schedules | As at March 31, 2009 Rs. |
|---|-----------|--------------------------------|
| SOURCES OF FUNDS | | |
| Shareholders' fund | | |
| Share capital | 1 | 33,500,000.00 |
| Reserves and surplus | 2 | 1,734,867.14 |
| Deferred tax liability | | 153,599.57 |
| | | <u>35,388,466.71</u> |
| APPLICATION OF FUNDS | | |
| Fixed assets | | |
| Gross block | | 3,704,824.00 |
| Less: Accumulated depreciation | | <u>546,393.00</u> |
| Net block | 3 | 3,158,431.00 |
| Advance for purchase of flats | | 11,500,000.00 |
| Investments | 4 | 240,000.00 |
| Current assets, loans and advances | | |
| Stock in trade | | 141,743.45 |
| Sundry debtors | 5 | 603,891.00 |
| Cash and bank balances | 6 | 2,999,022.02 |
| Loans and advances | 7 | <u>18,833,375.79</u> |
| | | 22,578,032.26 |
| Less: | | |
| Current liabilities and provisions | 8 | 2,087,996.55 |
| Net current assets | | <u>20,490,035.71</u> |
| | | <u>35,388,466.71</u> |
| ACCOUNTING POLICIES | 14 | |
| NOTES TO ACCOUNTS | 15 | |

This is the Consolidated Balance Sheet referred in our report of even date addressed to the members of Integrated Capital Services Limited.

The schedules referred above form an integral part of the Consolidated Balance Sheet.

74, Janpath,
New Delhi 110 001

Lalit K. Khanna & Associates
Chartered Accountant
By the hand of

Sajeve Deora
Managing Director

Sandeep Chandra
Director

April 10, 2009.

Vineet Kumar
Partner
Membership no. 091556

Sushmaa Chhabra
Director & Company Secretary

INTEGRATED CAPITAL SERVICES LIMITED



CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

| | Schedules | For the year ended March 31, 2009 Rs. |
|---|-----------|--|
| INCOME | | |
| Consulting and Advisory | | 18,796,602.00 |
| Other income | 9 | 3,171,466.07 |
| Sale of shares | | 824,031.39 |
| Increase in stock of shares | 10 | 117,213.45 |
| | | <u>22,909,312.91</u> |
| EXPENDITURE | | |
| Purchase of shares | | 1,005,474.76 |
| Personnel | 11 | 2,059,686.00 |
| Administrative and others | 12 | 8,992,226.07 |
| Sitting fees | | 120,000.00 |
| Finance | 13 | 25,286.42 |
| Goodwill amortised | | 104,661.77 |
| Depreciation | | 352,194.00 |
| | | <u>12,659,529.02</u> |
| PROFIT DURING THE YEAR | | 10,249,783.89 |
| Less: Prior year adjustment | | 19,351.29 |
| PROFIT BEFORE TAX | | 10,230,432.60 |
| Less: Provision for taxation | | |
| Income tax | | 3,078,564.00 |
| Deferred taxation | | 153,599.57 |
| Fringe benefit tax | | 172,900.00 |
| Wealth tax | | 7,881.00 |
| PROFIT AFTER TAX | | 6,817,488.03 |
| Less : Debit balance brought forward from previous year | | 6,582,620.89 |
| Surplus in Profit and Loss Account carried over to Reserves and Surplus | | 234,867.14 |
| ACCOUNTING POLICIES | 14 | |
| NOTES TO ACCOUNTS | 15 | |

This is the Consolidated Profit & Loss Account referred in our report of even date addressed to the members of Integrated Capital Services Limited.

The schedules referred above form an integral part of the Consolidated Profit & Loss Account.

74, Janpath,
New Delhi 110 001

Lalit K. Khanna & Associates
Chartered Accountant
By the hand of

Sajeve Deora
Managing Director

Sandeep Chandra
Director

April 10, 2009.

Vineet Kumar
Partner
Membership no. 091556

Sushmaa Chhabra
Director & Company Secretary



INTEGRATED CAPITAL SERVICES LIMITED

Consolidated Cash flow statement for the year ended 31-03-2009

| Particulars | Year ended 31-03-2009 Rs. |
|--|---------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES : | |
| Net Profit before tax and extra - ordinary Items | 10,230,432.60 |
| Adjustments for | |
| - Depreciation on fixed assets | 546,393.00 |
| - Adjustment of opening reserves and surplus | (6,582,620.89) |
| - Goodwill amortised | 104,661.77 |
| - Bank charges and interest | 25,286.42 |
| - Interest on fixed deposit and others | (2,795,459.07) |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | 1,528,693.83 |
| Increase in inventories | (141,743.45) |
| Increase in receivables | (603,891.00) |
| Increase in loans and advances | (18,833,375.79) |
| Increase in current liabilities and provisions | 2,087,996.55 |
| CASH GENERATED FROM OPERATIONS | (15,962,319.86) |
| Less: Income tax paid | (3,259,345.00) |
| NET CASH FLOW FROM OPERATING ACTIVITIES | (19,221,664.86) |
| B. CASH FLOW FROM INVESTING ACTIVITIES : | |
| Purchase of fixed assets | (3,704,824.00) |
| Increase in investments | (240,000.00) |
| Interest on fixed deposit and others | 2,795,459.07 |
| Goodwill purchased | (104,661.77) |
| Advance for purchase of flats | (11,500,000.00) |
| NET CASH FLOW FROM INVESTING ACTIVITIES | (12,754,026.70) |
| C. CASH FLOW FROM FINANCING ACTIVITIES : | |
| Issue of share capital | 33,500,000.00 |
| Share premium | 1,500,000.00 |
| Bank charges and interest | (25,286.42) |
| NET CASH FLOW FROM FINANCING ACTIVITIES | 34,974,713.58 |
| INCREASE IN CASH AND CASH EQUIVALENT (A+B+C) | 2,999,022.02 |
| OPENING CASH AND CASH EQUIVALENT | - |
| CLOSING CASH AND CASH EQUIVALENT | 2,999,022.02 |

Auditors Report

We have examined the Consolidated Cash Flow Statement of Integrated Capital Services Limited for the year ended 31st March, 2009. The statement prepared by the company is in accordance with the requirement of Clause 32 of the Listing Agreement with the Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet covered by our Report to the members of the Company in terms of our attached Report as of even date.

74, Janpath,
New Delhi 110 001

Lalit K. Khanna & Associates
Chartered Accountant
By the hand of

Sajeve Deora
Managing Director

Sandeep Chandra
Director

April 10, 2009.

Vineet Kumar
Partner
Membership no. 091556

Sushmaa Chhabra
Director & Company Secretary

INTEGRATED CAPITAL SERVICES LIMITED



SCHEDULES

As at March
31, 2009
Rs.

1. SHARE CAPITAL

Authorised

4,000,000 equity shares of Rs. 10.00 each

40,000,000.00

Issued, subscribed and paid up

3,350,000 equity shares of Rs. 10.00 each fully paid up

33,500,000.00

2. RESERVES AND SURPLUS

Share premium

1,500,000.00

Profit and Loss Account

234,867.14

1,734,867.14

3. FIXED ASSETS

| Block of assets | GROSS BLOCK | | | | DEPRECIATION | | | NET BLOCK |
|------------------------|----------------------------|-------------------------------------|---------------------------------|----------------------------|---------------------------|------------------------|---------------------------|----------------------------|
| | As at 01-04-2008 Rs. | Additions during the year Rs. | Sales during the year Rs. | As at 31-03-2009 Rs. | Upto 31-03-2008 Rs. | For the year Rs. | Upto 31-03-2009 Rs. | As at 31-03-2009 Rs. |
| Computers | 270,590.00 | 249,700.00 | - | 520,290.00 | 12,919.00 | 57,525.00 | 70,444.00 | 449,846.00 |
| Furniture and fixtures | - | 39,076.00 | - | 39,076.00 | - | 888.00 | 888.00 | 38,188.00 |
| Office equipments | 81,705.00 | 6,849.00 | - | 88,554.00 | 6,524.00 | 13,518.00 | 20,042.00 | 68,512.00 |
| Cars | 2,910,135.00 | 46,058.00 | - | 2,956,193.00 | 74,045.00 | 280,263.00 | 354,308.00 | 2,601,885.00 |
| Books | 100,711.00 | - | - | 100,711.00 | 100,711.00 | - | 100,711.00 | - |
| Total | 3,363,141.00 | 341,683.00 | - | 3,704,824.00 | 194,199.00 | 352,194.00 | 546,393.00 | 3,158,431.00 |

4. INVESTMENTS

In unquoted equity shares

KW Publishers Private Limited

24,000 equity shares of Rs. 10.00

240,000.00

240,000.00

5. SUNDRY DEBTORS

(Unsecured and considered good)

Outstanding for a period exceeding six months

Other debts

603,891.00

603,891.00

6. CASH AND BANK BALANCES

Cash in hand

17,699.69

Bank balances with scheduled banks

- in current accounts

189,839.33

- in deposit accounts

2,791,483.00

2,999,022.02

7. LOANS AND ADVANCES

(Unsecured and considered good)

Loans and advances

16,682,864.57

Security deposits

1,551,000.00

Advance tax (Net of provisions)

591,324.47

Interest accrued but not due

8,186.75

18,833,375.79



INTEGRATED CAPITAL SERVICES LIMITED

SCHEDULES

| | As at March 31, 2009 Rs. |
|--|--|
| 8. CURRENT LIABILITIES AND PROVISIONS | |
| Current liabilities | |
| Sundry creditors | 153,110.50 |
| Salaries payable | 15,000.00 |
| Other liabilities | 1,604,140.43 |
| Provisions | |
| Income tax | 234,764.62 |
| Fringe benefit tax | 26,300.00 |
| Gratuity | 46,800.00 |
| Wealth tax | 7,881.00 |
| | <u>2,087,996.55</u> |
| | <u>2,087,996.55</u> |
| | For the year ended March 31, 2009 Rs. |
| 9. OTHER INCOME | |
| Interest on fixed deposits with | |
| - Scheduled banks | 135,123.07 |
| - Others | 2,660,336.00 |
| Other Income | 376,007.00 |
| | <u>3,171,466.07</u> |
| | <u>3,171,466.07</u> |
| 10. INCREASE IN STOCK OF SHARES | |
| Opening stock of shares | 24,530.00 |
| Closing stock of shares | 141,743.45 |
| | <u>117,213.45</u> |
| | <u>117,213.45</u> |
| 11. PERSONNEL | |
| Salaries and allowances | 1,878,990.00 |
| Staff welfare | 93,896.00 |
| Bonus | 40,000.00 |
| Gratuity | 46,800.00 |
| | <u>2,059,686.00</u> |
| | <u>2,059,686.00</u> |
| 12. ADMINISTRATIVE AND OTHERS | |
| Professional fees | 4,943,348.86 |
| Travelling and conveyance | 1,479,402.11 |
| Business promotion | 300,499.58 |
| Postage and telephone | 409,406.39 |
| Rent | 283,871.00 |
| Insurance | 107,776.00 |
| Listing fees | 88,583.00 |
| Legal expenses | 78,327.00 |
| Auditor's remuneration | 50,000.00 |
| Vehicle running expenses | 177,264.00 |
| Advertisement and publicity | 28,782.87 |
| Others | 1,044,965.26 |
| | <u>8,992,226.07</u> |
| | <u>8,992,226.07</u> |
| 13. FINANCE | |
| Bank charges | 12,022.42 |
| Bank interest | 13,264.00 |
| | <u>25,286.42</u> |
| | <u>25,286.42</u> |

14. ACCOUNTING POLICIES

a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

The management evaluates all recently issued or revised accounting standards on an ongoing basis.

b) USE OF ESTIMATES

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

c) PRINCIPLES OF CONSOLIDATION

The financial statements of the subsidiary company used in the consolidation are drawn upto the same reporting date as of the Company. The consolidated financial statements have been prepared on the following basis:

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

d) FIXED ASSETS

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

e) IMPAIRMENT OF ASSETS

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

f) DEPRECIATION

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

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

g) RECOGNITION OF REVENUE AND EXPENDITURE

- Income & expenditure are accounted on accrual basis.
- Dividend on shares and interest on debentures earned are accounted in the year of receipt.

h) STOCK IN TRADE

Shares and other securities held principally for trading in near future are stated as stock in trade and are valued at lower of cost or market price.

i) INVESTMENTS

Investment in other companies are stated at cost and provision is made to recognise any decline, other than temporary, in the value of such investments.

j) FOREIGN CURRENCY TRANSLATIONS

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

k) FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are accounted at the exchange rate prevailing at the time of transaction. Gain/loss arising out of fluctuation in the exchange rate (difference between exchange rate at the time of transaction and at the time of payment/receipt) is accounted in exchange fluctuation account.

l) TAXES ON INCOME

Income taxes consist of current taxes and changes in deferred tax assets and liabilities. Current income tax and fringe benefit tax are measured



INTEGRATED CAPITAL SERVICES LIMITED

at the amount expected to be paid to the tax authorities in accordance with the applicable tax rates and laws.

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the financial statements, carrying amounts of existing assets and liabilities and their respective tax bases and carry forwards of operating loss. Deferred tax assets and liabilities are measured on the timing differences applying the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Changes in deferred tax assets and liabilities between one Balance Sheet date and the next, are recognised in the Profit and Loss Account in the year of change. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the Profit and Loss Account in the year of change.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized by way of future taxable income. Deferred tax assets related to unabsorbed depreciation and carry forward losses are recognised only to the extent that there is virtual certainty of realisation. Deferred tax assets are reviewed for appropriateness of their carrying amounts at each Balance Sheet date.

m) EARNINGS PER SHARE

In determining earnings per share, the Company considers the net profit after tax for the year attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds available, had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

n) FRINGE BENEFIT TAX

Consequent to the introduction of Fringe Benefit Tax effective April 1, 2005, in accordance with the guidance note on accounting for fringe benefit tax issued by the Institute of Chartered Accountants of India, the Company has made provision for fringe benefit tax under income taxes.

o) CASH FLOW STATEMENT

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

p) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

q) RETIREMENT BENEFITS

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity covering eligible employees on the basis of actuarial valuation as carried out by an Actuary. The liability is unfunded. Liability in respect of leave encashment is accounted for at the time of termination of service.

15. NOTES TO ACCOUNT

- i) a) The Consolidated Financial Statements include the accounts of the parent Company and the subsidiary (as listed below). The subsidiary of the Company has been defined as that entity in which the Company owns directly or indirectly more than one half of the voting power or otherwise has power to exercise control over the composition of the Board of Directors of such entities. The financial statements of subsidiary are consolidated from the date on which effective control is acquired.

Detail of subsidiary is as follows:

| Name of subsidiary | Country of incorporation | Proportion of ownership interest |
|--|--------------------------|----------------------------------|
| RAAS e Solutions Pvt. Ltd. (Acquired on April 11, 2008) | India | 100% |

- b) Goodwill of Rs. 104,661.77 has been recognised in Consolidated Financial Statements, which is the excess of cost of investment in subsidiary over the net worth of the subsidiary, on the date of acquisition of the subsidiary, and has been amortised during the year
- c) Previous years' figures have not been given, this being the first financial year of consolidation.
- d) The Consolidated Financial Statements are prepared using uniform accounting policies for the transactions and other events in similar circumstances
- ii) Contingent liabilities not provided for in respect of:
- a) Guarantees given by bankers
Deposit of Nil (Rs. 14,00,000) held by bank as margin shown under the head 'Bank Balances'.

| | For the year ended March 31, 2009 (Rs.) |
|---|--|
| iii) Payment to directors Sitting fees | 120,000.00 |
| iv) Payment to Auditors Audit fees | 55,000.00 |

INTEGRATED CAPITAL SERVICES LIMITED



- v) Fixed deposit of Nil (Rs. 1,200,000) have been pledged by the Company as security against overdraft facility availed from a bank. Fixed deposit of Nil (Rs. 1,400,000) have been pledged by the Company as security against issuance of Bank Gurantee by a bank.
- vi) In the opinion of the management, the realizable value of all current assets, loan and advances in the ordinary course of business will not be less than their value stated in the Balance Sheet.
- vii) There is no amount payable to small scale industrial undertakings to whom amount outstanding for more than 30 days, where such dues exceeds Rs. 1 (One) lac.
- viii) The Company had initiated arbitration proceedings against its clients in accordance with the rules and regulations of the National Stock Exchange of India Limited in respect of trades conducted by the Company for such clients at trading counter of the aforesaid stock exchange. The learned Arbitrators issued awards short of the claimed amounts by Rs. 22.10 lacs (Rs.22.10 lacs) (excluding interest demanded by the Company). The Company's appeals are pending before the Courts.
- ix) The investment made by the Company company has not been considered for consolidation in terms of Accounting Standard AS-23 relating to "Accounting for Investments in Associates in Consolidated Financial Statements", issued by the Institute of Chartered Accountants of India, as the investment has been acquired and is held exclusively with a view to subsequent disposal in the near future. The investment has accordingly been accounted as per Accounting Standard AS-13 relating to "Accounting for Investment", issued by the Institute of Chartered Accountants of India.
- x) Disclosure in respect of Loans and Advances in the nature of loans pursuant to clause 32 of the Listing Agreement:
- No loans have been given to subsidiaries and associates.
 - No loans have been given (other than loans to employees), wherein there is no repayment schedule or repayment is beyond seven years; and
 - No investment has been made by the loanee in the shares of parent company.
- xi) The Company deals only in one segment, Consulting and Advisory services, hence, no separate information for segment wise disclosure is required.
- xii) Earning Per Share (EPS)
EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average of the number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

| Particulars | For the year ended March 31, 2009 |
|--|--|
| | Rs. |
| a) Net profit available for equity shareholders | 6,817,488.03 |
| b) Weighted average number of equity shares outstanding for calculation of | |
| - Basic and diluted | 3,331,095.89 |
| c) Nominal value of per equity share | 10.00 |
| d) Earning per share (a)/(b) | |
| - Basic and diluted | 2.05 |
| xiii) Additional information pursuant to provisions of Para 3 and 4 of Part II Schedule VI of the Companies Act, 1956: | |
| Particulars | For the year ended March 31, 2009 |
| | Rs. |
| a) Earnings in foreign exchange Consultancy and Advisory | 4,711,831.00 |
| b) Expenditure in foreign exchange Travelling | 44,124.00 |

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

a) Name of related parties and description of relationship

- Subsidiary company
RAAS e Solutions Pvt. Ltd.#
With effect from April 11, 2008
Investments held for disposal
KW Publishers Pvt. Ltd.
Enterprise over which key management personnel exercises control
Deora Associates Pvt. Ltd.
Key management personnel



INTEGRATED CAPITAL SERVICES LIMITED

| | |
|-------------------------|--------------------------------|
| Brijender Bhushan Deora | Chairman & Director |
| Sajeve Deora * | Managing Director |
| Ambarish Chatterjee | Director |
| Sushma Chhabra | Director cum Company Secretary |
| Maneesh Gupta # | Director |
| Sandeep Chandra** | Director |
| Arun Deora ## | Director |

* Appointed on April 11, 2008

** Appointed on January 9, 2009

Held office upto January 9, 2009

Held office upto May 10, 2008

Note: The above parties have been identified by the management

b) Transactions with related parties during the year:

| Nature of transactions | Related party | For the year ended March 31, 2009 | |
|---|----------------------------|-----------------------------------|--|
| | | Rs. | |
| Purchase of books | KW Publishers Pvt. Ltd. | 192,290.50 | |
| Loan taken and paid back to subsidiary | RAAS e Solutions Pvt. Ltd. | 150,000.00 | |
| Loan given and received from subsidiary | RAAS e Solutions Pvt. Ltd. | 445,000.00 | |
| Sitting fees paid | Maneesh Gupta | 60,000.00 | |
| Sitting fees paid | Ambarish Chatterjee | 60,000.00 | |
| Salary paid | Sushma Chhabra | 555,000.00 | |
| Reimbursement of expenses | Sushma Chhabra | 130,873.00 | |
| Reimbursement of expenses | Maneesh Gupta | 163,442.00 | |

xv) Detail of opening balance and closing balance of equity shares held as stock in trade:

| Scrip Name | Opening balance | | Closing balance | | Market value | |
|-------------------------|---------------------|---------------|----------------------|---------------|---------------|---------------|
| | As at April 1, 2008 | | As at March 31, 2009 | | | |
| | Qty (Nos.) | Amount Rs. | Qty (Nos.) | Amount Rs. | Qty (Nos.) | Amount Rs. |
| Artson Engineering Ltd. | - | - | 3,428 | 127,214.03 | 3,428.00 | 59,133.00 |
| Poddar Pigments Ltd. | 1,100 | 24,530.00 | 2,151 | 55,801.03 | 2,151.00 | 38,610.45 |
| Vikas WSP Ltd. | - | - | 5,000 | 63,928.25 | 5,000.00 | 44,000.00 |
| | 1,100 | 24,530.00 | 10,579 | 246,943.31 | 10,579.00 | 141,743.45 |

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

Signatures to the above schedules which form an integral part of the Consolidated Balance Sheet and Profit and Loss Account.

New Delhi.
April 10, 2009.

Sajeve Deora
Managing Director

Sandeep Chandra
Director

Sushma Chhabra
Director & Company Secretary