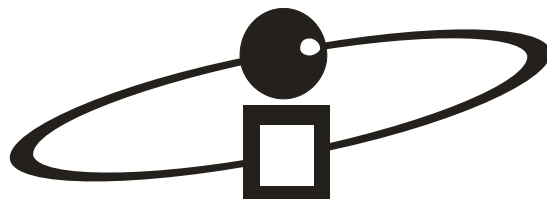
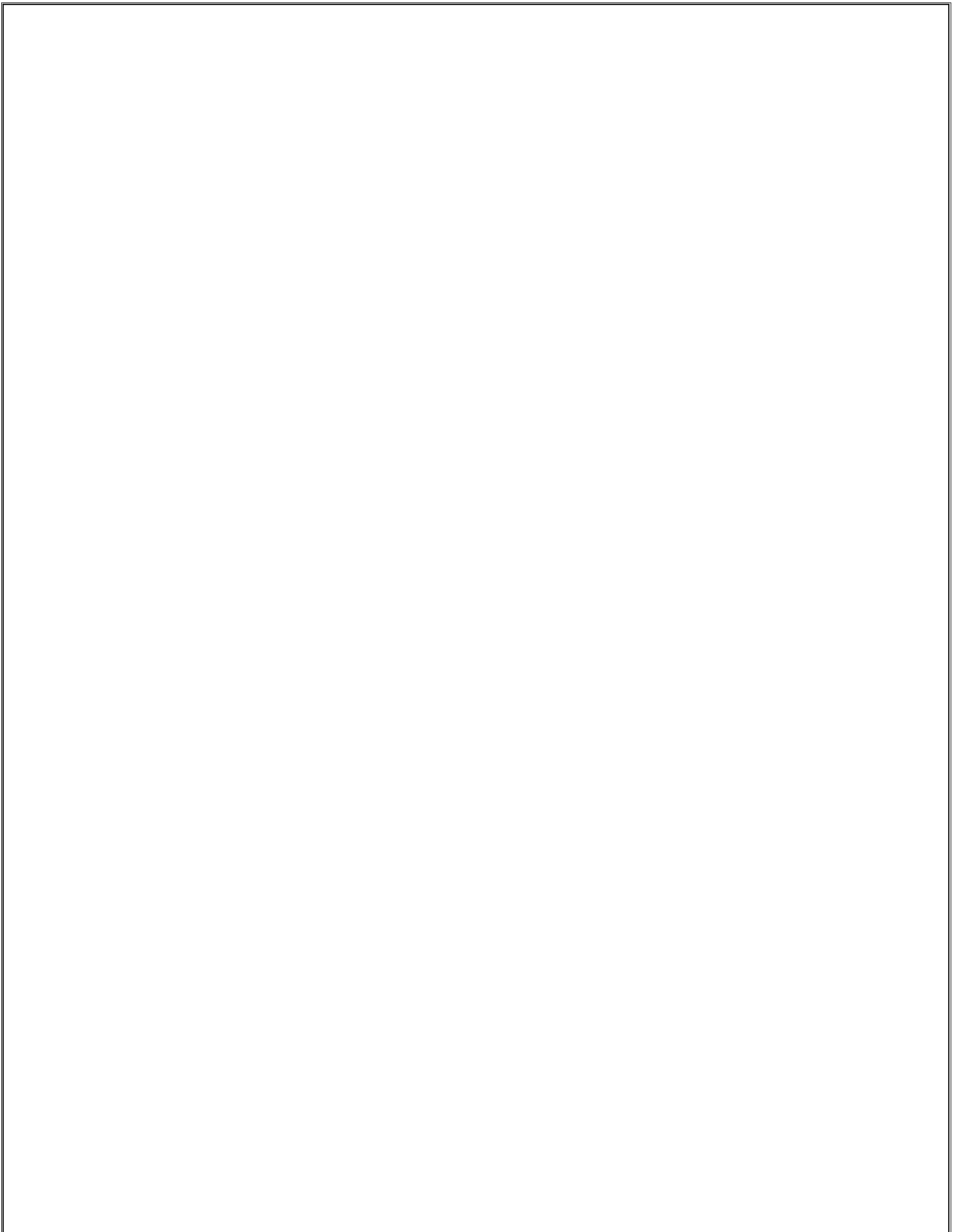


TWENTIETH
ANNUAL REPORT
2011-12



ISL CONSULTING LIMITED



Board of Directors

Mr. C.K.Kothari
Director

Mr. Hitesh.C.Kothari
Managing Director

Mr. Hasmukh.M.Thakker
Director

Mr. Bhavesh.P.Mamnia
Director

Registered Office

No.3, Murthy Lane, First Floor,
Off. Devaraja Mudali Street,
Rattan Bazar, Chennai 600003

Corporate Office

501,Abhijeet II,
Above Standard Chartered Bank,
Near Mithakhali Six Road,
Navrangpura,Ahmedabad 380 009

Bankers

Axis Bank Limited
HDFC Bank Limited

Auditors

Venkatesh & Co.,
Chartered Accountants
Chennai.

**Registrar & Share Transfer
Agents**

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

ISL CONSULTING LIMITED

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Notice

Notice is hereby given that the 20th Annual General Meeting of **ISL CONSULTING LIMITED** will be held on Friday, September 28, 2012 at 11:00 a.m. at the registered office of the Company at No. 3, Murthy Lane, 1st Floor, off. Devaraja Mudali Street, Ratan Bazaar, Chennai 600 003 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2012 and the Balance Sheet as on at that date and the Cash Flow for the year ended as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. HITESH.C.KOTHARI, who retires by rotation, and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. CHHAGANLAL.K.KOTHARI, who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

“RESOLVED THAT M/s. Venkatesh & Co, Chartered Accountants (Firm Registration Number: 004636S), be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors in consultation with the Auditors, and the remuneration may be paid on a progressive billing basis to be agreed between the Statutory Auditors and the Board of Directors.

SPECIAL BUSINESS:

5. To consider, and if thought fit, to pass, with or without modification the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Sections 16,94 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the Authorised Share Capital of the Company be increased from existing Rs. 3,00,00,000/- (Rupees Three Crore Only) divided into 30,00,000 (Thirty Lacs only) Equity Shares of Rs.10/- (Rupees Ten only) to Rs. 12,00,00,000/- (Rupees Twelve Crores only) divided into 1,20,00,000 (One Crore Twenty Lacs only) Equity Shares of Rs.10/- (Rupees Ten only) and consequently the existing clause V of the Memorandum of Association relating to the Share Capital be and is hereby altered by substituting the following new clause V in the place and stead of existing clause V:

‘V The Authorised Share Capital of the Company is Rs. 12,00,00,000/- (Rupees Twelve Crores only) divided into 12000000(One Crore Twenty Lacs Only) Equity Shares of Rs.10/- (Rupees Ten only) each.’”

6. To consider and, if thought fit, to pass with or without modification (S), the following resolution as a special resolutions:

Resolved that in accordance with the provisions of section 81, 81(1A) and other applicable provisions if any of the Companies act, 1956 and in accordance with the existing guidelines issued by the Securities and Exchange Board of India (SEBI) and subject to all necessary approvals, consents, permissions and / or sanctions of the Government of India, Reserve Bank of India, Foreign Investment Promotion Board, Secretarial of Industrial Approvals under the Foreign Exchange Management Act, 1999 (including any statutory modification or reenactment thereof, for the time being in force) and other applicable laws, and enabling provisions in the Memorandum and Articles of association of the company and the listing agreements entered into by the company with the stock exchange where the shares of the company are listed and subject to such terms and conditions as may be determined by the board of directors of the company (herein after referred to as "The Board" which expression shall include a committee, constituted for the time being in force, thereof) and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents, permissions or sanctions and agreed to by the Board, the consent and approval of the company be and is hereby accorded to Board and the Board be and is hereby authorized to offer, issue and allot on preferential basis, up to 90,00,000 (Ninety Lacs Only) Equity Shares of Face Value of Rs. 10/- each aggregating to Rs. 9,00,00,000/- (Rupees Nine Crores only) to persons belonging to promoter / promoter group as well as to persons other than promoters / promoters group, being the price which is in accordance with the guidelines for Preferential Issue contained in Chapter VII of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009, ("SEBI ICDR Regulations") persons mentioned below on a Preferential basis:

| Sr.No | Name of the proposed Allottees | Address of the Proposed Allottees | No of equity shares to be allotted | Category | Allottee is : QIB/MF/FI/Trust/Banks |
|-------|--------------------------------|---|------------------------------------|--------------|-------------------------------------|
| 1 | DINESH JIVRAJBHAI ANDA | 34,SHIVALIK BUNGLOW, 100 FEET ROAD, SATELLITE, AHMEDABAD 380015 | 250000 | Non Promoter | N.A |
| 2 | SURESH JIVRAJBHAI ANDA | 602, HETVI TOWER, 100 FEET ROAD, SATELLITE, AHMEDABAD – 380015 | 250000 | Non Promoter | N.A |
| 3 | SANJAY SHYAMSUNDER PODDAR | PLOT NO. - 442, SECTOR - 1A, GANDHI DHAM, KUTCHH | 2400000 | Non Promoter | N.A |
| 4 | INFINITY COMTRADE PVT LTD | 106 - A, VIBHUTI APPARTMENT, SATELLITE, AHMEDABAD – 380015 | 2550000 | Non Promoter | N.A |
| 5 | HITESH CHHAGANLA | 6, AGAM FLATS, VASNA BARAGE ROAD, VASNA, | 500000 | Promoter | N.A |

| | | | | | |
|---|----------------------------------|---|---------|----------|-----|
| | L KOTHARI | AHMEDABAD, 380007, Gujarat, INDIA | | | |
| 6 | REEMA ANKIT SHAH | 6, AGAM FLATS, VASNA BARAGE ROAD, VASNA, AHMEDABAD, 380007, Gujarat, INDIA | 250000 | Promoter | N.A |
| 7 | ARTI HITESH KOTHARI | 6, AGAM FLATS, VASNA BARAGE ROAD, VASNA, AHMEDABAD, 380007, Gujarat, INDIA | 250000 | Promoter | N.A |
| 8 | HITESH CHHAGANLAL H.U.F | 6, AGAM FLATS, VASNA BARAGE ROAD, VASNA, AHMEDABAD, 380007, Gujarat, INDIA | 500000 | Promoter | N.A |
| 9 | REEM BUILD PRIVATE LIMITED | 404, ANIKET BUILDING, NR. MUNICIPAL MARKET, C.G. ROAD,, AHMEDABAD – 380009 | 2050000 | Promoter | N.A |
| | | TOTAL NO. OF SHARES | 9000000 | | |

Resolved further that the Equity Shares on Preferential basis shall be issued by the company on the following terms and conditions:

- 1) The equity shares to be issued on preferential basis to above Allottees shall be locked in for a period as prescribed under SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009.
- 2) The entire amount of the value per share i.e. Rs. 10 /- (Rupees Ten only) per share to be paid at the time of application.

Resolved Further that for the purpose of giving effect to the said Special Resolution u/s. 81, 81(1A) and other applicable provisions of the Companies Act, 1956 the Board of Directors of the Company are hereby Authorized to take such steps and to do all such acts, deeds , matters and things and agree and accept any alteration(s) or amendment(s) or correction(s) or modification(s) as they deem fit and appropriate and give such directions / instructions as may be necessary to settle any question or difficulty for the offer / issue and allotment of Equity Shares in such manner as may be deemed fit and appropriate by the Board of Directors and or any legal / regulatory body , to be most beneficial to the company.

Resolved Further that the Board of Directors of the company be and are hereby Authorized to delegate any or all the powers conferred upon it by this resolution, to any committee formed thereof for the powers conferred upon it by this resolution, to any individual so Authorized by the Board.

Resolved Further that the shares referred to above shall in all respect rank pari-passu with the existing fully paid up equity shares of the company, provided that they shall confer on the holders of the right to

dividend, if any, for the financial year in which they are allotted pari-passu from the date of allotment of new shares.

Resolved Further that the Board of Directors of the company be and are hereby Authorized to determine the terms and conditions of the issue including face value , quantity, issue price (Including Price range), manner of calls etc. in such manner as the Board may deem fit and proper in its absolute discretion to be most beneficial to the company and to approach SEBI and / or any other competent authority to do all such acts, deeds , matters and things as may be necessary , appropriate and proper or expedient for giving effect to the above Resolution.

Resolved Further that the funds so raised shall be fulfill the additional fund requirements for capital expenditure including acquisition of companies /business, funding long term working capital requirements, marketing, setting up of offices abroad and for other approved corporate purposes.

Resolved further that the relevant date in relation to the shares for the purpose of determining the issue price under SEBI (Issue of Capital and Disclosure Requirements) Regulation 2009 relating to the preference issue shall be August 29, 2012.

7. To consider, and if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Bhavesh Mamnia, who was appointed as an Additional Director with effect from June 23, 2012 on the Board of the Company in terms of Section 260 of the Companies Act, 1956 and Article 161 of Article of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing, under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company.”

“Resolved Further That Mr. Hitesh Kothari, Director of the Company be and is hereby authorized to comply with the necessary requirements to give effect to the said appointment including filing of Form 32 with the Registrar of Companies.”

By order of the Board

Place: Chennai

Date: 28/08/2012

**HITESH.C.KOTHARI,
MANAGING DIRECTOR**

NOTES:

1. (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD REACH THE COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

(b) Members are requested to contact the Registrar and Transfer Agent for all the matters connected with the Company's shares at:

M/S. CAMEO CORPORATE SERVICE LTD

SUBRAMANIAM BUILDING –V FLOOR,

NO.1 CLUB HOUSE ROAD,

CHENNAI – 600002.

Phone:-044-2846 0390

(c) (i) Members holding shares in physical form are requested to notify the changes in address, if any, to the Registrar and Transfer Agent (RTA). Members holding shares in physical form in more than one folio are requested to write to the RTA immediately enclosing their share certificates of their holdings into one folio.

(ii) Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, etc. to their Depository Participant (DP). These changes will be automatically reflected in the Company's records.

(d) Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.

2. A bio-data of the Directors proposed to be re-appointed at Serial No. 2 and Serial No.3 of the Ordinary Business are given below

| | |
|----------------------------|---|
| Mr. Chhaganlal. K. Kothari | Mr. C.K. Kothari is a dynamic business affiliated with the commodities/securities market for more than 40 years. Mr. Kothari possesses wide experience across sectors. Being part of the promoter group, he looks after the overall policy matters of the Company. |
| Mr. Hitesh C. Kothari | Mr. Hitesh Kothari is a dynamic businessman and is engaged in the commodities/securities markets business for more than 20 years. Mr. Hitesh is a son of Mr. C.K. Kothari and looks after the day to day management and affairs of the Company on whole time basis. |

3. **The Register of Members and the Share Transfer Books of the Company will remain closed from 27th day of September 2012 to 28th day of September 2012 (Both days Inclusive).**
2. Shareholders intending to require information about the accounts to be approved in the meeting are requested to inform the Company in writing at least 7 days in advance of the Annual General Meeting.
3. The Statutory Registers are open for inspection at the registered office of the company on all working days except Sunday(s) and public holidays, between **11.00 a.m. to 6.00 p.m.** up to the date of the meeting.
4. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy of the Annual Report while attending the Annual General Meeting.
5. As per the provision of Section 205A(5) of the Companies Act, 1956 and Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978, there is no unclaimed dividend due to be transferred to the fund established u/s. 205C(1) of the Companies Act, 1956.
6. As required under Clause 49(VI)(A) of the Listing Agreement with the Stock Exchanges, profile of the Director seeking re-appointment are annexed to this notice.
7. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
9. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.

By order of the Board

Place: Chennai

Date: 28/08/2012

**HITESH.C.KOTHARI,
MANAGING DIRECTOR**

EXPLANATORY STATEMENT

As required by Section 173(2) of the Companies Act, 1956, the following explanatory statement sets out material facts relating to the business under item 4 of the accompanying notice.

Item No 5

At present the Authorised Share Capital of the Company is Rs 3,00,00,000/- (Rupees Three Crores only) divided into 30,00,000 (Thirty Lacs only) Equity Shares of Rs.10/- each. For the purpose of expansion of business, it is required to increase authorised share Capital of the Company to Rs. 12,00,00,000/- (Rupees Twelve Crores only) divided into 1,20,00,000 (One Crore Twenty Lacs Only) Equity Shares of Rs.10/- (Rupees Ten only). Consequent upon the increase in the authorised Share Capital of the Company, its Memorandum of Association and Article of Association need appropriate alterations. Hence resolutions No. 5 are recommended by Directors for approval of the members. None of the Directors of the Company is in any way concerned or interested in the said resolutions.

Item No 6

As per Section 81(1A) of the Companies Act, 1956, approval of shareholders in the General Meeting is required for allotment of shares on preferential basis and hence the resolution is placed before the shareholders.

The Directors recommended the resolution for your approval.

The required disclosure as per 73(1) of SEBI ICDR Regulations regarding Proposed issue is as under:-

1) Objects of this issue:

The object of the issue is to fulfill the additional fund requirements for capital expenditure including acquisition of companies /business and to fund the long term working capital of the Company.

2) Intention of Promoters /Directors /Key management persons to subscribe to the offer :

Mr. Hitesh C. Kothari and Arti Hitesh Kothari, promoters of the company and Reema Ankit Shah, Hitesh Chhaganlal Kothari HUF and Reem Build Private Limited forming part of promoter group intend to subscribe to 35,50,000 shares in the proposed issue of the equity shares on preferential basis. Other than the person mentioned above, none of the Promoters, Directors or Key management personals intends to subscribe to any equity shares in the proposed issue of equity shares on preferential basis.

3) Shareholding pattern before and after the issue:-

The shareholding pattern before and after completion of the proposed preferential issue would be As under:-

| Sr. No. | Category | Pre – issue | | Post issue | |
|----------|---------------------------------|----------------|--------------|-----------------|--------------|
| | | No. of shares | % of Capital | No. of shares | % of Capital |
| | Promoters Holding | – | – | – | – |
| 1 | Indian Promoters | 577300 | 19.24 | 1077300 | 8.98 |
| | Foreign Promoters | – | – | – | – |
| 2 | Persons Acting in Concert | 419100 | 13.97 | 3469100 | 28.91 |
| | Sub-Total | 996400 | 33.21 | 4546400 | 37.89 |
| B | Non-Promoter Holding | – | – | – | – |
| 1 | Institutional investors | – | – | – | – |
| | Mutual Funds | – | – | – | – |
| | Banks, FIs, Insurance companies | – | – | – | – |
| | NRIS/OCBs | – | – | – | – |
| | FIs | – | – | – | – |
| | Sub-Total | – | – | – | – |
| 2 | Others | – | – | – | – |
| | Private Body Corporate | 79282 | 2.65 | 2629282 | 21.91 |
| | Indian Public | 1924318 | 64.14 | 4824318 | 40.20 |
| | Clearing Members | – | – | – | – |
| | Sub-Total | 2003600 | 66.79 | 7453600 | 62.11 |
| | Grand Total | 3000000 | 100% | 12000000 | 100% |

Notes:-

- 1) The above shareholding pattern has been prepared on the basis of shareholding as on **30/06/2012** as provided by the Registrar and Share Transfer Agent.
- 2) The post- issue shareholding pattern has been arrived on the assumption that 90,00,000 (Ninety lakhs) equity shares to be issued.

4) Proposed Time within which the allotment shall be completed.

The allotment of shares on Preferential basis shall be completed within 15 days from the date of shareholders approval provided where the allotment on preferential basis is pending on account of pendency of any approval by any regulatory authority or Central Government as per SEBI Guidelines, the allotment shall be completed within 15 days from the date of such approval.

5) The Identity of the proposed allottee and the percentage of post preferential issue capital that may be held by him :

The proposed Allottees were interested to invest in our company and they approached us in the past when the company decided to raise funds by way of issue equity shares for expanding existing finance related activities and for working capital etc. Subsequently the company approached the Allottees to find out their intention to subscribe to preferential issue and the proposed Allottees have given their consent to subscribe to the same. The percentage of the post-preferential issue capital held by the proposed allottees is follows:-

| Sr. No. | Name & Address | No. of shares | | % | | Category (Promoter /Non Promoter) |
|---------|--|---------------|------------|-----------|------------|-----------------------------------|
| | | Pre-Issue | Post-Issue | Pre-issue | Post-Issue | |
| 1 | DINESH JIVRAJBHAI ANDA 34, SHIVALIK BUNGLOW, 100 FEET ROAD, SATELLITE, AHMEDABAD 380015 | 0 | 250000 | 0 | 2.08% | Non Promoter |
| 2 | SURESH JIVRAJBHAI ANDA 602, HETVI TOWER , 100 FEET ROAD , SATELLITE, AHMEDABAD – 380015 | 0 | 250000 | 0 | 2.08% | Non Promoter |
| 3 | SANJAY SHYAMSUNDER PODDAR PLOT NO. - 442 , SECTOR - 1A , | 0 | 2400000 | 0 | 20% | Non Promoter |

| | | | | | | |
|---|---|---------------|----------------|--------------|---------------|--------------|
| | GANDHI DHAM, KUTCHH | | | | | |
| 4 | INFINITY COMTRADE PVT LTD 106 - A , VIBHUTI APPARTMENT , SATELLITE , AHMEDABAD - 380015 | 0 | 2550000 | 0 | 21.25% | Non Promoter |
| 5 | HITESH CHHAGANLAL KOTHARI 6, AGAM FLATS, VASNA BARAGE ROAD, VASNA, AHMEDABAD, 380007, Gujarat, INDIA | 265900 | 765900 | 8.86% | 6.38% | Promoter |
| 6 | REEMA ANKIT SHAH 6, AGAM FLATS, VASNA BARAGE ROAD, VASNA, AHMEDABAD, 380007, Gujarat, INDIA | 0 | 250000 | 0 | 2.08% | Promoter |
| 7 | ARTI HITESH KOTHARI 6, AGAM FLATS, VASNA BARAGE ROAD, VASNA, AHMEDABAD, 380007, Gujarat, INDIA | 30000 | 280000 | 1% | 2.33% | Promoter |
| 8 | HITESH CHHAGANLAL HUF 6, AGAM FLATS, VASNA BARAGE ROAD, VASNA, AHMEDABAD, 380007, Gujarat, INDIA | 0 | 500000 | 0 | 4.17% | Promoter |
| 9 | REEM BUILD PRIVATE LTD 404, ANIKET BUILDING, NR. MUNICIPAL MARKET, C.G. ROAD,, AHMEDABAD - 380009 | 0 | 2050000 | 0 | 17.08% | Promoter |
| | Total | 295900 | 9295900 | 9.86% | 77.45% | |

The Proposed Allottees have not sold any shares during the 6 months period prior to the relevant date.

6) Lock- In

The equity shares to be allotted on preferential basis shall be subject to lock in as per the applicable SEBI ICDR Regulations, 2009.

7) Change in the control or composition of the Board.

There will neither be any further change in the composition of the Board nor any change in the control of the company on account of the proposed preferential allotment. However, there will be corresponding changes in the shareholding pattern as well as voting rights consequent to preferential allotment.

8) Price of the issue:-

The shares are proposed to be allotted on preferential basis at a price of Rs. 10/- per share is higher than the price arrived at as per SEBI ICDR Regulations, 2009.

9) The Certificate issued by M/s. KEYUR J.SHAH & ASSOCIATES, Practicing Company Secretaries, as to the Pricing of the issue and that this preferential issue of securities is being made in accordance with the guidelines on Preferential Allotment issued by SEBI is being placed before the shareholders at the Meeting and also available for inspection at the Registered Office of the company during the business hours on any working days.

10) In view of the above, it is proposed to issue up to 90,00,000 (Ninety Lacs only) equity shares each of Rs.10/- fully paid-up to promoters, promoter group and non promoters on preferential basis at the price of Rs. 10/- (Rs. Ten only) per share. This is higher than the minimum issue price calculated in accordance with the criteria given under the SEBI ICDR Regulations, 2009.

11) In terms of SEBI (ICDR) Regulations, 2009, **ISL CONSULTING LIMITED** hereby undertakes that :

- It shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.
- If the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the Allottees.

The Consent of the shareholders is being sought pursuant to the provision of section 81(1A) and other applicable provision of the companies Act, 1956, if any, and in terms of provisions of the Listing Agreements executed by the company with the Stock Exchange in India which the company's shares are listed.

All the directors of the company may be deemed to be interested in this resolution to the extent securities that may be allotted.

The Board recommends the special resolutions set out in the notice for approval by the members.

Item No. 7

Mr. Bhavesh Mamnia was appointed as an Additional Director by the Board of Director on June 23, 2012 in accordance with the provisions of Section 260 of the Companies Act, 1956 and relevant provisions of the Article of Association of the Company. Pursuant to Section 260 of the Companies Act, 1956 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 257 and all other applicable provisions of the Companies Act, 1956.

The Board feels that presence of Mr. Bhavesh Mamnia on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 7 for adoption. None of the Directors, except Mr. Bhavesh Mamnia is concerned or interested in this resolution. The Board recommends resolutions under Item No. 7 to be passed as ordinary resolution.

By order of the Board

Place: Chennai

Date: 28/08/2012

**HITESH.C.KOTHARI,
MANAGING DIRECTOR**

DIRECTORS' REPORT**TO THE MEMBERS OF THE COMPANY,**

Your Directors have great pleasure in presenting their 20th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2012.

FINANCIAL RESULTS:**Rupees in lacs**

| Particulars | Year ended 31-03-2012 | Year ended 31-03-2011 |
|--|----------------------------------|----------------------------------|
| Gross Profit/(Loss) before Depreciation | (20.03) | 23.99 |
| Less: Depreciation | (00.70) | (00.35) |
| Profit /(Loss) for the year | (20.73) | 23.64 |
| Profit/(Loss) after tax for the year | (20.91) | 16.31 |
| Balance Carried forward to Balance Sheet | (20.91) | 16.31 |
| Earning Per Share in Rs. | (00.70) | 00.54 |

DIVIDEND

Your Directors do not recommend any dividend during the financial year 2011-2012 in view of accumulated losses of the company.

DIRECTORS

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

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

DEPOSITS

The Company has not accepted any deposits from the public

DIRECTORS RESPONSIBILITY STATEMENT

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

1. In the preparation of the annual accounts, the applicable Accounting standards have been followed along with the proper explanation with respect the material departures if any;

2. Appropriate accounting policies have been selected and applied consistently and have 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 at the end of the financial year and of the Profit/(Loss) of the Company for that period;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities:
4. The annual accounts have been prepared on a going concern basis:

AUDITORS AND AUDITOR'S REPORT

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

STATEMENT UNDER SECTION 217(2A)

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

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

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

Foreign Exchange Earning : NIL

Foreign Exchange Outgo : NIL

MANAGEMENT DISCUSSION AND ANALYSIS

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

CORPORATE GOVERNANCE:

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

LISTING AGREEMENTS REQUIREMENTS:

The securities of the company are listed at Bombay Stock Exchange, Ahmedabad Stock Exchange and Chennai Stock Exchange. Trading in company's securities started at the BSE in December 2011 revoking the suspension of trading.

BUY-BACK OF SHARES:

There was no buy-back of shares during the year under review.

ACKNOWLEDGEMENT:

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

Place: Chennai

Date: 28/08/2012

**For and on behalf of the Board of Directors
Sd/-**

**HITESH C.KOTHARI
MANAGING DIRECTOR**

ANNEXURE – 'A'

**TO THE 20th ANNUAL REPORT OF THE BOARD OF DIRECTORS OF
M/S ISL CONSULTING LIMITED**

REPORT ON CORPORATE GOVERNANCE

1. Introduction

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

2. Company's Philosophy on Code of Corporate Governance

Your Company focuses on developing appropriate strategies that result in maximizing the return to all stakeholders. Your Company's philosophy on Corporate Governance is characterized by a firm commitment and adoption of ethical practices across its entire value chain and in all of its dealings with a wide group of stakeholders encompassing employees, customers, vendors, regulators and shareholders (including the minority shareholders).

The Company will continue to focus its resources, strengths and strategies to achieve its vision of brand building, maximizing stakeholders return and developing people to deliver the same, while upholding the core values of excellence, integrity, responsibility, unity and understanding, which are fundamentals to the running of the company's business. Your Directors perceive their role as a trustee to the stakeholders in particular and the society at large, inculcating a culture of transparency, accountability and integrity across the Company.

3. Board of Directors

- (i) As on March 31, 2012, the Company had Four Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreements entered into with the Stock Exchanges.
- (ii) None of the Directors on the Board are Members in more than 10 committees or act as Chairman of more than five committees across all companies in which he is a director. The directors have disclosed to the company about the committee positions they occupy in other companies and have notified changes as and when they take place.
- (iii) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other companies are given herein below. Other directorships do not include alternate directorships, directorships of private limited companies, Section 25 companies and of companies incorporated

outside India. Chairmanships/Memberships of Board Committees include only Audit and Shareholders/Investors Grievance Committees.

The Company is managed by Board of Directors and with Mr. Hitesh C. Kothari, as the Whole time director of the company and it meets at regular intervals. Policy formulation, evaluation of performance and control functions vest with Board.

During the year ended 31st March, 2012; four (04) meetings of the Board of Directors were held on 28-04-2011, 29-07-2011, 26-10-2011 and 26-01-2012.

The last Annual General Meeting was held on 30th day of September 2011.

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

| Name(s) of Director(s) | Designation and Category | No. Of Board Meetings in The Year | | Attendance Last AGM | Number of outside Directorship (Excludes Private and Foreign companies) | Number of Board Committee memberships Held in other companies |
|------------------------|--------------------------|-----------------------------------|----------|---------------------|---|---|
| | | Held | Attended | | | |
| C.K.KOTHARI | Director PROMOTER | 04 | 04 | Yes | 0 | Nil |
| HITESH KOTHARI | Director EXECUTIVE | 04 | 04 | Yes | 0 | Nil |
| JAGDISH THAKKER | Director INDEPENDENT | 04 | 04 | Yes | 0 | Nil |
| HASMUKE THAKKER | Director INDEPENDENT | 04 | 04 | Yes | 0 | Nil |

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

Information about the Directors proposed to be appointed/ re-appointed required to be furnished pursuant to Clause 49 of the listing agreement with the Stock Exchanges is forming part of the notice of the 20th Annual General Meeting to the shareholders of the Company.

(iv) The minimum information as required under Annexure – IA of Clause 49 of the Listing Agreement is made available to the board.

(v) None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

Equity Shares held by Non – Executive Directors

None of Non-executive Directors holds any shares/Securities of the Company.

Risk Management

The Company has established a robust risk assessment and minimization procedures, which are reviewed by the Board periodically. The Company has a structure in place to identify and mitigate the various risks that would be faced by it from time to time. At every Board meeting the risks are reviewed, new risks if any are identified assessed, and control measures are designed to put in place fixed timeline for mitigating the risk.

Committees of the Board

1. Audit Committee

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

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

Composition and Attendance

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

| Name of Directors | Status | No. Of Meetings held | No. Of Meetings attended |
|--------------------|----------|----------------------|--------------------------|
| HASMU KH M THAKKER | Chairman | 04 | 04 |
| JAGDISH V THAKKER | Member | 04 | 04 |
| C K KOTHARI | Member | 04 | 04 |

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

The functions of the Audit Committee include the following:

- Supervising of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by the management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing with the management, the statement of uses / application of funds, raised through an issue (public issue, rights issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Discussion with internal auditors on any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism, in case, the same exists.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee is empowered to

- Investigate any activity within its terms of reference.
- Seek information from any employee.
- Obtain outside legal or other professional advice.
- Secure attendance of outsiders with relevant expertise, if it considers necessary.

The Company has systems in place to ensure that the Audit Committee reviews:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions (as defined by the audit committee), submitted by the management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the Chief Internal

2. Remuneration Committee

The role of the Remuneration Committee is to recommend to the Board the appointment / reappointment of the executive and non-executive Directors. The Committee has also been vested with the authority to determine the periodic increments in salary and annual incentive of the Executive Directors.

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

| Name of Directors | Status | No. of Meetings held | No. of Meetings attended |
|--------------------------|---------------|-----------------------------|---------------------------------|
| HASMUKH M THAKKER | Chairman | 01 | 01 |
| HITESH C KOTHARI | Member | 01 | 01 |
| JAGDISH V THAKKER | Member | 01 | 01 |

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

Non-Executive Director

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

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

During the year under review, the company had paid the remuneration of Rs. 3,30,420/- to Mr. Hitesh C Kothari, Whole time Director of the company and the remuneration committee had duly approved the same.

Share Transfer and Investor's Grievance Committee

Terms of Reference

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

Composition and Attendance

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

| Name of Directors | Status |
|--------------------|----------|
| HITESH C.KOTHARI | Chairman |
| JAGDISH V. THAKKER | Member |
| HASMUKH M. THAKKER | Member |

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

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

The Committee supervises the mechanism for redressal of Investor grievances and ensures cordial investor relations. The Committee takes care of the following matters:

- Redressal of Shareholders' and investors' complaints like transfer of shares, non-receipt of Balance Sheet, non receipt of declared dividend etc.
- Scrutinize the performance of the Registrar & Share Transfer Agent and recommends measures for overall improvement of the quality of service.
- Any allied matter(s) out of and incidental to these functions and not here in above specifically provided for.

Details of Complaints

| | | |
|---|---|----|
| Number of complaints received from investors | - | 04 |
| Number of complaints resolved | - | 04 |
| Number of complaints remaining unresolved and pending | - | 00 |

Nature of complaints received and attended during 2011-12

| Sr. No. | Nature of Complaints | Received & Redressed during the year |
|---------|--|--------------------------------------|
| | Correspondence regarding demat / general | 03 |
| | Correspondence regarding loss of shares and issuance of duplicate share certificates | 01 |
| | Correspondence regarding non-receipt of share certificate, transmission of shares | -- |
| | Revalidation of dividend warrants / non-receipt of dividend warrants | -- |
| | Correspondence regarding deposits | |

Compliance Officer**The Name and designation of the Compliance Officer of the Company**

Mr. Hitesh C Kothari : Whole Time Director & Compliance Officer

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

Corp. Office : 501, Abhijit-II, Near Mithakhali Six roads, Ahmadabad –380009.

Phone No. : 079-40030352

Fax No. : 091-044-28460129

E-mail ID : innogroup@gmail.com

GENERAL BODY MEETINGS:

The last three Annual General Meeting held as follows: -

| Financial Year | AGM | Location | Date |
|-----------------------|------------|---|-------------|
| 2010-11 | AGM | No. 3, Murthy Lane, 1 st Floor, Off. Devaraja Mudali Street, Ratan Bazaar, Chennai 600 003 | 30.09.2011 |
| 2009-2010 | AGM | No. 3, Murthy Lane, 1 st Floor, Off. Devaraja Mudali Street, Ratan Bazaar, Chennai 600 003 | 30.09.2010 |
| 2008-2009 | AGM | No. 3, Murthy Lane, 1 st Floor, Off. Devaraja Mudali Street, Ratan Bazaar, Chennai 600 003 | 30.09.2009 |

(i) Postal Ballot

There were no circumstances necessitating the Company to seek the approval of its members through a Postal Ballot as required under the provisions of Section 192A of the Companies Act, 1956.

(ii) DISCLOSURES

There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.

(i) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years 2009-10, 2010-11 and 2011-12 respectively: The Company's shares were in suspension mode with Bombay Stock Exchange Limited, Mumbai till December 2011. We are very pleased to mention that the Company complied with the pending requirements with the Bombay Stock Exchange Limited (BSE) and got the shares of the Company relisted revoking the suspension of trading by the Stock Exchange.

(ii) The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure I D to the Clause 49 of the Listing Agreements with the Stock Exchanges:

(a) The Company has set up a Remuneration Committee, details of which have been given earlier in this Report.

(b) Whistle-Blower Policy

The Company has put in place an un-codified system through which employees and business associates may report unethical business practices at work place without the fear of reprisal. The Company has set up a direct contact initiative under which all employees/business associates have direct access to the Chairman of the Audit Committee. The “Whistle Blower Protection Policy” aims to:

- Allow and encourage employees and business associates to bring to the management’s notice concerns about suspected unethical behavior, malpractice, wrongful conduct, fraud, violation of policies etc.
- Ensure timely and consistent organizational response.
- Build and strengthen a culture of transparency and trust.
- Provide protection against victimization

(IV) Secretarial Audit

A qualified practicing Company Secretary carried out secretarial audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The secretarial audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL

(V) Code of Conduct

The Board has laid down a Code of Conduct for its Members and Senior Management Personnel of the Company. The code of conduct is available with the Board of Directors. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. The CEO has affirmed to the Board that this Code of Conduct has been compiled by the Board Members and Senior Management Personnel.

(VI) Code for prevention of insider trading practices

In compliance with the SEBI regulation on prevention of insider trading, the Company has instituted a comprehensive code of conduct for its management and staff. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them of the consequences of violations.

(VII) Disclosure of accounting treatment in preparation of financial statements

The Company has followed the guidelines of accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

(viii) CEO/CFO Certification

The CEO and CFO certification of the financial statements and the cash flow statement for the year is enclosed and forms part of this report.

(IX) MEANS OF COMMUNICATION

The quarterly, half-yearly unaudited financial results were published in newspapers. The company has also posted its quarterly results; share holding pattern etc. on the company's website "<http://www.islconsulting.in>".

Compliance by the Company

There have been no instances of non-compliance on any matter relating to the capital market during the last three years.

Related Party Disclosure

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

Means of Communication

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

GENERAL SHAREHOLDER'S INFORMATION

| | | |
|---|--|--|
| 1 | AGM Date Time & Venue | 28 day of September 2012 at 11.00 A.M at No.3, Murthy Lane, 1st Floor, Off: Devaraja Mudali Street, Ratan Bazaar, Chennai 600 003. |
| 2 | Financial Calendar (Tentative) Financial reporting for the Quarter ending June 30, 2011 Quarter ending September 30, 2011 Quarter ending December 31, 2011 Quarter ending March,31, 2012 | By Fourth week of July, 2011 By Fourth week of October, 2011 By Fourth week of January 2012 By Fourth week of April, 2012 or within three months from the close of the said quarter ending March 31, 2012 |
| 3 | Dates of book closure | 28th September 2012 to 29th September 2012 (Both days Inclusive) |
| 4 | Dividend Payment Date | N.A |
| 5 | The Equity Shares of Rs.10/- Each are listed at - | Mumbai Stock Exchange Limited Stock Code: ISLCONS Demat ISIN NO:INE569B01014 |
| 6 | Registered Office | No.3, Murthy Lane, 1st Floor, Off: Devaraja Mudali Street, Ratan Bazaar, Chennai 600 003 |

Listing on Stock Exchanges

At present, the Equity Shares of the Company are listed on Bombay Stock Exchange Limited (BSE).

Stock Code : ISLCONS

ISIN No. : INE569B01014

BSE Stock Code : 511609

Market Price data:

Market price data of the Company firm the month of December,2011 to March,2012 is shown in the table below:

| Month | High | Low |
|----------------|-------|------|
| December, 2011 | 24.00 | 9.70 |
| January, 2012 | 14.80 | 8.60 |
| February, 2012 | 8.58 | 7.46 |
| March,2012 | 8.08 | 6.52 |

Shareholders' Services

The Company as and when receives from the investors/shareholders for the conversion of their shares from physical mode to demat is usually confirmed within in a 15 days' time after adhering to the formalities as required under the regulations and has no pending cases as at the end of the financial year. Nearly 44.38% of the equity shares of the Company are held in demat mode as on 31-03-2012. The companies attend to its shareholders complaints/grievances and send to them corresponding letters/clarification letters and none of the shareholders letters received by the company have been unattended/unanswered.

Share Transfer System

The Company has Share transfer agents M/s Cameo Corporate Services Limited, Subramaniam Building – V Floor, No.1 Club House Road, Chennai – 600002 and the entire share transfers, transmissions etc., and shareholders Grievances, corresponding have been handled by them.

(i) Distribution of shareholding

(a) Distribution of Equity Shareholding as on 31st March, 2012

| No. of shares held | No .of share/Debenture holders | | Amount of shares/Debenture | |
|--------------------------|--------------------------------|---------------|----------------------------|---------------|
| | Number | % of Total | Rs. | % of Total |
| Upto-500 | 9360 | 94.44 | 11,59,833.00 | 38.66 |
| 501-1000 | 233 | 02.36 | 1,90,756.00 | 06.36 |
| 1001-2000 | 107 | 01.07 | 1,93,556.00 | 06.45 |
| 2001-3000 | 65 | 00.66 | 1,17,580.00 | 03.92 |
| 3001-4000 | 48 | 00.48 | 86,828.00 | 02.89 |
| 4001-5000 | 25 | 00.25 | 45,223.00 | 01.51 |
| 5001-10000 | 17 | 00.17 | 30,752.00 | 01.03 |
| 10001 & above | 56 | 00.57 | 11,75,472.00 | 39.18 |
| Total | 9911 | 100.00 | 30,00,000.00 | 100.00 |

As on 31st March, 2012

No. of Shares in Physical form : 1668720

No. of Shares in Dematerialized form : 1331280

(a) Category of Shareholders as on 31st March, 2012

| Category | No. of Folios /Shareholders | No. of Shares held | Shareholding (%) |
|-------------------------|-----------------------------|--------------------|------------------|
| Promoters & group | 7 | 996400 | 33.21 |
| Overseas Body Corporate | - | - | - |
| Other Bodies Corporate | 44 | 69300 | 02.31 |
| NRIs | - | - | - |
| Others | 9860 | 1934300 | 64.48 |
| Total | 9911 | 3000000 | 100.00 |

Instruments

The Company has not issued GDRs'/ ADRs'/ Warrants / Convertible Instruments.

Registered office Address

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

Address for Communication

501, Abhijit –II, Near Mithakhali six
Above Standard Chartered bank,
Ahmadabad – 380009.

Web Add:-www.islconsulting.in
E-mail – innogroup@gmail.com
Phone no. -079-40030352

Place: Chennai

For and on behalf of the Board of Directors

Date: 28/08/2012

HITESH C.KOTHARI
MANAGING DIRECTOR

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
ISL CONSULTING LIMITED,
Chennai.

We have examined the compliance of conditions of Corporate Governance by ISL Consulting Limited for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange Limited.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of the Corporate Governance.

In our opinion and to the best of our information and according to the explanations given to us, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders' / Investors' Grievance Committee, except in cases of any legal dispute or constraints.

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.

Place: Chennai

Date: 18/08/2012

**V.DASARATHY
FOR, VENKATESH & CO.,
CHARTERED ACCOUNTANTS**

(Firm Registration No: - 004636S)

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for the members of the Board and the Senior Management Personnel and these Codes are available on the Company's website. I confirm that the Board and the Senior Management Personnel of the Company have complied with the Code of Conduct in respect of the financial year ended March 31, 2012.

For, ISL Consulting Limited

For, ISL Consulting Limited

C.K.Kothari
Chairman

Hitesh C. Kothari
Managing Director

Place: Chennai

Date: 28/08/2012

CERTIFICATION BY**CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER**

As required by Clause 49(V) of the Listing Agreement with Stock Exchanges, we hereby certify that:

- a) We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2012 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or isolative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) that there were no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For, ISL Consulting Limited

For, ISL Consulting Limited

C.K.Kothari
Chairman

Hitesh C. Kothari
Managing Director

Place: Chennai

Date: 28/08/2012

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE & DEVELOPMENT

There are very few listed Corporate Companies in the area of brokerages and related activities and your Company is one among them. Our Company is the direct member of Multi Commodity Exchange of India Ltd. "Quality service with honest efforts" – is our motto. To deliver it, we have advance infrastructure and quality human resource. Our vast client base and their faith in our excellent services prove our strong presence in the market. We have the adequate understanding of market and our research is quit unique and stands among the best. The Membership Number of MCX - Reg.No: 31425 – FMC Code: MCX/TCM/CORP/1095.

OPPORTUNITIES & THREATS/ RISKS & RESOURCES

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

INTERNAL CONTROL SYSTEMS

The Company's systems and procedures are fully computerized and all the internal control procedures required in operating all the financial transactions are system based. The Company's accounts have been periodically reviewed by the undersigned along with the senior management personnel and the Statutory Auditors. Its effectiveness is assessed regularly through procedures / processes set up by management, covering all critical and important areas. These controls are periodically updated and are subject to review by internal auditors.

DISCUSSION OF FINANCIAL PERFORMANCE

Your Directors are very hopeful to continue the performance of the company and post better results in the forth coming financial year and to add value to the shareholders. The Company is hopeful of improving its turnover and bottom line and hopeful of posting better revenue ahead.

MATERIAL DEVELOPMENT

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

REPORT OF THE AUDITORS

To,
The Members Of
ISL CONSULTING LIMITED,
Chennai

1. We have audited the attached Balance Sheet of ISL CONSULTING LTD as at 31st March, 2012 and the Profit & Loss Account for the year ended on that date along with the Cash Flow statement annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government in terms of sub section (4A) section 227 of the Companies Act 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, the Company has kept proper books of accounts as required by law, so far as appear from our examination of those books.
 - c. The Balance Sheet, Profit and Loss account and the Cash Flow statement referred to in this report are in agreement with the books of account.
 - d. In our opinion, the Balance sheet, Profit and loss account and Cash flow statement dealt with by this report comply with the accounting standards prescribed u/s 211(3c) of the Companies Act, 1956.
 - e. On the basis of written representations received from the Directors, and taken on record by Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub - section (1) of section 274 of the Companies Act, 1956.

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

- (i) In so far as it relates to the Balance Sheet, of the state of affairs of the company as at 31st March, 2012 and
- (ii) In so far as it relates to the Profit and Loss account of the Loss of the company for the year ended on that date.
- (iii) In the case of the cash flow statement, of the cash flows for the year ended on the date

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

**Place: Chennai
Date: 18/08/2012**

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

ANNEXURE TO THE AUDITORS' REPORT**(Referred to in paragraph 3 of our Report of even date)**

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

1.
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situations of fixed assets.
 - (b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
 - (c) No assets have been disposed off during the year and the going concern concept is not altered.
2.
 - (a) In respect of the securities held as stock in trade and investments the same have been physically verified at reasonable intervals by the Management.
 - (b) The procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) The company is maintaining proper records of inventory and no material discrepancies are noticed on such physical verification.
3. The Company has taken not given or taken loans from the parties covered in the register Maintained under section 301 of the Companies act of 1956.
4. In our opinion and according to the explanations given to us the internal control procedure of the Company are commensurate with the size of the company and the nature of its business with regards to Fixed Assets other assets and with regard to the sale of securities. No instance of continuing failure to correct major weakness in internal control was noticed.
5. According to the information and explanations given to us there were no transactions of sale of shares made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Companies Act 1956.
6. The Company has not accepted any deposits from the public. Therefore the provisions of section 58 A and 58AA of the Companies Act 1956 and rules framed there under are not applicable.
7. The company has internal audit system commensurate with the size of the company
8. The Central Government has not prescribed for the Company maintenance of the Cost Records under clause (d) of subsection (1) of section 209 of the Act.

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

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

**Place: Chennai
Date: 18/08/2012**

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

| Balance Sheet as at 31.03.2012 | | | | |
|---------------------------------------|---|---------------|-----------------------------|-----------------------------|
| | | | | In Rupees |
| | Particulars | Sch.No | As at 31.03.2012 | As at 31.03.2011 |
| I. | EQUITY AND LIABILITIES | | | |
| 1 | Shareholders' Funds | | | |
| | (a) Share Capital | 1 | 3,00,00,000 | 3,00,00,000 |
| | (b) Reserves and Surplus | 2 | (1,00,16,780) | (79,25,560) |
| 2 | Non-Current Liabilities | | | |
| | (a) Deferred Tax Liabilities (Net) | 3 | 1,90,613 | 1,72,526 |
| 3 | Current Liabilities | | | |
| | (a) Short-Term Borrowings | 4 | 3,69,68,267 | 90,59,340 |
| | (b) Trade Payables | 5 | 75,032 | 16,56,229 |
| | (c) Other Current Liabilities | 6 | 10,95,328 | 14,56,687 |
| | Total | | 5,83,12,461 | 3,44,19,222 |
| II. | ASSETS | | | |
| 1 | Non-Current Assets | | | |
| | (a) Fixed Assets | 7 | | |
| | a)Gross Block | | 49,17,070 | 46,78,731 |
| | b) Less: Depreciation | | 40,05,769 | 39,35,710 |
| | Net Block | | 9,11,301 | 7,43,021 |
| | (b) Non- Current Investments | 8 | 10,00,000 | 40,65,000 |
| | (c) Long-Term Loans and Advances | 9 | 4,41,80,424 | 1,56,21,889 |
| 2 | Current Assets | | | |
| | (a) Inventories | 10 | 1,13,07,118 | 85,19,105 |
| | (b) Cash and Cash Equivalents | 11 | 9,13,618 | 54,70,207 |
| | Total | | 5,83,12,461 | 3,44,19,222 |
| | Notes on Accounts & Significant Accounting Policies | 19 | | |

As per our report of even date

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

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

For, ISL Consulting Limited

**Hitesh Kothari
Director**

**C.K.Kothari
Director**

**Place: Chennai
Date: 18.08.2012**

| Profit and Loss a/c for the year ended 31.03.2012 | | | | |
|--|---|---------------|----------------------------------|----------------------------------|
| | | | In Rupees | |
| | Particulars | Sch.No | Year Ended 31.03.2012 | Year Ended 31.03.2011 |
| I | Revenue from Operations | 12 | 9,85,82,576 | 2,29,29,946 |
| II | Other Income | 13 | 52,56,253 | 1,15,19,251 |
| III | TOTAL REVENUE (I + II) | | 10,38,38,829 | 3,44,49,197 |
| IV | EXPENSES | | | |
| | Purchases & Contract Expenses | 14 | 9,64,60,360 | 1,71,47,034 |
| | Changes in Inventories | 15 | (27,88,013) | 1,28,71,317 |
| | Employee Benefit Expenses | 16 | 9,47,000 | 7,23,952 |
| | Finance Costs | 17 | 53,33,295 | 2,25,698 |
| | Depreciation and Amortization Expenses | 7 | 70,059 | 35,557 |
| | Other Expenses | 18 | 58,89,259 | 10,81,835 |
| | TOTAL EXPENSES | | 10,59,11,961 | 3,20,85,393 |
| V | Profit before Exceptional and Extraordinary Items and Tax (III-IV) | | (20,73,132) | 23,63,804 |
| VI | Exceptional Items | | - | - |
| VII | Profit before Extraordinary Items and Tax | | (20,73,132) | 23,63,804 |
| VIII | Extraordinary Items | | | |
| IX | Profit Before Tax | | (20,73,132) | 23,63,804 |
| X | Tax Expense | | | |
| | Current Tax | | - | (7,35,900) |
| | Deferred Tax | | (18,087) | 3,928 |
| XI | Profit/(Loss) for the period from Continuing Operations (IX-X) | | (20,91,219) | 16,31,832 |
| XII | Profit/(Loss) from Discontinuing Operations | | | |
| XIII | Tax Expense of Discontinuing Operations | | | |
| XIV | Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII) | | | |
| XV | Profit(Loss) for the Period(XI+XIV) | | (20,91,219) | 16,31,832 |
| XVI | Earnings per Equity Share | | | |
| | -Basic | | (0.70) | 0.54 |
| | -Diluted | | | |

As per our report of even date

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

CA Dasaraty V
Partner
Membership No. 26336

For, ISL Consulting Limited

Hitesh Kothari
Director

C.K.Kothari
Director

Place: Chennai
Date: 18.08.2012

| CASH FLOW STATEMENT AS AT MARCH 31, 2012 | | |
|--|----------------------|-------------------|
| (All amounts stated are in Indian Rupees, unless otherwise stated) | | |
| | 31.03.2012 | 31.03.2011 |
| Cash flows from Operating Activities: | | |
| Profit before taxation | (20,73,132) | 23,63,804 |
| Adjustments for | | |
| Depreciation | 70,059 | 35,557 |
| Investment Written off | 30,65,000 | |
| Interest on Secured Loans | 53,33,295 | 2,25,698 |
| Interest income | (49,14,631) | (17,11,999) |
| Operating profit before working capital changes | 14,80,592 | 9,13,060 |
| Movements in working capital: | | |
| (Increase)/Decrease in Current Investments | - | (1,31,81,894) |
| (Increase)/Decrease in Sundry Debtors | | - |
| (Increase)/Decrease in Inventories | (27,88,013) | 1,28,71,317 |
| Increase/(Decrease) in Current Loans & Advances | (2,85,58,535) | - |
| Increase/(Decrease) in Current Liabilities and Provisions | (19,24,470) | (40,719) |
| Cash generated from Operating Activities | (3,17,90,426) | 5,61,764 |
| Direct Taxes/Appropriations | (18,087) | (8,82,406) |
| Net Cash from Operating Activities | (3,18,08,514) | (3,20,642) |
| Cash flow from Investing Activities: | | |
| Purchase of Fixed Assets | (2,38,339) | (98,200) |
| Interest Received | 49,14,631 | 17,11,999 |
| NET CASH FLOW FROM INVESTING ACTIVITIES | 46,76,292 | 16,13,799 |
| Cash flow from Financing Activities: | | |
| Interest Paid | (53,33,295) | (2,25,698) |
| Increase/(Decrease) in Unsecured Loans | 2,79,08,927 | 32,94,732 |
| Net Cash from / (used) in Financing Activities | 2,25,75,632 | 30,69,034 |
| Net increase in cash and cash equivalents | (45,56,590) | 43,62,191 |
| Cash and Cash equivalents at the beginning of the year | 54,70,207 | 11,08,016 |
| Cash and Cash equivalents at the end of the year | 9,13,618 | 54,70,207 |

As per our report of even date

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

CA Dasaraty V
Partner
Membership No. 26336

For, ISL Consulting Limited

Hitesh Kothari
Director

C.K.Kothari
Director

Place: Chennai
Date: 18.08.2012

| Schedules attached to and forming Part of the Balance Sheet 31.03.2012 | | |
|---|------------------------------------|------------------------------------|
| PARTICULARS | AS AT 31.03.2012 Rs | AS AT 31.03.2011 Rs |
| SCHEDULE 1 : Share Capital | | |
| Authorised Capital | | |
| 3000000 Equity Shares of Rs.10/- each | 3,00,00,000 | 3,00,00,000 |
| Issued ,Subscribed & Paid Up | | |
| 3000000 Equity shares of Rs.10/- each | 3,00,00,000 | 3,00,00,000 |
| | 3,00,00,000 | 3,00,00,000 |
| SCHEDULE 2 : Reserve & Surplus | | |
| Balance brought forward from previous year | (79,25,560) | (95,57,392) |
| Add: Profit / (Loss) for the period | (20,91,219) | 16,31,832 |
| | (1,00,16,780) | (79,25,560) |
| SCHEDULE 4 : Short term Borrowings | | |
| Others | 3,69,68,267 | 90,59,340 |
| | 3,69,68,267 | 90,59,340 |
| SCHEDULE 5: Trade Payables | | |
| i) Due to Small Scale Industries | | - |
| ii) Other than Small Scale Industries | 75,032 | 16,56,229 |
| | 75,032 | 16,56,229 |
| SCHEDULE 6 : Other Current Liabilities | | |
| | 10,95,328 | 14,56,687 |
| SCHEDULE 8 : Current Investments | | |
| QUOTED | | |
| 25,000 shares of Indo Tech transformers Ltd at the rate of Rs.40/- each fully paid (Face value Rs.10/- each) | 10,00,000 | 10,00,000 |
| UNQUOTED | | |
| 81,500 shares of Innovation Agro Products Ltd at the rate of Rs.10/- each fully paid Face value Rs.10/- each) | - | 8,15,000 |
| 225000 shares of Kothari securities Ltd at the rate of Rs.10/- each fully paid Face value Rs.10/- each) | - | 22,50,000 |
| | 10,00,000 | 40,65,000 |
| SCHEDULE 9 :Long-Term Loans and Advances | | |
| Security Deposits | 11,40,583 | 58,468 |
| Other Loans and Advance | 4,30,39,841 | 1,55,63,421 |
| | 4,41,80,424 | 1,56,21,889 |
| SCHEDULE 10 : Inventories | | |
| (at cost or net realisable value whichever is lower) | 1,13,07,118 | 85,19,105 |
| | 1,13,07,118 | 85,19,105 |
| SCHEDULE 11 : Cash and Cash Equivalent | | |
| a)Cash on hand | 4,77,573 | 3,45,046 |
| b) Bank balance with schedule bank on current a/c | 4,36,045 | 51,25,161 |
| | 9,13,618 | 54,70,207 |

| Schedules attached to and forming part of the Profit & Loss Account 31.03.2012 | | |
|---|------------------------------------|------------------------------------|
| Particulars | AS AT 31.03.2012 Rs | AS AT 31.03.2011 Rs |
| SCHEDULE 12 : Sales | | |
| Sales | 9,85,82,575 | 2,29,29,946 |
| | 9,85,82,575 | 2,29,29,946 |
| SCHEDULE 13 : Other Income | | |
| Interest | 49,14,631 | 17,11,999 |
| Dividend Income | 3,41,617 | 38 |
| Other Income | 5 | 98,07,214 |
| | 52,56,253 | 1,15,19,251 |
| SCHEDULE 14 : Purchase & Contract Expenses | | |
| Purchases of Shares | 9,64,60,360 | 1,71,47,034 |
| | 9,64,60,360 | 1,71,47,034 |
| SCHEDULE 15 : Changes In Inventories | | |
| Opening Stock | 85,19,105 | 2,13,90,422 |
| Closing Stock | 1,13,07,118 | 85,19,105 |
| Changes in Inventories | (27,88,013) | 1,28,71,317 |
| SCHEDULE 16 : Employee Benefit Expenses | | |
| Bonus to Employees | 41,300 | - |
| Directors Remuneration | 3,30,420 | 4,84,452 |
| Salary | 5,75,280 | 2,39,500 |
| | 9,47,000 | 7,23,952 |
| SCHEDULE 17 : Finance Costs | | |
| Interest Expenses | 53,33,295 | 2,25,698 |
| | 53,33,295 | 2,25,698 |
| SCHEDULE 18 : Other expenses | | |
| Registration Expenses | 32,959 | - |
| Rent | 5,93,700 | 1,26,880 |
| Rates & Taxes | 13,90,103 | - |
| Bank Charges | 2,547 | 14,281 |
| Professional & Consultancy Charges | 62,350 | 4,81,893 |
| Electricity Charges | 79,119 | 18,693 |
| Audit Fees | 55,150 | 33,000 |
| Travel & Conveyance | 2,49,019 | 1,62,838 |
| Telephone & Internet Expenses | 83,483 | 71,884 |
| Annual fees | 33,190 | 24,266 |
| Office Expenses | 39,162 | 48,420 |
| Miscellaneous expenses | 52,603 | 56,992 |
| Repair and Maintenance Expenses | 69,022 | 25,128 |
| Income Tax Expenses | 46,978 | - |
| Investment Written off | 30,65,000 | - |
| Stationery & Printing Exp. | 34,874 | 17,560 |
| | 58,89,259 | 10,81,835 |

| Depreciation Schedule as per Companies Act 1956 as at 31.03.2012 | | | | | | | | | | | |
|--|-----------------------|-----------------|----------|-----------------------|----------------------|--------------------|-----------------|----------|------------------|----------------------|----------------------|
| SCHEDULE 7 - FIXED ASSETS | | | | | | | | | | | |
| | (Amount in Rupees) | | | | | (Amount in Rupees) | | | | (Amount in Rupees) | |
| PARTICULARS | GROSS BLOCK | | | | Rate of Depreciation | DEPRECIATION | | | | NET BLOCK | |
| | Cost As on 01.04.2011 | Addition | Deletion | Cost As on 31.03.2012 | | Upto 01.04.2011 | During the year | Deletion | Up to 31.03.2012 | WDV as on 31.03.2012 | WDV as on 31.03.2011 |
| Plant & Machinery | 2,95,305 | - | - | 2,95,305 | 4.75% | 1,38,869 | 14,027 | - | 1,52,896 | 1,42,409 | 1,56,436 |
| Furniture & Fixtures | 2,16,392 | - | - | 2,16,392 | 6.33% | 1,94,783 | 13,698 | - | 2,08,481 | 7,911 | 21,609 |
| Computer | 39,78,014 | 1,51,100 | - | 41,29,114 | 16.21% | 35,48,204 | 18,880 | - | 35,67,084 | 5,62,030 | 4,29,810 |
| Office Equipment | 1,36,670 | 87,239 | - | 2,23,909 | 4.75% | 51,292 | 9,901 | - | 61,193 | 1,62,716 | 85,378 |
| Motor Vehicles | 52,350 | - | - | 52,350 | 25.89% | 2,562 | 13,553 | - | 16,115 | 36,235 | 49,788 |
| Total | 46,78,731 | 2,38,339 | - | 49,17,070 | | 39,35,710 | 70,059 | - | 40,05,769 | 9,11,301 | 7,43,021 |

19. Notes on Accounts & Significant Accounting Policies**A. SIGNIFICANT ACCOUNTING POLICIES:****1. Basis of Preparation:**

Accounts have been prepared in accordance with the standards approved by the ICAI and relevant provisions of the Companies Act 1956.

2. Revenue Recognition:

A sale is recognized when the security is sold and delivery effected. Dividend income is recognized as and when declared and made unconditionally available.

3. Depreciation:

Depreciation is provided on the Straight Line Method and at the rates as specified in Schedule XIV of the Companies Act 1956, pro-rata on the number of the days the assets is put to use.

4. Fixed Assets:

Fixed Assets have been stated at cost less depreciation.

5. Investments:

Investments considered as Long Term Investments and are stated at cost. Investments considered under current investments (classified as inventory) is stated at cost or market price whichever is lower.

B. Other Notes

1. Due to the nature of the industry, the quantitative details like Licensed, Installed Capacity, Production and Quantitative details of Purchases and Sales are not applicable.
2. Expenditure in Foreign Exchange

| Particulars | 2011 | 2012 |
|---|-------|-------|
| Expenditure in Foreign Exchange | Nil | Nil |
| Earnings in Foreign Exchange | Nil | Nil |
| Remuneration to Auditors (For Audit) | 55150 | 30000 |

3. Deferred tax:

| | | |
|---|---|------------|
| Opening deferred tax liabilities | : | 1,72,526/- |
| Provided during the year | : | 18,087/- |
| Closing balance of deferred tax liabilities | : | 1,90,613/- |

4. During the year the company shares of Rs.30,65,000/- has been written off since the company has been strike off in the Registrar of companies.
5. Previous year figures have been regrouped to confirm with the layout of the accounts of the current year.

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

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

For, ISL Consulting Limited

**Hitesh Kothari
Director**

**C.K.Kothari
Director**

**Place: Chennai
Date: 18.08.2012**

| Sr.No | Particulars |
|-------|---|
| | The method of accounting and compliance with various accounting standards is displayed below:- |
| 1 | Disclosure of Accounting Policies The Accounts are maintained on accrual basis as a going concern. |
| 2 | Valuation of Inventories Inventories are valued at cost or market price whichever is lower. |
| 3 | Cash Flow Statement Cash flow statement is prepared and the same is annexed. |
| 4 | Contingencies and events occurring after balance sheet date This accounting standard is not applicable to the company |
| 5 | Net profit or loss for the period, prior period items and changes in accounting policies NIL |
| 6 | Depreciation accounting Depreciation has been provided under the straight line method at the rates prescribed under schedule XIV of the Companies Act, 1956 |
| 7 | Construction Contracts This accounting standard is not applicable to the company |
| 8 | Research & Development This accounting standard is withdrawn |
| 9 | Revenue Recognition Revenue is recognized on Mercantile basis. |
| 10 | Accounting on Fixed Assets The cost of fixed assets includes purchase price other cost incurred for acquisition. |

| | |
|-----|--|
| 11 | <p>Accounting for the effects in Foreign exchange rates</p> <p>No foreign currency transactions.</p> |
| 12 | <p>Accounting for Government Grants</p> <p>The company has not received any grants from the government</p> |
| 13 | <p>Accounting for Investment</p> <p>Investments are considered as long term and are valued at cost.</p> |
| 14 | <p>Accounting for Amalgamation</p> <p>This standard is not applicable to the company</p> |
| 15 | <p>Accounting for Retirement benefit</p> <p>The company has not made any provision regarding retirement benefits. Since the number of employees is less than the required number of employees as per the statutory provisions of the relevant law in force.</p> |
| 16 | <p>Borrowing cost</p> <p>The company has not incurred any borrowing cost during the year.</p> |
| 17 | <p>Segment reporting</p> <p>NIL</p> |
| 18 | <p>Related Party Disclosure</p> <p>There is no related party transaction during the year.</p> |
| 19. | <p>Accounting for Leases</p> <p>This accounting standard is not applicable to the company</p> |
| 20 | <p>Earnings Per share (EPS)</p> <p>Disclosure is made in the profit and Loss account as per the requirements of the standard.</p> |
| 21 | <p>Consolidated financial statements</p> <p>This accounting standard is not applicable to the company</p> |

| | |
|----|--|
| 22 | <p>Accounting for Taxes on Income</p> <p>Current tax is determined as the amount of tax payable in respect of taxable income for the period</p> <p>Deferred tax liability and assets recognized as per the accounting standards</p> |
| 23 | <p>Accounting for investment in Associates in consolidated financial</p> <p>No such investment during the balance sheet period and hence this will not applicable to the company</p> |
| 24 | <p>Discontinuing operations</p> <p>No such intention of discontinuing the operation .</p> |
| 25 | <p>Interim financial reporting</p> <p>The same has been complied as per the AS -25 requirements.</p> |
| 26 | <p>Intangible assets</p> <p>No Intangible Asset is considered</p> |
| 27 | <p>Financial reporting of Joint ventures</p> <p>The company has no interest in joint ventures</p> |
| 28 | <p>Impairment of Assets</p> <p>No such impairment of assets.</p> |
| 29 | <p>Provisions, Contingent Liabilities and Contingent assets</p> <p>(i) Provisions NIL</p> <p>(ii) Contingent liabilities NIL</p> <p>(iii) Contingent assets NIL</p> <p>(iv) Contested liabilities NIL</p> |

ISL CONSULTING LIMITED

Regd Off.:No.3, Murthy Lane, First Floor, Off: Devaraja Mudali Street, Rattan Bazar, Chennai 600003

ATTENDANCE SLIP

20th ANNUAL GENERAL MEETING – FRIDAY, SEPTEMBER 28, 2012.

DP – Client Id* / Folio No.No. of Shares held.....

I / We certify that I / We are / are a registered shareholder of the Company.

I / We hereby record my / our presence at 20th Annual General Meeting of the Company on **Friday, September 28, 2012** at **No.3, Murthy Lane, First Floor, Off: Devaraja Mudali Street, Rattan Bazar, Chennai 600003**

Name of the Shareholder

Address of the Shareholder

Signature of the Shareholder.....

NOTE: Shareholders are requested to bring Attendance Slip duly filled in and hand over the slip at the entrance of the meeting venue.

* Applicable for shares held in electronic form.

Note: No Gift/Gift Coupons/Refreshment Coupons will be distributed at the Meeting**ISL CONSULTING LIMITED**

Regd Off.:No.3, Murthy Lane, First Floor, Off: Devaraja Mudali Street, Rattan Bazar, Chennai 600003

PROXY FORM

20th ANNUAL GENERAL MEETING – FRIDAY, SEPTEMBER 28, 2012.

DP – Client Id* / Folio No.No. of Shares held.....

I / Weof.....in the district of Being a member / members of **ISL CONSULTING LIMITED** hereby appoint..... ofIn the district of..... or falling him / her,of..... In the district of as my / our proxy to attend & vote for me / us on my / our behalf at the **20th Annual General Meeting** of the Company to be held on **Friday, September 28, 2012** at **11.00 AM**. At **No.3, Murthy Lane, First Floor, Off: Devaraja Mudali Street, Rattan Bazar, Chennai 600003** or at any adjournment thereof.

Signed this Day of, 2012

| |
|---------------------------|
| Affix Revenue Stamp |
|---------------------------|

This form is to be used @ in favour of / against the resolution. Unless otherwise instructed, the proxy will act as he/she thinks.

* Applicable for shares held in electronic form.

@ Strike out whichever is not desired.

NOTES

1. The proxy 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 commencement of the meeting. The proxy need not be a member of the Company.
2. The form should be signed across the stamp as per specimen signature registered with the Company.

BOOK –POST

To,

If undelivered, please return to:
ISL CONSULTING LIMITED
Regd Off.:No.3, Murthy Lane, First Floor,
Off: Devaraja Mudali Street, Rattan Bazar,
Chennai 600003
Tel: _____ Fax: _____