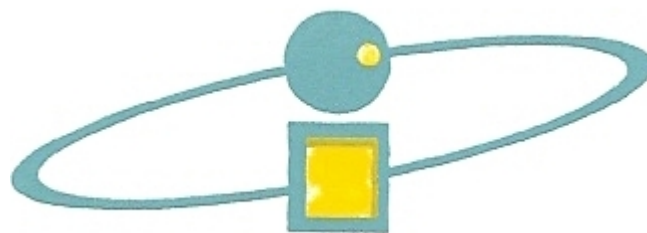


# **22ND ANNUAL REPORT 2013-14**



**ISL CONSULTING LIMITED**

## BOARD OF DIRECTORS

Mr. Hitesh C. Kothari : Managing Director  
Mr. C. K. Kothari : Non-Executive Director  
Ms. Reema C. Kothari : Non-Executive Director  
(w.e.f. 28.07.2014)  
Mr. Hasmukh Thakker : Independent Director  
Mr. Bhavesh Mamnia : Independent Director

## COMPANY SECRETARY

Mr. Mihir Mehta

## REGISTERED OFFICE

No. 3, Murthy Lane, 1<sup>st</sup> Floor,  
Off. Devaraja Mudali Street, Ratan Bazar,  
Chennai – 600 003

**CIN:** L67120TN1993PLC024144

## CORPORATE OFFICE

501, 5<sup>th</sup> Floor, Abhijeet-II,  
Above Standard Chartered Bank,  
Nr. Mithakhali Six Road, Ahmedabad – 380 009  
Ph:- 079 – 4003 0351  
Email:- [innogroup@gmail.com](mailto:innogroup@gmail.com)  
Website:- [www.islconsulting.in](http://www.islconsulting.in)

## BANKERS

Axis Bank Limited  
HDFC Bank Limited  
ICICI Bank Limited

## AUDITORS

M/s. Venkatesh & Co.  
Chartered Accountants  
“Sri Ranga”, New No. 151, Mambalam High Road,  
T. Nagar, Chennai – 600 017

## REGISTRAR & TRANSFER AGENT (RTA)

M/s. Purva Sharegistry (India) Pvt. Ltd.  
9, Shiv Shakti Industrial Estate, J. R. Boricha Marg,  
Mumbai – 400 011  
Ph:- 022 – 23016761; Fax:- 022 – 23012517  
Email:- [busicomp@vsnl.com](mailto:busicomp@vsnl.com)  
Website:- [www.purvashare.com](http://www.purvashare.com)

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## IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has by its circulars no. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively permitted companies to send notice / documents including Annual Report to their members electronically as part of “Green Initiative in the Corporate Governance.” To support this green initiative of the Government in full measure, members are requested to register / update their e-mail addresses, in respect of electronics holding with the Depository through their concerned Depository Participants.



## NOTICE

Notice is hereby given that the 22<sup>nd</sup> Annual General Meeting of **ISL CONSULTING LIMITED** will be held on Tuesday, September 23, 2014 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 - 600003 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, 2014 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 consider retirement of Mr. C. K. Kothari, who retires by rotation.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, as amended from time to time, M/s. Venkatesh & Co, Chartered Accountants, Chennai (Firm Registration Number: 004636S), be and is hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be determined by the Board of Directors/Audit Committee in consultation with the Auditors.

### SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** in accordance with the provisions of Section 196, 197 and 203 read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and /or any amendments as may be made therein, the approval of members of the Company be and is hereby accorded to the appointment of Mr. Hitesh C. Kothari (DIN: 01217705), as Managing Director and CEO of the Company, for a period of 5 (Five) years with effect from 1<sup>st</sup> October, 2014 on the terms and conditions including remuneration as set out hereunder with liberty to Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration within the provisions of the Companies Act, 2013.

**TENURE:** 5 (Five) years with effect from 1<sup>st</sup> October, 2014.

**FUNCTIONS:** Mr. Hitesh C. Kothari shall have substantial power of management subject to direction, control and supervision of the Board of Directors of the Company.

**REMUNERATION:** The Company shall, in consideration of the performance of his duties, pay to Mr. Hitesh C. Kothari the following remuneration.

(1) Salary : Maximum Monthly Remuneration of Rs.50,000/-

- (2) Travelling Expense : Actual travelling expenses to be borne by the Company for out station journey for official work, in India or Abroad.
- (3) Other Expense : Actual telephone expenses shall be borne by the Company.

**SITTING FEE:** As long as Mr. Hitesh C. Kothari functions as Managing Director of the Company, he shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committee thereof.”

“**RESOLVED FURTHER THAT** where in a financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the remuneration payable to him, shall not exceed the ceiling prescribed in Section II of Part II of Schedule V of the Companies Act, 2013 for the year, which will be payable to him as minimum remuneration for that year.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to increase or revise the remuneration of Mr. Hitesh C. Kothari subject to maximum remuneration of Rs.1,00,000/- (Rupees One Lac Only) per month, from time to time during the tenure of the said five years **AND THAT** the said increase or revision shall not exceed the ceiling prescribed in Section II of Part II of Schedule V of the Companies Act, 2013.”

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** Ms. Reema C. Kothari (DIN: 02698529), who was appointed as an Additional Director with effect from 28<sup>th</sup> July, 2014 on the Board of the Company in terms of Section 149 and 161 of the Companies Act, 2013 and Article 95 of the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Non-Executive Director of the company.”

“**RESOLVED FURTHER THAT** Mr. Hitesh C. Kothari, Managing 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 necessary e-Forms with the Registrar of Companies.”

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under read with Schedule IV to the act, as amended from time to time, Mr. Hasmukh M. Thakker (DIN: 03560743), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company for a period of 5 (five) consecutive years with effect from 23<sup>rd</sup> September, 2014.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under read with Schedule IV to the act, as amended from time to time, Mr. Bhavesh P. Mamnia (DIN: 02208146), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as

provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company for a period of 5 (five) consecutive years with effect from 23<sup>rd</sup> September, 2014.”

**By order of the Board of Directors**

**Place: Chennai**

**Date: 28/07/2014**

**Regd. Office:**

**No. 3, Murthy Lane, 1<sup>st</sup> Floor,  
Off Devaraja Mudali Street,  
Ratan Bazar,  
Chennai – 600 003  
Tamilnadu.  
CIN: L67120TN1993PLC024144**

**Hitesh C. Kothari  
Managing Director  
(DIN: 01217705)**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF 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.  
  
A person can act as proxy on behalf of members not exceeding 50 (Fifty) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
2. As per Clause 49 of the Listing Agreement, information regarding appointment / re-appointment of directors and Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting are annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company shall remain closed from Tuesday, 16<sup>th</sup> September, 2014 to Tuesday, 23<sup>rd</sup> September, 2014 (Both days Inclusive).
4. Members are requested to note that the Company has changed its Registrar and Transfer Agent (RTA) from M/s. Cameo Corporate Service Ltd. to M/s. Purva Sharegistry (India) Private Limited with effect from 13.02.2014.
5. Members holding shares in physical form are requested to notify the changes in address, if any, to the Company's Registrar and Transfer Agent (RTA) M/s. Purva Sharegistry (India) Pvt. Ltd., 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai - 400011. 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.
6. Members intending to require information about the accounts to be approved in the meeting are requested to inform the Company in writing at least 10 days in advance of the Annual General Meeting to enable the management to keep the required information ready.



7. The documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the company on all working days except Sunday(s) and public holidays, between 11:00 a.m. to 1:00 p.m. up to the date of the meeting.
8. 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.
9. The Annual Report of the Company has been uploaded on the Company's website [www.islconsulting.in](http://www.islconsulting.in)
10. **Voting through Electronic means:**  
In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to provide members a facility of e-voting system. Accordingly, a member may exercise his right to vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.

The instructions for e-voting are as under.

**PART A – E-VOTING PROCESS:**

1. Open your web browser during the voting period and log on to the e-Voting Website: [www.evotingindia.com](http://www.evotingindia.com)
2. Click on “Shareholders” to cast your vote(s).
3. Select the Electronic Voting Sequence Number (EVSN) i.e. “**140827062**” along with “COMPANY NAME” i.e. “ISL Consulting Ltd.” from the drop down menu and click on “SUBMIT”.
4. Please enter User ID –
  - a. For account holders in CDSL :- Your 16 digits beneficiary ID
  - b. For account holders in NSDL :- Your 8 Character DP ID followed by 8 digits Client ID
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
5. Enter the image verification as displayed and click on Login.
6. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
7. If you are a first time user follow the steps given below:
  - a. Enter your 10 digit alpha-numeric **PAN** issued by Income Tax Department.  
For members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
  - b. Enter the Date of Birth (DOB) recorded in the demat account or registered with the Company for the demat account in DD/MM/YYYY format\*\*
  - c. Enter your Bank Details (Account Number) recorded in the demat account or registered with the Company for the demat account\*\*

\*\*Any one of the details i.e. DOB or Bank Details should be entered for logging into the account. If Bank details and Date of Birth are not recorded with the Depository or Company please enter the number of shares held by you as on the cut off date (Record Date) i.e. 22.08.2014 in the bank details field.

8. After entering these details appropriately, click on “SUBMIT” tab.
9. First time user holding shares in Demat form will now reach Password Generation menu wherein they are required to create their login password in the password field. Kindly note that this password is to be also used by the Demat holders for voting for resolution of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

Members holding shares in physical form will then directly reach the Company selection screen.

10. Click on the EVSN of the Company i.e. **140827062** to vote.
11. On the voting page, you will see Resolution description and against the same the option ‘YES/NO’ for voting. Select the relevant option as desired YES or NO and click on submit.
12. Click on the Resolution File Link if you wish to view the notice.
13. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
14. Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

#### **PART B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS**

1. The e-Voting period commences on 17.09.2014 (9:00 am) and ends on 19.09.2014(6:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cut off date (record date) of 22.08.2014 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
2. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the company.
3. CS Keyur Shah, Practicing Company Secretary (Membership No. : ACS 16687; CP No. 8814) (Address: 32, World Business House, Nr. Parimal Garden, Ellisbridge, Ahmedabad-380006) has been appointed as the Scrutinizer to scrutinize the e-voting process.
4. The scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the company and make a Scrutinizer’s Report of the

- votes cast in favour or against, if any, and submit forthwith to the Chairman of the Company.
5. The results declared along with the scrutinizer's report shall be placed on the Company's website [www.islconsulting.in](http://www.islconsulting.in) and on the website of CDSL <https://www.evotingindia.co.in> within two days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited, where the shares of the Company are listed.
  6. The resolutions shall be deemed to be passed on the date of AGM, subject to receipt of sufficient votes.
  7. For members holding shares in physical form, the password and default number can be used only for e-voting on the resolutions given in the notice.
  8. Institutional Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate, link their account which they wish to vote on and then cast their vote. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). They should also upload a scanned copy of Board Resolution/Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the vote.
  9. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting system in future. The same may be used in case the member forgets the password and the same needs to be reset.
  10. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### **CONTACT DETAILS**

- |  |   |  |
|--|---|--|
| <b>1. Company</b>                        | : | ISL Consulting Limited   |
| <b>2. Registered Office</b>              | : | No. 3, Murthy Lane, 1 <sup>st</sup> Floor,<br>Off. Devaraja Mudali Street,<br>Ratan Bazar, Chennai – 600 003<br>CIN: L67120TN1993PLC024144   |
| <b>3. Correspondence Office</b>          | : | 501, 5 <sup>th</sup> Floor, Abhijeet – II,<br>Above Standard Chartered Bank,<br>Nr. Mithakhali Six Road, Ahmedabad – 380 009<br>Email ID: <a href="mailto:innogroup@gmail.com">innogroup@gmail.com</a>       |
| <b>4. Registrar &amp; Transfer Agent</b> | : | M/s. Purva Sharegistry (India) Pvt. Ltd.<br>9, Shiv Shakti Industrial Estate, J. R. Boricha Marg,<br>Lower Parel (E), Mumbai – 400 011<br>Email ID: <a href="mailto:busicomp@vsnl.com">busicomp@vsnl.com</a> |
| <b>5. E-Voting Agency</b>                | : | Central Depository Services (India) Limited<br>Email ID: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a>  |
| <b>6. Scrutinizer</b>                    | : | CS Keyur Shah<br>Practicing Company Secretary<br>Email ID: <a href="mailto:cs.keyurshah@gmail.com">cs.keyurshah@gmail.com</a>  |



## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### Item No. 4

As the existing tenure of Mr. Hitesh C. Kothari will expire on 30<sup>th</sup> September, 2014, the Board of Directors of the Company in its meeting held on 28<sup>th</sup> July, 2014 has re-appointed him as a Managing Director and CEO of the Company for a further period of five years with effect from 1<sup>st</sup> October, 2014, subject to the approval of Members.

On re-appointment, his office shall not be held to be liable to retire by rotation.

A brief profile of Mr. Hitesh C. Kothari is set out herewith as required under Clause 49 of the Listing Agreement. Particulars of the terms and conditions of re-appointment and remuneration payable to Mr. Hitesh C. Kothari are set out in the resolution.

The resolution at Item No. 4 of the notice seeks members' approval for the re-appointment of Mr. Hitesh C. Kothari, as Managing Director, in terms of applicable provisions of Companies Act, 2013. Your Directors recommends the resolution for approval of the members.

Being a relative of Mr. Hitesh C. Kothari, Mr. C. K. Kothari & Ms. Reema C. Kothari, Director and Additional Director of the Company respectively, may be considered as concerned and interested and Mr. Hitesh C. Kothari is interested in the resolution as it relates to his re-appointment. None of the other directors of the company is, in any way, concerned or interested in the resolution.

#### Item No. 5

Pursuant to provisions of Section 149 of the Companies Act, 2013, every listed company is required to appoint a woman director on the Board of the Company. In compliance with requirement of the Act, Ms. Reema C. Kothari was appointed as an Additional Director by the Board of Directors on 28<sup>th</sup> July, 2014 in accordance with the provisions of Section 149, 161 and other relevant provisions of Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of Annual General Meeting.

The Board feels that presence of Ms. Reema C. Kothari on the Board would be beneficial to the company and would suffice the requirement of the Act and hence, the Board of Directors recommends the resolution for adoption.

Mr. C. K. Kothari and Mr. Hitesh C. Kothari, being a relative of Ms. Reema C. Kothari may be considered as concerned and interested and Ms. Reema C. Kothari is interested in the resolution as it relates to her appointment. None of the other directors of the company is, in any way, concerned or interested in the resolution.

#### Item No. 6 & 7

Pursuant to provisions of Clause 49 of the Listing Agreement, the Company had appointed Mr. Hasmukh M. Thakker and Mr. Bhavesh P. Mamnia as Independent Directors at various times.



As per provisions of Section 149 of Companies Act, 2013, every listed company is required to have at least one-third of the total number of directors as Independent Directors, who are not liable to retire by rotation. Pursuant to Clause 49 of the Listing Agreement, an Independent Director can hold office for a term up to five consecutive years on the Board of a Company. Hence, the said independent directors are proposed to be appointed for a period as mentioned in the respective resolutions from the conclusion of this Annual General Meeting.

Mr. Hasmukh M. Thakker and Mr. Bhavesh P. Mamnia are not disqualified from being appointed as Independent Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Directors. Brief profile and other details of the Independent Directors whose appointment is proposed are set out herewith.

The Board of Directors recommends the said resolutions for your approval. Mr. Hasmukh M. Thakker and Mr. Bhavesh P. Mamnia are deemed to be interested in the resolutions set out at Item No. 6 & 7 of the notice respectively. None of the other directors of the company is, in any way, concerned or interested in the resolution.

**By order of the Board of Directors**

**Place: Chennai**

**Date: 28/07/2014**

**Regd. Office:**

**No. 3, Murthy Lane, 1<sup>st</sup> Floor,  
Off Devaraja Mudali Street,**

**Ratan Bazar,**

**Chennai – 600 003**

**Tamilnadu.**

**CIN: L67120TN1993PLC024144**

**Hitesh C. Kothari  
Managing Director  
(DIN: 01217705)**

**ANNEXURE TO THE NOTICE  
DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT**

Name of Director	Date of Birth	No. of Shares held in Company	Qualification	Experience	Directorships held in other Public Limited Companies	Chairman/Member of Committees in other Public Limited Companies
Mr. Hitesh C. Kothari	July 27, 1980	765900 Shares	B.Com	Mr. Hitesh C. Kothari, Managing Director of the Company, is a young and dynamic businessman. He is having in depth knowledge of financial and commodity markets. He is leading the company with an experience of more than 10 years in the financial market field. Under his guidance and direction, the Company is achieving growth and prosperity.	Nil	Nil
Ms. Reema C. Kothari	July 07, 1984	250000 Shares	B.C.A.	Ms. Reema C. Kothari is appointed as Non-Executive Director on Board of the Company. She has a vast knowledge in the field of IT. She is looking after administration and HR activities.	Nil	Nil
Mr. Hasmukh M. Thakker	January 15, 1967	Nil	B.Com	Mr. Hasmukh M. Thakker is an independent director of the Company. He is a businessman with an experience of more than 2 decades.	Nil	Nil
Mr. Bhavesh P. Mamnia	December 12, 1966	Nil	B.Com	Mr. Bhavesh P. Mamnia is an independent director of the Company. He has 21 years of rich experience in the field of Portfolio Management Services.	1. Tulsi Capital Market Ltd. 2. Tirupati Fincorp Ltd.	Nil

## DIRECTORS' REPORT

**Dear Members,**

Your Directors are pleased to present the 22<sup>nd</sup> Annual Report along with the Audited Accounts of the Company for the financial year ended on 31st March, 2014.

### FINANCIAL HIGHLIGHTS:

*(Rupees in Lacs)*

Particulars	Year ended 31-03-2014	Year ended 31-03-2013
Gross Profit/(Loss) before Depreciation	12.10	20.88
Less: Depreciation	(00.44)	(00.57)
Profit /(Loss) for the year	11.66	20.31
Profit/(Loss) after tax for the year	9.26	16.55
Balance Carried forward to Balance Sheet	9.26	16.55
Earning Per Share in Rs.	0.08	0.14

### DIVIDEND:

In view to strengthen the position of the company, your company has decided to plough back the profits in the company and hence do not recommend any dividend for the financial year 2013-14.

### DIRECTORS:

During the year under review, there has been no change in composition of the Board.

Pursuant to provisions of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, every listed company is required to have one-third of the total number of directors as Independent Directors. In compliance of the same, the company has appointed Mr. Hasmukh M. Thakker and Mr. Bhavesh P. Mamnia as Independent Directors of the Company for a term of five years, subject to approval of members.

Pursuant to the requirements of the Companies Act, 2013, Mr. C. K. Kothari who liable to retire by rotation shall retire at the ensuing Annual General Meeting but does not propose himself for re-appointment as Director.

Further, pursuant to provisions of Section 196, 197 and other applicable provisions read with Schedule V of the Companies Act, 2013, the Board has appointed Mr. Hitesh C. Kothari as Managing Director and CEO of the Company and fixed his remuneration as mentioned in the resolution, subject to approval of members.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, every listed company shall have at least one woman director on the Board of the Company. In compliance of the same, your directors have appointed Ms. Reema C. Kothari, as Additional Director of the Company under Section 161 of the Companies Act, 2013. As Ms. Reema C. Kothari holds office up to the date of Annual General Meeting, your Board recommends shareholders' approval to appoint her as Non-Executive Director of the Company.

**PUBLIC DEPOSITS:**

During the year ended on 31<sup>st</sup> March, 2014, the Company has not accepted any deposit from the public within the meaning of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975 and amendments made thereto.

**VOLUNTARY DELISTING OF SHARES FROM MSE:**

30,00,000 equity shares of Rs.10/- each were listed on the Madras Stock Exchange. In the absence of liquidity and/or trading in the equity shares of the company since long, your directors had decided to voluntary delist the said shares from the MSE. During the year ended 31<sup>st</sup> March, 2014, the company had started procedure to delist the said shares in accordance with the guidelines prescribed in SEBI (Delisting of Equity Shares) Regulations, 2009 and complied with all necessary compliances required for such delisting. Accordingly, the company has received confirmation of delisting of equity shares with effect from 19.05.2014.

**DIRECTORS RESPONSIBILITY STATEMENT:**

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

1. In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2014, the applicable accounting standards have been followed along with the proper explanations with respect the material departures if any;
2. 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 at the end of the financial year and of the Profit/(Loss) of the Company for that period;
3. 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;
4. The Directors have prepared the annual accounts on a going concern basis.

**PARTICULARS OF THE EMPLOYEES:**

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.

**AUDITORS:**

The Statutory Auditors of the Company, M/s. Venkatesh & Co, Chartered Accountants, Chennai, (Firm Registration No. 004636S), holds office until the conclusion of ensuing Annual General Meeting and being eligible for re-appointment, they have offered their services to act as Statutory Auditors of the Company.

The company has received a certificate from auditors stating their re-appointment, if made, would be within the prescribed limit under Section 139 of the Act and rules made there under. The Board of Directors recommends the re-appointment of M/s. Venkatesh & Co., Chartered Accountants, as the Statutory Auditors of the company for one year.

**AUDITOR'S REPORT:**

The Board has duly reviewed the Statutory Auditors' Report on the Accounts. The observations and comments, if any, appearing in Auditors' Report are self-explanatory and do not call for any further explanation / clarification by the Board of Directors.

**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:**

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement, is annexed and forms part of the Annual 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 and Ahmedabad Stock Exchange. Trading in company's securities started at the BSE in December 2011 revoking the suspension of trading. The Company has voluntarily delisted 30,00,000 equity shares of Rs.10/- each from Madras Stock Exchange.

**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: 28/07/2014

Regd. Office:

No. 3, Murthy Lane, 1<sup>st</sup> Floor,  
Off Devaraja Mudali Street,  
Ratan Bazar,  
Chennai – 600 003 Tamilnadu.  
CIN: L67120TN1993PLC024144

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

Hitesh C. Kothari  
Managing Director

## REPORT ON CORPORATE GOVERNANCE

### 1. Company's Philosophy on Code of Corporate Governance

The Company believes that good Corporate Governance is essential to achieve long term goals and enhance stakeholders' value. Your Company focuses on developing appropriate strategies that result in maximizing the return to all stakeholders. Your Company's philosophy on Corporate Governance is to ensure transparency in all its dealings with a wide group of stakeholders encompassing employees, customers, vendors, regulators and shareholders (including the minority shareholders). The philosophy also includes enhancement of stakeholders' value without compromising on compliance with the laws and regulations.

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. The Company has complied with the requirement of Corporate Governance as per Clause 49 of the Listing Agreement entered into with the stock exchanges.

### 2. Board of Directors

- (i) The composition of the Board is a mix of Executive and Non-Executive Directors. As on March 31, 2014, the Company comprises of four Directors out of which three directors are Non-Executive 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, the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies are given herein below.

Name of Directors	Category	Other Directorship	Details of Committee	
			Chairman	Member
Mr. C.K. Kothari* (DIN: 00996771)	Non-Executive Director	0	Nil	Nil
Mr. Hitesh C. Kothari (DIN: 01217705)	Managing Director	0	Nil	Nil
Mr. Hasmukh M. Thakker (DIN: 03560743)	Independent & Non-Executive Director	0	Nil	Nil
Mr. Bhavesh P. Mamnia (DIN: 02208146)	Independent & Non-Executive Director	2	Nil	Nil
Ms. Reema C. Kothari** (DIN: 02698529)	Non-Executive Director	0	Nil	Nil

\*Mr. C. K. Kothari liable to retire by rotation shall retire at the ensuing Annual General Meeting.

\*\*Ms. Reema C. Kothari appointed as Additional Director with effect from 28.07.2014 and shall be regularized at the ensuing Annual General Meeting.

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 Committee and Shareholders/Investors Grievance Committees.

### 3. Board Procedure

The company has held one meeting in every quarter and the maximum time gap between the two meetings was not more than four months. During the year ended 31st March, 2014; eight (08) meetings of the Board of Directors were held on 30-05-2013, 12-08-2013, 28-09-2013, 08-11-2013, 20-11-2013, 13-02-2014, 03-03-2014, 14-03-2014.

The information as required under Annexure IA to Clause 49 of the Listing Agreement is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated to the Directors in advance. Adequate information is circulated as part of the Board papers and is also available at the Board Meeting to enable the Board to take decisions.

The attendance of each Director at the Board Meetings and last Annual General Meeting held during the year under review are as under:

Name of Directors	No. of Board Meetings		Attendance at last AGM
	Held	Attended	
Mr. C.K. Kothari	8	4	Yes
Mr. Hitesh C. Kothari	8	4	Yes
Mr. Hasmukh M. Thakkar	8	8	Yes
Mr. Bhavesh P. Mamnia	8	8	Yes

### 4. Risk Management

The Company has established 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.

### 5. Committees of the Board

#### A. Audit Committee

The Audit Committee was re-constituted as per provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with the stock exchange. The Audit Committee comprises of three Non-Executive Directors, out of which two members namely Mr. Hasmukh M. Thakkar (Chairman) and Mr. Bhavesh P. Mamnia are Independent Directors and one member namely Mr. C.K. Kothari is Non-Independent Director. All members of the Committee are financially literate.

The terms of reference of Audit Committee are revised by the Board to comply with Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

#### Terms of Reference:

- i) Reviewing with the management quarterly and annual financial statements before submission to the Board for approval.



- ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- iii) Supervising of the Company's financial reporting process and the disclosure of its financial information.
- iv) 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.
- v) Review and monitor the Auditor's independence and performance and effectiveness of audit process.
- vi) 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.
- vii) Reviewing the compliance with Listing Agreement and various other legal requirements concerning financial statements and related party transactions.
- viii) Discussion with internal auditors on any significant findings and follow up thereon.
- ix) Evaluation of internal financial controls and risk management systems.
- x) Scrutiny of inter-corporate loans and investment.
- xi) Valuation of undertakings or assets of the company, wherever it is necessary.
- xii) To review the functioning of the Vigil Mechanism, in case, the same exists.
- xiii) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The composition and attendance of the meeting held during the year under review is as under:

Name of Directors	Designation	No. of Meetings held	No. of Meetings attended
Mr. Hasmukh M. Thakker	Chairman	04	04
Mr. C. K. Kothari	Member	04	02
Mr. Bhavesh P. Mamnia	Member	04	04

The quorum was present at the meetings. During the year under review, the Audit Committee Meetings were held four times on 30-05-2013, 12-08-2013, 08-11-2013 and 13-02-2014.

The Chairman of the committee was present at the last Annual General Meeting held on 26<sup>th</sup> September, 2013.

The Secretary to the company acts as a Secretary to the Committee. The Internal Auditors, Managing Director, Head of Finance and Representatives of Statutory Auditors are also invited to attend the meeting.

#### **B. Nomination and 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 was re-constituted as per provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with the stock exchange. The Committee comprises of three Non-Executive Directors, out of which two members namely Mr. Hasmukh M. Thakker (Chairman) and Mr. Bhavesh P. Mamnia are Independent Directors and Mr. C. K. Kothari is Non-Independent director.

The Remuneration Committee has been renamed as Nomination and Remuneration Committee and its terms of reference were revised by the Board to comply with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

**Terms of Reference:**

- i) Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of directors, key managerial personnel and other employees;
- ii) Identify persons who are eligible to become directors and recommend to the Board their appointment and removal.
- iii) Formulation of criteria for evaluation of Independent Directors and the Board.
- iv) To recommend/review remuneration of Managing Director and Whole time Director / Executive Director based on their performance.
- v) To carry any other function as is required to be implemented by the Board from time to time and / or enforced by any other act, rules or regulations as may be applicable.

There was no meeting held during the year under review.

**Remuneration Policy:**

**i) Executive Directors:**

The Committee decides the remuneration payable to the Managing Director / Executive Director and as approved by the Board of Directors and approved by the members, within the ceiling prescribed under the Companies Act.

**ii) Non-Executive Directors:**

The Committee may decide as and when necessary, to pay remuneration by way of sitting fee to Non-Executive Independent Directors.

**Details of Remuneration:**

**i) Executive Directors:**

There is only one Executive Director i.e. Mr. Hitesh C. Kothari who is Managing Director of the Company. During the year, Mr. Hitesh C. Kothari has been paid Rs.3,62,400/- as remuneration by way of salary.

**ii) Non-Executive Directors:**

During the year, no sitting fee paid to Non-Executive Independent Directors.

### C. Stakeholders Relationship Committee

#### Composition and Attendance:

The Committee was re-constituted as per provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with the stock exchange. The Committee comprises of three Directors, out of which two members namely Mr. Bhavesh P. Mamnia (Chairman) and Mr. Hasmukh M. Thakker are Independent Directors and Mr. Hitesh C. Kothari is Executive Director. The composition and attendance of the meeting held during the year under review is as under:

Name of Directors	Designation	No. of Meetings held	No. of Meetings attended
Mr. Bhavesh P. Mamnia	Chairman	25	25
Mr. Hasmukh M. Thakker	Member	25	25
Mr. Hitesh C. Kothari	Member	25	10

The Secretary to the company acts as a Secretary to the Committee. The quorum was present at the meetings. No complaints of any material nature was noticed or received during the year under review.

The Share Transfer and Investors' Grievance Committee has been renamed as Stakeholders Relationship Committee and its terms of reference were revised by the Board to comply with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

#### Terms of Reference:

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:

Quarter-wise summary of Investors' complaints received and resolved during the year under review is as under.

Quarter Period	Complaints pending at the beginning of the quarter	Complaints received during the quarter	Complaints resolved during the quarter	Complaints pending at the end of the quarter
01.04.2013 to 30.06.2013	NIL	NIL	NIL	NIL
01.07.2013 to 30.09.2013	NIL	NIL	NIL	NIL
01.10.2013 to 31.12.2013	NIL	NIL	NIL	NIL
01.01.2014 to 31.03.2014	NIL	NIL	NIL	NIL

## 6. General Body Meetings

### i) The last three Annual General Meetings were held as follows: -

Financial Year	Venue	Date	Time	No. of Special Resolutions Passed
2012-13	No. 3, Murthy Lane, 1 <sup>st</sup> Floor, Off. Devaraja Mudali Street, Ratan Bazaar, Chennai 600 003	26-09-2013	11.00 a.m.	-
2011-12	No. 3, Murthy Lane, 1 <sup>st</sup> Floor, Off. Devaraja Mudali Street, Ratan Bazaar, Chennai 600 003	28-09-2012	11.00 a.m.	2
2010-11	No. 3, Murthy Lane, 1 <sup>st</sup> Floor, Off. Devaraja Mudali Street, Ratan Bazaar, Chennai 600 003	30-09-2011	11.00 a.m.	-

### ii) 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 read with Companies (Passing of the Resolutions by Postal Ballot) Rules, 2011.

## 7. Disclosures

- i) During the year under review there were no materially significant related party transactions 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.
- ii) 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.
- iii) The Company has fulfilled all the mandatory requirements as prescribed in Clause 49 of the Listing Agreements with the Stock Exchanges.
- iv) 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.
- v) 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.
- vi) The CEO/CFO has furnished a Certificate to the Board for the year ended 31<sup>st</sup> March, 2014 in compliance with Clause 49 of the Listing Agreement.

vii) 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.

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

## 8. 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.

## 9. Means of Communication

The company has promptly reported to the Stock Exchange where the shares of the Company are listed, about all the material information including quarterly, half yearly and annual financial results in the prescribed format.

The quarterly, half yearly and annual financial results and other statutory information are published in 'Trinity Mirror' in English daily and in 'Makkal Kural' in regional language. The company has also posted the same on its website [www.islconsulting.in](http://www.islconsulting.in)

As the quarterly and half yearly financial results are published in leading newspapers as well as posted on the company's website, the results are not sent to the shareholders individually.

## 10. Management Discussion and Analysis Report

The management discussion and analysis report forms part of this report.

## 11. General Shareholders Information

### a) 22<sup>nd</sup> Annual General Meeting

Date : 23<sup>rd</sup> day of September, 2014

Time : 11.00 A.M.

Venue : No. 3, Murthy Lane, 1<sup>st</sup> Floor, off. Devaraja Mudali Street, Ratan Bazar, Chennai - 600003

### b) Financial Year / Calender

The Company follows April to March as its Financial Year. The financial results will be declared as per the following schedule.

Particulars	Tentative Schedule
<b>Quarterly results</b>	
Quarter ending on June 30, 2014	On or before August 14, 2014
Quarter ending on September 30, 2014	On or before November 14, 2014
Quarter ending on December 31, 2014	On or before February 14, 2015
Quarter ending on March 31, 2015	Within sixty days from March 31, 2015

**c) Date of Book Closure:**

The Register of Members and Share Transfer Books of the Company will be closed from Tuesday, September 16, 2014 to Tuesday, September 23, 2014 (both days inclusive) for the purpose of 22<sup>nd</sup> Annual General Meeting of the Company scheduled to be held on September 23, 2014.

**d) Listing on Exchange:**

Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400001

**e) Script Code:**

Bombay Stock Exchange Limited : 511609  
Demat ISIN Number in NSDL and CDSL : INE569B01014

**f) Market Price Data:**

Month	High (Rs.)	Low (Rs.)
April, 2013	14.85	10.62
May, 2013	13.49	11.70
June, 2013	13.54	11.88
July, 2013	11.29	7.74
August, 2013	7.74	6.94
September, 2013	9.00	7.10
October, 2013	9.92	6.55
November, 2013	8.82	6.11
December, 2013	11.46	9.26
January, 2014	18.55	9.55
February, 2014	18.25	14.00
March, 2014	15.12	10.60

**g) Share Transfer / Demat system:**

During the year, Company has changed its R & T Agent from M/s. Cameo Corporate Service Ltd. to M/s. Purva Shareregistry (India) Pvt. Ltd. with effect from 13.02.2014. All the shares related work is being undertaken by our R & T Agent, M/s. Purva Shareregistry (India) Pvt. Ltd., having its office at 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011. Shares lodged for transfer at the R & T Agent address in physical form are normally processed within 15 days from the date of receipt, subject to the documents been valid and complete in all respect. The requests for dematerialization of shares are processed and the confirmed to the depository by R & T Agent. Investors' grievances are also taken up by our R & T Agent.

The Company has obtained and filed with the Stock Exchange, the half yearly certificates from a Company Secretary in Practice for due compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement.

**h) Distribution of Shareholding:****(a) Distribution of Equity Shareholding as on 31st March, 2014**

No. of shares held	No. of share holders	% of Total	No. of Shares	% of Total
<b>Upto-500</b>	9027	94.96	1116169	09.30
<b>501-1000</b>	228	02.40	184880	01.54
<b>1001-2000</b>	136	01.43	181690	01.51
<b>2001-3000</b>	42	00.44	108961	00.91
<b>3001-4000</b>	12	00.13	40866	00.34
<b>4001-5000</b>	5	00.05	23000	00.19
<b>5001-10000</b>	13	00.14	92650	00.77
<b>10001 &amp; above</b>	44	00.45	10251784	85.43
<b>Total</b>	<b>9507</b>	<b>100.00</b>	<b>12000000</b>	<b>100.00</b>

**(b) Dematerialization of Shares and Liquidity**

The Company's shares are in compulsory demat segment and as on 31<sup>st</sup> March, 2014, equity shares of the company forming 86.56% of the Company's paid up equity share capital is in dematerialized form.

Following is the breakup of shares in physical and demat form as on 31<sup>st</sup> March, 2014.

Particulars	No. of Shares held	% of Holding
No. of Shares in Physical form	1612320	13.44%
No. of Shares in Demat form	10387680	86.56%
<b>Total</b>	<b>12000000</b>	<b>100.00%</b>

**(c) Shareholding Pattern as on 31st March, 2014**

Category	No. of Shares held	% of Share Holding
Promoters & Promoter Group	4546500	37.888%
Mutual Fund / UTI	-	-
Banks, Financial Institutions, Insurance Cos.	-	-
FII	-	-
NRI	110	0.001%
Corporate Bodies	651377	5.428%
Clearing Member	49050	0.408%
Indian Public	6752963	56.274%
<b>Total</b>	<b>12000000</b>	<b>100.000%</b>

**i) Instruments:**

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

**j) Address for Correspondence:**

**Registered Office :** No. 3, Murthy Lane, 1<sup>st</sup> Floor,  
Off. Devaraja Mudali Street,  
Ratan Bazar, Chennai – 600003



**Corporate Office** : 501, 5<sup>th</sup> Floor, Abhijeet – II,  
Above Standard Chartered Bank,  
Nr. Mithakhali Six Road,  
Ahmedabad – 380009

**k) Address for Investor Correspondence:**

In case of any query shareholders can contact at:

**Address:** 501, 5<sup>th</sup> Floor, Abhijeet – II, Above Standard Chartered Bank, Nr. Mithakhali Six Road,  
Ahmedabad – 380009, Gujarat.

**Tel** : 079-40030351/352

**Email** : [innogroup@gmail.com](mailto:innogroup@gmail.com)

Shareholder may also contact Company's Registrar & Transfer Agent at:

**Name** : Purva Sharegistry (India) Private Limited

**Address:** 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai – 400 011

**Tel** : 022-23016761

**Email** : [busicomp@vsnl.com](mailto:busicomp@vsnl.com)

**Place: Chennai**

**For and on behalf of the Board of Directors**

**Date: 28/07/2014**

**Hitesh C. Kothari**  
**Managing Director**

**Regd. Office:**  
**No. 3, Murthy Lane, 1<sup>st</sup> Floor,**  
**Off Devaraja Mudali Street,**  
**Ratan Bazar,**  
**Chennai – 600 003 Tamilnadu.**  
**CIN: L67120TN1993PLC024144**



**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
**ISL CONSULTING LIMITED,**

We have examined the compliance of conditions of Corporate Governance by ISL Consulting Limited for the year ended 31st March, 2014 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 of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance for the year ended 31<sup>st</sup> March, 2014 as stipulated in the above mentioned Listing Agreement.

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: 29/05/2014**

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

**CA Dasaraty V**  
**Partner**  
**Membership No. 026336**

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**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, 2014.

**Place: Chennai**  
**Date: 28/07/2014**

**For, ISL Consulting Limited**

**Hitesh C. Kothari**  
**Managing Director**



**CERTIFICATION BY  
CEO/CFO PURSUANT TO CLAUSE 49(V) OF THE LISTING AGREEMENT**

To,  
The Board of Directors,

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, 2014 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.

**Place: Chennai**  
**Date: 28/07/2014**

**For, ISL Consulting Limited**

**Hitesh C. Kothari**  
**Managing Director**

**NOTE: The Company is in process of appointing CFO. Hence, the certificate has been given by the CEO only.**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### ECONOMIC REVIEW

Drastic change in Indian economy was seen in financial year 2013-14 as compared to 2012-13. The capital market started with the sluggish trend during first half of the year but at the end of the financial year, it shown the upward trend which was also due to some political influences. Simultaneously, Indian currency fall down from 54 to 61 and sharp rise was seen in commodity market. Gold prices were on its peak. Overall bullish trend was seen during the year.

### 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. 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.

### RISK MANAGEMENT & INTERNAL CONTROL SYSTEMS

The company has been continuously evaluating its risk management policies and framework to adjust to the continuous changes in the market scenario and the risk environment. It continues to enhance its capabilities in surveillance to make its risk management policies effective and efficient. 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 has an adequate system of internal controls to ensure accuracy of accounting records and compliance with all laws and rules/regulations. 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. Post audit reviews carried out to ensure follow up on the observations made by auditors. The audit committee regularly reviews the observations made by 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.

Financial Highlights with respect to Operational Performance

(Figures in Lacs)

Particulars	2013-14	2012-13	2011-12
Total Income	9477.16	911.01	1038.39
Profit before Tax	11.66	20.31	(20.73)
Profit after Tax	9.26	16.55	(20.91)
EPS	0.08	0.14	(0.70)

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
**ISL CONSULTING LIMITED**

### **Report on Financial Statements**

We have audited the accompanying financial statements of ISL Consulting Limited ("the Company"), which comprise the Balance Sheet for the year ended as at March 31, 2014 and the statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

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

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

### **Auditors' Responsibility**

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

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

### **Opinion**

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

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company for the year ended as at March 31, 2014;
- b) in the case of Profit and Loss Account, of the profit / loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements:-**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956;
  - e) On the basis of written representations received from the directors as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified on March 31, 2014 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the company.

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

**Place: Chennai  
Date: 29/05/2014**

**CA Dasaraty V  
Partner  
Membership No.026336**

**ANNEXURE TO INDEPENDENT AUDITORS' REPORT****(Referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" 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 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 58A 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 sub section (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 not a nidhi or mutual benefit fund or a society. Hence, the provisions applicable to chit funds are not applicable to the company.
  - (a) In light of answer above we have nothing to comment on the ratio of net owned funds to deposits.
  - (b) In light of answer above we have nothing to comment on the prudential norms on income recognition and providing against sub-standard or doubtful or loss assets.
  - (c) In light of answer above we do not comment on the procedures for credit appraisals.
  - (d) In light of answer above we do not comment on the repayment schedule.
14. 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.
15. The company has not given guarantee for loans taken by others from Bank or financial institution.
16. The company has not obtained term loans during the year.
17. As per the records of the company no funds were raised on short term Basis and used for long term investment and vice versa
18. According to the records of the company and the information and explanations provided by the management, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
19. The company has not issued any debentures and hence creation of Securities in respect of debentures does not arise.
20. The company has not raised money by way of public issue of shares.
21. According to information and explanations furnished to us no fraud on or by the company has been noticed or reported during the year.

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

**Place: Chennai**  
**Date: 29/05/2014**

**CA Dasaraty V**  
**Partner**  
**Membership No.026336**

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2014

(In Rupees)

	Particulars	Note No	As at 31.03.2014	As at 31.03.2013
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' Funds</b>			
	(a) Share Capital	1	12,00,00,000	12,00,00,000
	(b) Reserves and Surplus	2	(74,36,198)	(83,61,986)
<b>2</b>	<b>Non-Current Liabilities</b>			
	(a) Deferred Tax Liabilities (Net)	3	2,36,580	2,04,158
<b>3</b>	<b>Current Liabilities</b>			
	(a) Short-Term Borrowings	4	-	11,286
	(b) Trade Payables	5	1,87,833	4,90,673
	(c) Other Current Liabilities	6	5,79,184	5,23,471
	<b>Total</b>		<b>11,35,67,399</b>	<b>11,28,67,602</b>
<b>II.</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>			
	<b>(a) Fixed Assets</b>	7		
	a)Gross Block		51,28,411	50,44,411
	b) Less: Depreciation		40,96,243	40,52,464
	Net Block		10,32,168	9,91,947
	(b) Non- Current Investments	8	50,00,000	15,00,000
	(c) Long-Term Loans and Advances	9	47,20,401	13,24,742
<b>2</b>	<b>Current Assets</b>			
	(a) Inventories	10	3,54,92,390	3,19,49,679
	(b) Trade Receivables	11	32,149	4,264
	(c) Cash and Cash Equivalents	12	78,54,147	2,03,24,555
	(d) Short Term Loans and Advances	13	22,00,001	-
	(e) Other Current Assets	14	5,72,36,143	5,67,72,414
	<b>Total</b>		<b>11,35,67,399</b>	<b>11,28,67,602</b>

Notes on Accounts &amp; Significant Accounting Policies 22

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

CA Dasaraty V  
Partner  
Membership No. 026336

Place: Chennai  
Date: 29/05/2014

For and on behalf of Board of Directors

Hitesh C. Kothari                      C. K. Kothari  
Managing Director                      Director

Mihir Mehta  
Company Secretary



**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

(In Rupees)

	Particulars	Note No	Year Ended 31.03.2014	Year Ended 31.03.2013
I	Revenue from Operations	15	94,34,14,222	8,75,85,904
II	Other Income	16	43,01,677	35,15,238
<b>III</b>	<b>TOTAL REVENUE (I + II)</b>		<b>94,77,15,899</b>	<b>9,11,01,143</b>
<b>IV</b>	<b>EXPENSES</b>			
	Purchases of shares	17	94,54,42,494	10,23,61,071
	Changes in Inventories	18	(35,42,711)	(2,06,42,561)
	Employee Benefit Expenses	19	15,47,385	16,71,451
	Finance Costs	20	2,66,607	20,08,018
	Depreciation and Amortization Expenses	7	43,780	56,897
	Other Expenses	21	27,92,128	36,15,129
	<b>TOTAL EXPENSES</b>		<b>94,65,49,683</b>	<b>8,90,70,005</b>
<b>V</b>	<b>Profit before Exceptional and Extraordinary Items and Tax (III-IV)</b>		<b>11,66,216</b>	<b>20,31,138</b>
VI	Exceptional Items		-	-
<b>VII</b>	<b>Profit before Extraordinary Items and Tax</b>		<b>11,66,216</b>	<b>20,31,138</b>
VIII	Extraordinary Items			
<b>IX</b>	<b>Profit Before Tax</b>		<b>11,66,216</b>	<b>20,31,138</b>
X	Tax Expense			
	Current Tax		(2,08,006)	(3,62,800)
	Deferred Tax		(32,422)	(13,545)
<b>XI</b>	<b>Profit/(Loss) for the period from Continuing Operations (IX-X)</b>		<b>9,25,788</b>	<b>16,54,793</b>
XII	Profit/(Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)		-	-
<b>XV</b>	<b>Profit(Loss) for the Period(XI+XIV)</b>		<b>9,25,788</b>	<b>16,54,793</b>
<b>XVI</b>	<b>Earnings per Equity Share</b>			
	-Basic		0.08	0.14
	-Diluted		-	0.27

The accompanying notes are an integral part of the financial statements

**As per our report of even date**

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

CA Dasaraty V  
Partner  
Membership No. 026336

Place: Chennai  
Date: 29/05/2014

**For and on behalf of Board of Directors**

Hitesh C. Kothari                      C. K. Kothari  
Managing Director                      Director

**Mihir Mehta**  
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

(In Rupees)

Particulars	31.03.2014	31.03.2013
<b>Cash flows from Operating Activities:</b>		
Profit before taxation	11,66,216	20,31,138
Adjustments for:		
Depreciation	43,780	56,897
Investment Written off	-	1,29,311
Interest on Secured Loans	2,66,607	20,08,018
Interest income	(40,03,986)	(33,37,386)
Dividend income	(1,61,669)	(1,43,047)
Profit on sale of Investments	-	(12,97,200)
<b>Operating profit before working capital changes</b>	<b>(26,89,052)</b>	<b>(5,52,269)</b>
<b>Movements in working capital:</b>		
(Increase)/Decrease in Sundry Debtors	(27,885)	(4,264)
(Increase)/Decrease in Short Term Loans & Advances	(22,00,001)	-
(Increase)/Decrease in Inventories	(35,42,711)	(2,06,42,561)
(Increase)/Decrease in Current Loans & Advances	(38,59,388)	(1,39,16,732)
Increase/(Decrease) in Current Liabilities and Provisions	(4,66,419)	(3,74,75,997)
<b>Cash generated from Operating Activities</b>	<b>(1,27,85,456)</b>	<b>(7,25,91,824)</b>
Direct Taxes/Appropriations	-	-
<b>Net Cash from Operating Activities</b>	<b>(1,27,85,456)</b>	<b>(7,25,91,824)</b>
<b>Cash flow from Investing Activities:</b>		
Purchase of Fixed Assets	(84,000)	(1,37,543)
Interest Received	40,03,986	33,37,386
Investment Written off	-	(1,29,311)
Purchase of Investments during the year	(35,00,000)	(15,00,000)
Sale of Investments during the year	-	22,97,200
Dividend Income	1,61,669	1,43,047
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>5,81,655</b>	<b>40,10,779</b>
<b>Cash flow from Financing Activities:</b>		
Interest Paid	(2,66,607)	(20,08,018)
Increase/(Decrease) in Unsecured Loans	-	-
Share Capital Received	-	9,00,00,000
<b>Net Cash from / (used) in Financing Activities</b>	<b>(2,66,607)</b>	<b>8,79,91,982</b>
<b>Net increase in cash and cash equivalents</b>	<b>(1,24,70,408)</b>	<b>1,94,10,937</b>
Cash and Cash equivalents at the beginning of the year	2,03,24,555	9,13,618
<b>Cash and Cash equivalents at the end of the year</b>	<b>78,54,147</b>	<b>2,03,24,555</b>

As per our report of even date

For, Venkatesh &amp; Co.

Chartered Accountants

F.R.No.:004636S

For and on behalf of Board of Directors

Hitesh C. Kothari

Managing Director

C. K. Kothari

Director

CA Dasaraty V

Partner

Membership No.026336

Mihir Mehta

Company Secretary

Place: Chennai

Date: 29/05/2014

**NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET**

PARTICULARS	AS AT 31.03.2014 Rs.	AS AT 31.03.2013 Rs.
<b>Note 1 : Share Capital</b>		
<b>Authorized Capital</b>		
12000000 Equity Shares of Rs.10/- each	12,00,00,000	12,00,00,000
<b>Issued, Subscribed &amp; Paid Up</b>		
12000000 Equity shares of Rs.10/- each	12,00,00,000	12,00,00,000
	<b>12,00,00,000</b>	<b>12,00,00,000</b>
<b>Name of the Shareholder</b>	<b>% Held</b>	<b>% Held</b>
Hitesh C. Kothari	6.38%	6.38%
Reem Build Pvt. Ltd.	17.08%	17.08%
Sanjay Shyamsunder Poddar	16.45%	20.00%
Infinity Comtrade Pvt. Ltd.	2.59%	21.25%
Total No. of Shares which share holders have interest of more than 5% of shares	<b>42.51%</b>	<b>64.72%</b>
<b>Note 2 : Reserve &amp; Surplus</b>		
Balance brought forward from previous year	(83,61,986)	(1,00,16,780)
Add: Profit / (Loss) for the period	9,25,788	16,54,793
	<b>(74,36,198)</b>	<b>(83,61,986)</b>
<b>Note 4 : Short term Borrowings</b>		
From Others	-	11,286
	-	<b>11,286</b>
<b>Note 5: Trade Payables</b>		
In respect of -		
Services	1,85,316	3,85,899
Expenses	2,517	1,04,774
	<b>1,87,833</b>	<b>4,90,673</b>
<b>Note 6 : Other Current Liabilities</b>		
Withholding and other taxes payable	4,24,493	86,719
Provision for Expenses	1,54,691	4,36,752
	<b>5,79,184</b>	<b>5,23,471</b>
<b>Note 8 : Non Current Investments</b>		
<b>QUOTED</b>		
Terra Reserves Determination Tech Ltd.	15,00,000	15,00,000
( 1,25,000 shares at the rate of Rs.12/- each fully paid)		
(Face value Rs.10/- each at a premium of Rs.2/-)		
<b>UNQUOTED</b>		
Terra Mining and Minerals Ltd	10,00,000	-
(74,074 shares at the rate of Rs.13.50/- each fully paid)		
(Face value Rs.10/- each at a premium of Rs.3.50/-)		
Invincible Natural Resources Pvt. Ltd.	25,00,000	-
(2,50,000 shares at the rate of Rs.10/- each fully paid)		
	<b>50,00,000</b>	<b>15,00,000</b>

<b>Note 9 :Long-Term Loans and Advances</b>		
Security Deposits	18,60,429	13,24,742
Fixed Deposits With Banks	28,59,972	-
	<b>47,20,401</b>	<b>13,24,742</b>
<b>Note 10 : Inventories</b>		
(at cost or net realisable value whichever is lower)	3,54,92,390	3,19,49,679
	<b>3,54,92,390</b>	<b>3,19,49,679</b>
<b>Note 11 : Trade Receivables</b>		
Sundry Debtors	32,149	4,264
	<b>32,149</b>	<b>4,264</b>
<b>Note 12 : Cash and Cash Equivalent</b>		
a) Cash on hand	3,13,458	65,874
b) Bank balance with schedule bank on current a/c	75,40,689	2,02,58,681
	<b>78,54,147</b>	<b>2,03,24,555</b>
<b>Note 13 : Short term Loans and Advances</b>		
Loans and Advances	22,00,001	-
	<b>22,00,001</b>	-
<b>Note 14 : Other Current Assets</b>		
Tax Deducted at Source	3,85,757	88,149
Other Advances & Deposits	5,68,50,387	5,66,84,265
	<b>5,72,36,143</b>	<b>5,67,72,414</b>

<b>Note 3 : Deferred Tax Liabilities</b>		
	<b>Particulars</b>	<b>Amount</b>
	WDV as per Companies Act	10,32,168
	WDV as per IT Act	3,02,995
		<b>7,29,173</b>
	Deferred tax Liability for the year 2013-14	(2,36,580)
	Less: Deferred liability for the year 2012-13	2,04,158
	<b>Total Deferred Tax Liability for the year 2013-14</b>	<b>(32,422)</b>
	Total Deferred Tax Liability in Profit & Loss Account	(32,422)

<b>Notes attached to and forming part of the Profit &amp; Loss Account</b>		
	<b>AS AT 31.03.2014 Rs.</b>	<b>AS AT 31.03.2013 Rs.</b>
<b>Notes 15 : Revenue from Operations</b>		
Sales of Shares / Commodities	94,34,14,222	8,62,88,704
Other Direct Income	-	12,97,200
	<b>94,34,14,222</b>	<b>8,75,85,904</b>
<b>Note 16 : Other Income</b>		
Interest	40,03,986	33,37,386
Dividend Income	1,61,669	1,43,047
Other Income	1,36,022	34,805
	<b>43,01,677</b>	<b>35,15,238</b>

<b>Note 17 : Purchase &amp; Contract Expenses</b>		
Purchases of Shares	94,54,42,494	10,23,61,071
	<b>94,54,42,494</b>	<b>10,23,61,071</b>
<b>Note 18 : Changes In Inventories</b>		
Opening Stock	3,19,49,679	1,13,07,118
Closing Stock	3,54,92,390	3,19,49,679
<b>Changes in Inventories</b>	<b>(35,42,711)</b>	<b>(2,06,42,561)</b>
<b>Note 19 : Employee Benefit Expenses</b>		
Salary & Wages Expenses	10,47,547	11,71,680
Bonus to Employees	54,800	1,57,960
Staff Welfare Expenses	82,638	11,391
Directors Remuneration	3,62,400	3,30,420
	<b>15,47,385</b>	<b>16,71,451</b>
<b>Note 20 : Finance Costs</b>		
Interest Expenses	2,66,607	20,08,018
	<b>2,66,607</b>	<b>20,08,018</b>
<b>Note 21 : Other expenses</b>		
Advertisement	1,25,100	15,000
Income Tax Expenses	43,769	-
Misc Expenses	12,145	7,143
Office Expenses	-	2,50,682
Postage & Telegram	18,233	7,411
Power & Fuel	1,17,060	1,09,075
Professional Fees	1,52,225	3,37,771
Rates & Taxes	9,23,797	11,36,888
Rent	7,53,800	7,89,600
Repairs & Maintenance	74,857	33,043
Shares Written Off	-	1,29,311
Stationery & Printing Expenses	37,372	3,03,792
Telephone	1,50,910	1,24,526
Travelling Expenses	2,36,230	3,14,707
<b>Payments to the auditor as</b>		
(a) Audit Fee	1,24,158	56,180
(b) For other services	22,472	-
	<b>27,92,128</b>	<b>36,15,129</b>

## Depreciation Schedule as per Companies Act 1956 as at 31.03.2014

## Note 7 - FIXED ASSETS

(Amount in Rupees)

PARTICULARS	GROSS BLOCK				Rate of Depreciation	DEPRECIATION				NET BLOCK	
	Cost As on 01.04.2013	Addition	Deletion	Cost As on 31.03.2014		Upto 01.04.2013	During the year	Deletion	Up to 31.03.2014	WDV as on 31.03.2014	WDV as on 31.03.2013
Plant & Machinery	2,95,305	-	-	2,95,305	4.75%	1,66,923	14,027	-	1,80,950	1,14,355	1,28,382
Furniture & Fixtures	2,16,392	-	-	2,16,392	6.33%	2,08,481	-	-	2,08,481	7,911	7,911
Computer	41,70,014	84,000	-	42,54,014	16.21%	35,93,458	7,096	-	36,00,554	6,53,460	5,76,556
Office Equipment	2,48,409	-	-	2,48,409	4.75%	72,248	11,799	-	84,047	1,64,362	1,76,161
Motor Vehicles	1,14,291	-	-	1,14,291	9.50%	11,354	10,858	-	22,212	92,079	1,02,937
<b>Total</b>	<b>50,44,411</b>	<b>84,000</b>	<b>-</b>	<b>51,28,411</b>		<b>40,52,464</b>	<b>43,780</b>	<b>-</b>	<b>40,96,243</b>	<b>10,32,168</b>	<b>9,91,947</b>

## 22. 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. Foreign Exchange Earnings & Outgo:

Particulars	2014	2013
Expenditure in Foreign Exchange	Nil	Nil
Earnings in Foreign Exchange	Nil	Nil
Remuneration to Auditors	89,888	56,180

#### 2. Deferred tax:

Opening deferred tax liabilities	2,04,158/-
Provided during the year	32,422/-
Closing balance of deferred tax liabilities	2,36,580/-

**3. Related Party Disclosure:**

<b>Name of the Related Party</b>	<b>Relationship</b>
Hitesh C. Kothari	Managing Director
Invincible Natural Resources Private Limited	Associate Company

<b>Nature of Transaction</b>	<b>Managing Director</b>	<b>Associate Company</b>
Directors Remuneration	3,62,400	-
Investment in Share Capital	-	25,00,000
Loan Given	-	20,00,000
Share Capital @	76,59,000	-
Non Current Investment @	-	25,00,000
Loan & Advances @	-	20,00,000

@ Closing Balance

4. Previous year figures have been regrouped to confirm with the layout of the accounts of the current year.

As per our report of even date

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

CA Dasaraty V  
Partner  
Membership No. 026336

Place: Chennai  
Date : 29/05/2014

For and on behalf of Board of Directors

Hitesh C. Kothari                      C. K. Kothari  
Managing Director                      Director

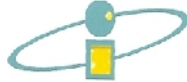
Mihir Mehta  
Company Secretary



**Statement of significant accounting policies and notes on accounts**

Sr No	Accounting Standard	Particulars	As at year ended 31.03.2014
	Preamble	The company is engaged in the business of Share Broking and Commodities.	
		The method of accounting and compliance with various accounting standards is displayed below:-	
1	AS - 1	<b>Disclosure of Accounting Policies</b> The Accounts are maintained on accrual basis as a going concern.	
2	AS - 2	<b>Valuation of Inventories</b> Inventories are valued at cost or market price whichever is lower.	
3	AS – 3	<b>Cash Flow Statement</b> Cash flow statement is prepared and the same is annexed.	
4	AS – 4	<b>Contingencies and events occurring after balance sheet date</b> This accounting standard is not applicable to the company	
5	AS – 5	<b>Net profit or loss for the period, prior period items and changes in accounting policies</b> NIL	
6	AS – 6	<b>Depreciation accounting</b> Depreciation has been provided under the straight line method at the rates prescribed under schedule XIV of the Companies Act, 1956	
7	AS – 7	<b>Construction Contracts</b> This accounting standard is not applicable to the company	
8	AS – 8	<b>Research &amp; Development</b> This accounting standard is withdrawn	
9	AS – 9	<b>Revenue Recognition</b> Revenue is recognized on Mercantile basis.	
10	AS – 10	<b>Accounting on Fixed Assets</b> The cost of fixed assets includes purchase price and other cost incurred for acquisition.	
11	AS – 11	<b>Accounting for the effects in Foreign exchange rates</b> No foreign currency transactions.	
12	AS – 12	<b>Accounting for Government Grants</b> The company has not received any grants from the government	
13	AS – 13	<b>Accounting for Investment</b> Investments are considered as long term and are valued at cost.	
14	AS - 14	<b>Accounting for Amalgamation</b> This standard is not applicable to the company	

15	AS – 15	<b>Accounting for Retirement benefit</b> 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.	
16	AS – 16	<b>Borrowing cost</b> The company has not incurred any borrowing cost during the year.	
17	AS – 17	<b>Segment reporting</b> NIL	
18	AS – 18	<b>Related Party Disclosure</b> Related party transactions are disclosed as per prescribed in the accounting standards.	
19.	AS – 19	<b>Accounting for Leases</b> This accounting standard is not applicable to the company	
20	AS – 20	<b>Earnings Per share (EPS)</b> Disclosure is made in the profit and Loss account as per the requirements of the standard.	
21	AS – 21	<b>Consolidated financial statements</b> This accounting standard is not applicable to the company	
22	AS – 22	<b>Accounting for Taxes on Income</b> Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax liability and assets recognized as per the accounting standards.	
23	AS – 23	<b>Accounting for investment in Associates in consolidated financial</b> No such investment during the balance sheet period and hence this will not applicable to the company	
24	AS – 24	<b>Discontinuing operations</b> No such intention of discontinuing the operation.	
25	AS – 25	<b>Interim financial reporting</b> The same has been complied as per the AS -25 requirements.	
26	AS – 26	<b>Intangible assets</b> No Intangible Asset is considered	
27	AS – 27	<b>Financial reporting of Joint ventures</b> The company has no interest in joint ventures	
28	AS – 28	<b>Impairment of Assets</b> No such impairment of assets.	
29	AS – 29	<b>Provisions, Contingent Liabilities and Contingent assets</b> (i) Provisions - NIL (ii) Contingent liabilities - NIL (iii) Contingent assets - NIL (iv) Contested liabilities - NIL	



**ISL CONSULTING LIMITED**  
**CIN: L67120TN1993PLC024144**

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

**ATTENDANCE SLIP**

22ND ANNUAL GENERAL MEETING – TUESDAY, SEPTEMBER 23, 2014.

**DP ID\*** : .....

**Client ID\*** : .....

**Folio No.** : .....

**No. of Shares held** : .....

I / We hereby record my / our presence at 22nd Annual General Meeting of the Company on Tuesday, September 23, 2014 at No.3, Murthy Lane, First Floor, Off: Devaraja Mudali Street, Rattan Bazar, Chennai – 600003.

Name of the Shareholder .....

Address of the Shareholder .....  
.....  
.....

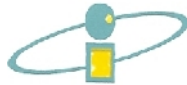
Signature of the Shareholder.....

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.

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**ISL CONSULTING LIMITED**  
**CIN: L67120TN1993PLC024144**

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

**FORM NO. MGT-11**  
**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L67120TN1993PLC024144  
 Name of Company : ISL Consulting Limited  
 Registered Office : No 3, Murthy Lane, 1<sup>st</sup> Floor, Off Devaraja Mudali Street,  
 Ratan Bazar, Chennai – 600 003

Name of the member(s) :	
Registered Address :	
E-mail ID :	
Folio No. / Client ID :	
DP ID :	

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

1. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 Email ID : \_\_\_\_\_  
 Signature : \_\_\_\_\_, or failing him
2. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 Email ID : \_\_\_\_\_  
 Signature : \_\_\_\_\_, or failing him
3. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 Email ID : \_\_\_\_\_  
 Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22<sup>nd</sup> Annual General Meeting of the Company, to be held on Tuesday, September 23, 2014 at 11.00 AM at No. 3, Murthy Lane, Off. Devaraja Mudali Street, Ratan Bazar, Chennai – 600003 and at any adjournment thereof in respect of such resolutions as are indicated below:

**Ordinary Business:**

1. Adoption of Annual Accounts of the Company as on 31<sup>st</sup> March, 2014
2. Consideration of retirement of Mr. C. K. Kothari, who is retiring by rotation.
3. Appointment of M/s. Venkatesh & Co., Chartered Accountants (Firm Registration Number: 004636S) as Auditors of the Company and fixing their remuneration.

**Special Business:**

4. Appointment of Mr. Hitesh C. Kothari as Managing Director and CEO of the Company.
5. Appointment of Ms. Reema C. Kothari as Non-Executive Director of the Company.
6. Appointment of Mr. Hasmukh M. Thakker as an Independent Director of the Company.
7. Appointment of Mr. Bhavesh P. Mamnia as an Independent Director of the Company.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014.

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

Signature of shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

**BOOK –POST**

**To,**

**If undelivered, please return to:  
ISL CONSULTING LIMITED  
Corp. Off.: 501, 5<sup>th</sup> Floor, Abhijeet - II,  
Above Standard Chartered Bank, Nr. Mithakhali Six Road,  
Ahmedabad – 380 009  
Tel: 079-40030351**