

INTEGRATED CAPITAL SERVICES LIMITED

26th ANNUAL REPORT

2018-2019

INTEGRATED CAPITAL SERVICES LIMITED

Company Information

BOARD OF DIRECTORS

| | |
|-----------------------------|----------|
| Mr. Brijinder Bhushan Deora | Chairman |
| Mr. Sajeve Deora | Director |
| Mr. Suresh Chander Kapur | Director |
| Mr. Sandeep Chandra | Director |
| Ms. Alka Jain | Director |

CHIEF EXECUTIVE OFFICER & COMPLIANCE OFFICER

Mr. Lakshay Prakash

CHIEF FINANCIAL OFFICER

Mr. Vivek Jain

COMPANY SECRETARY

Ms. Shivani Arora

BOARD COMMITTEES

AUDIT COMMITTEE

| | |
|---------------------|----------|
| Mr. Sandeep Chandra | Chairman |
| Mr. Sajeve Deora | Member |
| Ms. Alka Jain | Member |

INVESTMENT COMMITTEE

| | |
|-----------------------------|----------|
| Mr. Brijinder Bhushan Deora | Chairman |
| Mr. Sandeep Chandra | Member |
| Ms. Alka Jain | Member |

STAKEHOLDERS RELATIONSHIP COMMITTEE

| | |
|-----------------------------|----------|
| Mr. Suresh Chander Kapur | Chairman |
| Mr. Brijinder Bhushan Deora | Member |
| Mr. Sandeep Chandra | Member |

NOMINATION AND REMUNERATION COMMITTEE

| | |
|-----------------------------|----------|
| Mr. Suresh Chander Kapur | Chairman |
| Mr. Brijinder Bhushan Deora | Member |
| Mr. Sandeep Chandra | Member |

BANKERS

HDFC Bank
Punjab National Bank

REGISTERED OFFICE

606, New Delhi House
27 Barakhamba Road
New Delhi 110 001

REGISTRARS AND TRANSFER AGENTS

Link Intime India Pvt. Ltd.,
Nobel Heights, 1st Floor, NH-2, C-1 Block LSC,
Near Savitri Market, Janakpuri, New Delhi-110058,
Phone: 011-41410592-93-94

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NOTICE

Notice is hereby given that the Twenty Sixth (26th) Annual General Meeting of the Members of Integrated Capital Services Limited will be held on Monday, 30th day of September, 2019 at 09:00 a.m. at The Ocean Pearl Retreat, Chattarpur Mandir Road, Satbari, New Delhi-110074 to transact the following businesses as:

ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet of the Company as at March 31, 2019, the audited Profit and Loss Account of the Company for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sajeve Deora (DIN: 00003305) who retires by rotation and being eligible, has offered himself for re-appointment.
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, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, Sandeep Varshney & Associates, Chartered Accountants (Firm Registration No.: 0513271C), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Twenty Sixth Annual General Meeting till the conclusion of Thirty first Annual General Meeting of the Company to be held in year 2024, and such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

4. Re-appointment of Mr. Suresh Chander Kapur (DIN:00742765) as an Independent Director of the Company.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution

“RESOLVED THAT pursuant to the provision of Sections 149, 152 and Schedule IV of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 (including any statutory modification or re-enactment thereof, for the time being in force), consent be and is hereby accorded to the re-appointment of Mr. Suresh Chander Kapur (DIN: 00742765) as an Independent director of the Company for a further period of five years from April 13, 2019 to April 12, 2024, which reappointment had been made by the Board of Directors of the Company, subject to consent of shareholders, in the board meeting held on April 12, 2019.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

5. Re-appointment of Mr. Sandeep Chandra (DIN: 00889462) as an Independent Director of the Company.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution

“RESOLVED THAT pursuant to the provision of Sections 149, 152 and Schedule IV of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 (including any statutory modification or re-enactment thereof, for the time being in force), consent be and is hereby accorded to the re-appointment of Mr. Sandeep Chandra (DIN: 00889462) as an Independent director of the Company for a further period of five years from April 13, 2019 to April 12, 2024, which reappointment had been made by the Board of Directors of the Company, subject to consent of shareholders, in the board meeting held on April 12, 2019.

Place: New Delhi
Date: July 12, 2019

By Order of the Board of Directors
Sajeve Deora
(Director)
DIN: 00003305

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IS ENCLOSED.
2. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf, at the Meeting.
4. Brief Resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, number of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationship between directors inter se as stipulated under Regulation 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, are provided in the Corporate Governance Report forming part of this Annual Report.
5. Members are requested to bring copy of the Annual Report and their Attendance Slip to the Meeting.
6. The Register of Members and Share Transfer Books, both for equity and preference shareholders, shall remain closed from Tuesday, September 24, 2019 to Monday, September 30, 2019 (both days inclusive).
7. In case of Joint Holders, if more than one holder intends to attend the meeting, they must obtain additional admission slip(s) on request from the Registered Office of the Company.
8. Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the members at the Registered office of the Company on all working days, during business hours, upto the date of the Meeting.
9. All queries relating to the accounts must be sent to the Company at its Registered Office at least ten days before the holding of the Annual General Meeting.
10. Members who have multiple accounts in identical names or joint accounts with the names of the holders in the same order are requested to intimate the Company/RTA the ledger folios of such accounts so as to enable the Company to consolidate all such shareholdings into one folio.
11. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company / Link Intime.
12. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Link Intime.
13. Members who have not registered their e-mail IDs so far are requested to register their e-mail id address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
14. In compliance with the provisions of Section 108 of the Companies Act, 2013, and the rules framed thereunder and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e- Voting services provided by NSDL, on all the resolutions set forth in the Notice.

The instructions for members for voting electronically are as under:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on Friday, September 27, 2019 (9:00 am) and ends on Sunday, September 29, 2019 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 23, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

| How to Log-into NSDL e-Voting website? | |
|---|---|
| 1. | Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. |
| 2. | Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section. |
| 3. | A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. <i>Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.</i> |
| 4. | Your User ID details are given below : |

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|--|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***. |
| 1. Your password details are given below: | |
| a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote. | |
| b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password. | |
| c) How to retrieve your 'initial password'? | |
| (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'. | |
| (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address. | |
| 1. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password: | |
| a) Click on " Forgot User Details/Password? " (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com . | |
| b) Physical User Reset Password? " (If you are holding shares in physical mode) option available on www.evoting.nsdl.com . | |
| c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address. | |
| 2. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box. | |
| 3. Now, you will have to click on "Login" button. | |
| 4. After you click on the "Login" button, Home page of e-Voting will open. | |

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rajesh@drassociates.org with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/ Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("Act"), sets out all material facts relating to the business mentioned under Item No. 4, 5 of the accompanying Notice dated July 12, 2019:

Item No. 4:

After considering the performance evaluation of Mr. Suresh Chander Kapur, the Board of Directors at its meeting held on April 12, 2019 re-appointed Mr. Suresh Chander Kapur as an Independent Director for his term of 5 years with effect from April 13, 2019 to April 12, 2024, subject to confirmation by shareholders of the Company. Mr. Suresh Chander Kapur has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and SEBI Listing Regulations. He fulfills all conditions specified by applicable laws for the position of an Independent Director of the Company.

Further he also confirmed that he is not disqualified from being appointed as Director under Section 164 of the Act. In the opinion of the Board, Shri Suresh Chander Kapur fulfils the conditions for continuation of his appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management and possesses appropriate skills, experience and knowledge.

The Brief Profile of Mr. Suresh Chander Kapur is given below:

Shri Suresh Chander Kapur has varied and rich experience in the field of General Management, Project Management, Marketing and Procurement in Edible oils, Petrochemicals and Man-made fiber industries, International trading, issues related to budget, WTO and Anti-dumping.

Shri Suresh Chander Kapur may be considered to be interested in the resolution set out at item No. 4 of the Notice with regard to his re-appointment.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in resolution no. 4. The Board of Directors recommends the resolution at item no. 4 of the Notice for approval of the members by way of Special Resolution.

Item No. 5:

After considering the performance evaluation of Mr. Sandeep Chandra, the Board of Directors at its meeting held on April 12, 2019 re-appointed Mr. Sandeep Chandra as an Independent Director for his term of 5 years with effect from April 13, 2019 to April 12, 2024 subject to confirmation by shareholders of the Company. Mr. Sandeep Chandra has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and SEBI Listing Regulations. He fulfills all conditions specified by applicable laws for the position of an Independent Director of the Company.

Further he also confirmed that he is not disqualified from being appointed as Director under Section 164 of the Act. In the opinion of the Board, Shri Sandeep Chandra fulfils the conditions for continuation of his appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management and possesses appropriate skills, experience and knowledge.

The Brief Profile of Mr. Sandeep Chandra is given below.

Mr. Sandeep Chandra is a qualified Chartered Accountant having an experience of 34 years in managing a family owned sugar manufacturing factory and supervising financial, banking, technical and administrative functions thereof.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in resolution no. 5. The Board of Directors recommends the resolution at item no. 5 of the Notice for approval of the members by way of Special Resolution.

Place: New Delhi
Date: July 12, 2019

By Order of the Board of Directors
Sajeve Deora
(Director)
DIN: 00003305

Board's Report

TO THE MEMBERS OF INTEGRATED CAPITAL SERVICES LIMITED

The Directors take pleasure in presenting the Twenty Sixth (26th) Annual Report together with the audited financial statements of your Company for the year ended March 31, 2019.

1. Financial Results:

The financial performance of your Company for the year ended March 31, 2019 is summarized below:

Rs., Lacs

| | Standalone | | Consolidated | |
|--|-------------------|----------------|---------------------|----------------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Income from Operation | 87.17 | 188.79 | 157.70 | 247.72 |
| Other Income | 28.31 | 38.32 | 4.60 | 22.77 |
| Depreciation | 4.31 | 3.84 | 19.81 | 20.08 |
| Profit before tax | (65.17) | 78.04 | (59.31) | 79.21 |
| Current Tax | 6.14 | 31.17 | 8.98 | 31.97 |
| Deferred Tax | (1.61) | (4.85) | (2.70) | (0.53) |
| Excess provisions for tax written back | 2.08 | (1.49) | 2.08 | (1.49) |
| Profit after tax | (71.95) | 53.20 | (67.67) | 49.25 |

Due to the Company having incurred losses during the year, dividend is not being proposed to the holder of preference shares.

2. Results of Operations:

The main objects of your Company were changed in pursuance of special resolution passed by the shareholders in the Annual General Meeting (AGM) held on September 29, 2018. The current business activity of your Company is to render services in the nature of advise in matters related to Insolvency and Bankruptcy. Your Company is in process of completing certain pre-requisites and will thereafter apply to Insolvency and Bankruptcy Board of India for registering as an Insolvency Professional Entity in accordance with the provisions of Insolvency and Bankruptcy Code, 2016 and rules/regulation made thereunder.

The Turnover for the current year was Rs. 87.17 Lacs as against Rs. 188.79 Lacs in the previous year. During the year, your Company continued its efforts to increase its presence in its areas of operations.

3. Share Capital:

The paid up Share Capital of your Company as at March 31, 2019 was Rs 560.84 Lacs which comprises 2,44,75,000 fully paid equity shares of Re. 1.00 each and 2,05,000 7% Cumulative, Non-Convertible and Redeemable Preference Shares of Rs. 100.00 each.

During the year under review, the Holding Company, Deora Associates Private Limited (since dissolved), had merged into your Company.

In terms of the Scheme of Merger approved by the Hon'ble National Company Law Tribunal, New Delhi vide order dated September 26, 2018, 2,50,41,000 Equity Shares of Re.1 each held by Deora Associates Private Limited (Since Dissolved), in the Company were cancelled and 2,44,75,000 fully paid equity shares of the Company were issued to the shareholders of Deora Associates Private Limited (Since Dissolved) in the share exchange ratio provided in the aforesaid scheme.

INTEGRATED CAPITAL SERVICES LIMITED



The Scheme of Merger of DAPL (since dissolved) with the Company became effective from the Appointed Date, i.e. October 01, 2016. Accordingly, the Company has restated its audited financial statements for the financial year ended on March 31, 2017 and March 31, 2018 from the Appointed Date.

Equity Shares of your Company are listed at Bombay Stock Exchange.

Preference Shares of your Company are not listed on any Stock Exchange.

4. **Subsidiary Companies:**

a) **100% Subsidiary Company – RAAS Consulting Private Limited (RAAS)**

RAAS Consulting Private Limited (formerly known as RAAS e Solutions Private Limited) provides services in areas of advisory and remote accounting and support, on an outsourced basis, to clients within and outside India. RAAS has successfully developed processes for systematic remote access accounting and the work flow is customized to suit client requirements.

RAAS provides expert guidance and advice to corporate clients for drawing up financial statements in compliance with international accounting standards. RAAS also provides expert advice in the areas of law and taxation.

b) **100% Subsidiary Company - Green Infra Profiles Private Limited (GIPL)**

Green Infra Profiles Private Limited provides advisory services for management consultancy and advisory services.

c) **100% Subsidiary Company- ICSL Consulting Private Limited (Formerly known as BTG IP Services Private Limited)**

During the year, pursuant to the de-recognition order received from Insolvency Bankruptcy Board of India (IBBI), the company has changed its object to provide Management Consultancy related services and thereafter changed its name to ICSL Consulting Private Limited.

5. **Joint Ventures:**

a) **KW Publishers Private Limited**

KW Publishers Private Limited is a joint venture wherein your Company has equity investment of 40%.

KW Publishers Private Limited is engaged in business of publishing and distributing books on various subjects including International Politics.

b) **Greenway Advisors Private Limited**

Greenway Advisors Private Limited is a joint venture wherein your Company has equity investment of 50%.

Greenway Advisors Private Limited provides consulting services in commercial transactions.

Greenway Advisors Private Limited has promoted a Company along with Borrelli Walsh Limited of Hong Kong to render services in areas of business and operational reviews, stabilising Companies in crisis through restructuring underperforming business lines, advising clients on improving Company's performance and assist the Board of Directors of Companies with the conduct of its distressed affairs and establish the options available to companies and their stakeholders under the name and style of Borrelli Walsh India Private Limited. The Company has received the incorporation certificate on June 17, 2019 from Ministry of Corporate Affairs (MCA).

Greenway Advisors Private Limited holds 20% of the share capital of Borrelli Walsh India Private Limited.

c) **Sun Links Limited**

Sun Links Limited is a joint venture company set up in the U.K. with 50% equity participation.

Sun Links Limited provides consulting services for commercial transactions.

d) BTG Global Advisory:

BTG Global Advisory is a multi-disciplinary organization, offering a broad range of professional services to provide practical and enterprise solutions to business problems. Its members include insolvency and restructuring advisors, turnaround and profit improvement consultants, forensic investigators and other litigation support professionals and investment banking/M&A transaction advisors, amongst other specialists.

Your Company, in association with other overseas professional organizations engaged in near like services, has promoted a non-practicing, International umbrella entity as a Private Company, limited by guarantee, in England and Wales for the following purposes:

- (i) promote professional services of the members,
- (ii) promote cross referrals of international work, and
- (iii) creating a frame work for joint pitching opportunities

Your Company has nominated, Mr. Sajeve Deora, one of its Directors, as a director on the Board of Directors of BTGGA. Your Company's guarantee is UK Pound 1.

6. Particulars of Loans, Guarantees And Investments:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Note no.4 and 5 of the Standalone audited accounts.

7. Management's Discussion and Analysis Report:

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in India, is presented in a separate section which forms part of the Annual Report.

8. Fixed Deposits:

Your Company has not accepted any fixed deposits during the year.

9. Re-appointments:

As per the provisions of the Companies Act, 2013, Mr. Sajeve Deora (DIN: 00003305), Director of the Company, will retire at the ensuing AGM and being eligible, has offered himself for reappointment.. The Board recommends his re-appointment.

Mr. Arun Deora(DIN: 00003367) resigned from the Directorship of the Company w.e.f. October 12, 2018.

10. Declaration from Independent Directors:

Your Company has received necessary declarations from each Independent Director confirming that they meet the criteria of independence as prescribed, both, under the provisions of Section 149(7) of the Companies Act, 2013, and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

11. Meetings:

A calendar of Meetings of the Board of Directors of your Company is prepared and circulated in advance to the Directors.

During the year under report, Seven (7) Board Meetings and Five (5) Audit Committee Meetings were convened and held, the details of which are provided in the Corporate Governance Report which forms part of this Annual Report. The intervening gap between two Board Meetings was within the period prescribed under the Companies Act, 2013.

12. Committees:

The various Committees, as required by the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been constituted amongst members of the Board. The present composition

of the various committees are as under:

| S. No. | Name of the Committee | Chairman | Members |
|--------|---------------------------------------|-----------------------------|--|
| 1. | Audit Committee | Mr. Sandeep Chandra | Mr. Sajeve Deora Ms. Alka Jain |
| 2. | Stakeholders Relationship Committee | Mr. Suresh Chander Kapur | Mr. Brijinder Bhushan Deora Mr. Sandeep Chandra |
| 3. | Nomination and Remuneration Committee | Mr. Suresh Chander Kapur | Mr. Brijinder Bhushan Deora Mr. Sandeep Chandra |
| 4. | Investment Committee | Mr. Brijinder Bhushan Deora | Mr. Sandeep Chandra Ms. Alka Jain |

13. Key Managerial Person (KMPs):

Pursuant to section 203 of the Companies Act, 2013, Key Managerial Personnel (KMPs) are to be mandatorily appointed by every company belonging to such class or classes of companies as may be prescribed in the section. Following are the persons holding office as whole-time key managerial personnel of your Company as at March 31, 2019:

Company Secretary (CS): Mr. Lakshay Prakash was appointed as Assistant Company Secretary (Membership No.: A45366) and Compliance Officer of the Company with effect from February 04, 2019.

Ms. Shivani Arora resigned from the office of Compliance Officer with effect from February 04, 2019.

Mr. Lakshay Prakash was appointed as Chief Executive Officer, Key Managerial Personnel of the Company with effect from June 15, 2019.

Chief Financial Officer (CFO): Mr Bhavesh Chadha resigned from the office of Chief Financial Officer (CFO) with effect from April 12, 2019.

Mr. Vivek Jain was appointed as Chief Financial Officer (CFO) of the Company with effect from April 12, 2019.

14. Directors' Responsibility Statement:

Pursuant to the requirement under section 134(3)(c) of the Companies Act, 2013, it is hereby confirmed that:

- In the preparation of annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the loss incurred by the Company during the year ended on that date;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts of the Company on a 'going concern' basis;
- The Directors had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and are operating effectively; and
- The Directors had devised proper systems to ensure compliance with provisions of all applicable laws and that such system are adequate and operating effectively.

15. Related Party Transactions:

All related party transactions that were entered into during the financial year were in the ordinary course of business. There were no materially significant related party transactions which were transacted by the Company with any of the Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the

interest of your Company.

All Related Party Transactions were placed before the Audit Committee and the Board for approval.

The Policy on Related Party Transactions, as approved by the Board is available on the website of the Company. Disclosure of particular of contacts/arrangements entered into by the Company with related parties is attached as “Annexure A”

16. Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013

In accordance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee where any grievance of sexual harassment at workplace can be reported. No complaint pertaining to sexual harassment at workplace has been reported to the Committee during the financial year ended March 31, 2019.

The Company has also adopted policy on prevention of Sexual Harassment at workplace. The objective of the policy is to provide its women employees, a workplace, free from harassment/discrimination and the every employee is treated with dignity and respect. The said policy is available on the website of the Company. i.e. www.raas.co.in

17. Vigil Mechanism/Whistle Blower Policy:

The Company has a Vigil Mechanism/Whistle Blower Policy to deal with fraud and mismanagement, if any. The details of Vigil Mechanism/Whistle Blower Policy are explained in the Corporate Governance Report and have also been posted on the website of the Company.

18. Auditors:

18.1 Statutory Auditors:

The Company's Auditors, M/s Sandeep Varshney & Associates Chartered Accountants (Firm Registration No. 0513271C), Uttar Pradesh, have expressed willingness to be reappointed in the ensuing Annual General Meeting (AGM). Your Company proposes to re-appoint, M/s Sandeep Varshney & Associates Chartered Accountants (Firm Registration No. 0513271C), Uttar Pradesh to hold office till the conclusion of the Thirty First Annual General Meeting of the Company to be held in the year 2024.

18.2 Internal Audit:

Pursuant to provisions of Section 138 of the Companies Act, 2013, your Company has appointed Ms. Charu Arora as an Internal Auditor of the Company. To maintain objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee.

The Internal Auditor examines and evaluates the efficacy and adequacy of internal control systems of your Company, its compliance with accounting procedures and policies of your Company and its subsidiaries. The observations of the Internal Auditor in their report are discussed by the management of your Company on basis whereof corrective action is taken. Significant observations and corrective actions taken for the same are discussed by the Audit Committee of the Board.

18.3 Secretarial Audit:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Khushal Joshi (Certificate of Practice No: 19318), Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is attached as “Annexure B”.

18.4 Certificate of Non Disqualification of Directors

Pursuant to Regulation 34(3) and para C Clause (10) (i) of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Khushal Joshi Practicing Company Secretary has certified that none of the Directors on the Board of the Company for the Financial year ended 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other statutory authority.

The aforesaid Certificate is attached as “Annexure C”

19. Memberships Of The Company:

Your Company continues to hold memberships in (a) **The Institute of Internal Auditors (IIA)**: The IIA is the internal audit profession's global voice, recognized authority, acknowledged leader, chief advocate and principal educator. (b) **Indo German Chamber of Commerce (IGCC)**: IGCC has established India-Desks to promote and facilitate business contacts in various bi-national Chambers of Commerce abroad, different Chambers of Commerce & Industry in Germany and also has one representative in Brussels.

20. Corporate Governance:

Your Company is committed to maintain highest standards of Corporate Governance. The requirements set out by the Securities and Exchange Board of India's Corporate Governance practices are adhered to by the management of your Company. The Report on Corporate Governance, as per the clauses of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of the Annual Report.

The requisite Certificate from the Auditor of the Company, confirming compliance with the conditions of Corporate Governance, as stipulated under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this Annual Report.

21. Consolidated Financial Statements:

The Consolidated Financial Statements of your Company has been prepared in accordance with relevant Accounting Standards (AS) issued by the Institute of Chartered Accountants of India and forms part of this Annual Report.

Form AOC 1 - Statements containing salient features of financial statement of subsidiaries/associates companies/ joint ventures are annexed as **"Annexure D"**.

22. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo:

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

| | |
|---|------------|
| Foreign Exchange Earnings and Outgo: | Rs. |
| Foreign Exchange Earned | 3,49,112 |
| Foreign Exchange Used | NIL |

23. Extract of Annual Return:

The details forming part of the extract of the Annual Return in Form MGT 9, as per the provisions of the Companies Act, 2013 and rules thereto is annexed to this report. Extract of Annual Return is annexed as **"Annexure E"** and the same is also available on the website of the Company <https://www.raas.co.in>.

24. Particulars of Employees:

There is no employee who was employed throughout the year or who was employed for part of the year and whose particulars are required to be given in terms of section 134 of the Companies Act, 2013, read together with the Companies (Particular of Employees) Rules 1975.

25. Acknowledgement:

The Directors avail this opportunity to express their appreciation for the confidence reposed in them by the shareholders and clients of the Company and look forward to their continued support.

For and on behalf of the Board of Directors

Place: New Delhi

Date: July 12, 2019

(Director)
Sajeve Deora
DIN: 00003305

(Director)
Brijinder Bhushan Deora
DIN: 00004942

INTEGRATED CAPITAL SERVICES LIMITED



Annexure A

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014. Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

| Particulars | Details |
|---|---------|
| Name (s) of the related party & nature of relationship | Nil |
| Nature of contracts/arrangements/transaction | Nil |
| Duration of the contracts/arrangements/transaction | Nil |
| Salient terms of the contracts or arrangements or transaction including the value, if any | Nil |
| Justification for entering into such contracts or arrangements or transactions' | Nil |
| Date of approval by the Board | Nil |
| Amount paid as advances, if any | Nil |
| Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | Nil |

2. Details of contracts or arrangements or transactions at Arm's length basis.

| Particulars | Details |
|---|----------------------------------|
| Name (s) of the related party & nature of relationship | KW Publishers Private Limited |
| Nature of contracts/arrangements/transaction | Purchase of books |
| Duration of the contracts/arrangements/transaction | April 01, 2018 to March 31, 2019 |
| Salient terms of the contracts or arrangements or transaction including the value, if any | As per invoice issued. |
| Amount paid as advances, if any | Nil |

| Particulars | Details |
|---|---|
| Name (s) of the related party & nature of relationship | Bhavesh Chadha – Former Chief Financial Officer of the Company |
| Nature of contracts/arrangements/transaction | Remuneration for the services |
| Duration of the contracts/arrangements/transaction | April 01, 2018 to March 31, 2019 |
| Salient terms of the contracts or arrangements or transaction including the value, if any | Prime Responsibility to look after the Management and Operations of the Company in the areas assigned from time to be assigned. |
| Amount paid as advances, if any | Nil |

| Particulars | Details |
|---|--|
| Name (s) of the related party & nature of relationship | Shivani Arora – Company Secretary of the Company |
| Nature of contracts/arrangements/transaction | Remuneration for services |
| Duration of the contracts/arrangements/transaction | April 01, 2018 to March 31, 2019 |
| Salient terms of the contracts or arrangements or transaction including the value, if any | Prime Responsibility will be to look after the Secretarial Compliances of the Company. |
| Amount paid as advances, if any | Nil |

For and on behalf of the Board of Directors

Date: 12.07.2019

Place: New Delhi

Sajeve Deora
DIN: 00003305
(Director)

Brijinder Bhushan Deora
DIN: 00004942
(Director)

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Integrated Capital Services Limited
606, 27, New Delhi House
Barakhamba Road
New Delhi- 110001

I have conducted the Secretarial Audit in respect of the compliance of applicable statutory provisions and adherence to good corporate practices by Integrated Capital Services Limited (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the books, papers, minutes book, forms and returns filed and other records maintained by Integrated Capital Services Limited and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion the Company has, during the audit period covering the financial year ended on March 31, 2019, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019, to the extent applicable, and according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments made therein from time to time; **Not Applicable**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**

- (f) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable**
- (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; **Not Applicable**

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and general meetings.
- (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited read with the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observation:

I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice was given to all directors of the Board Meetings, and the agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Decisions at the Board meetings were carried out through majority and the views of the dissenting members, if any, were captured and recorded as part of the minutes of meetings.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the following events had a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

- (a) The Company had received the Order of Merger pursuant to the Scheme of Merger of Deora Associates Private Limited (DAPL) ("Since dissolved"), with Integrated Capital Services Limited for issue of 2,44,75,000 Equity Shares of Re. 1 each and cancellation of 2,50,41,000 Equity Shares of Re.1 each held by DAPL ("Since dissolved") in the Company was approved by Hon'ble National Company Law Tribunal (NCLT), New Delhi Bench vide its Order dated 26.09.2018.

In terms of the Scheme approved by the Hon'ble NCLT, 2,50,41,000 number of equity shares held by DAPL (since dissolved) were cancelled and 2,44,75,000 fully paid up equity shares of Integrated Capital Services were allotted to the erstwhile shareholders of DAPL.

Thereafter the Company had applied for In-Principle approval to BSE for further listing of 2,44,75,000 Equity Shares of Re.1 each and cancellation of 2,50,41,000 Equity Shares of Re.1 each.

After giving effect to the merger the paid up equity share capital of the Company is 3,55,84,000 listed on BSE.

- (b) The Company had extended the date of redemption of 205,000 7% cumulative preference shares for the period of 3 years. The Preference Shares will be redeemed in the year 2021.

Date: 12 July, 2019

Place: New Delhi

Khushal Joshi
Membership No. A 44655
C. P No. 19318

INTEGRATED CAPITAL SERVICES LIMITED



Annexure-C

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

Integrated Capital Services Limited

606, New Delhi House,

27 Barakhamba Road,

New Delhi - 110001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Integrated Capital Services Limited** having CIN **L74899DL1993PLC051981** and having registered office at **606, New Delhi house, 27 Barakhamba Road, New Delhi - 110001** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|---------|-------------------------|----------|--------------------------------|
| 1 | Brijinder Bhushan Deora | 00004942 | 25-07-2007 |
| 2 | Sajeve Deora | 00003305 | 11-04-2008 |
| 3 | Sandeep Chandra | 00889462 | 09-01-2009 |
| 4 | Suresh Chander Kapur | 00742765 | 01-12-2010 |
| 5 | Alka Jain | 03180218 | 17-03-2015 |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi

Date: 12 July, 2019

Sd/-

Name: **Khushal Joshi**

Membership No: **44655**

CP No.: **19318**

FORM AOC-1

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of financial statement of subsidiaries/associates companies/ joint ventures

Part "A": Subsidiaries

| S. No. | Particulars | Green Infra Profiles Private Limited | RAAS Consulting Private Limited (formerly Known as RAAS e Solutions Private Limited) | ICSL Consulting Private Limited (Formerly known as BTG IP Services Private Limited) |
|--------|-------------------------------|--------------------------------------|--|---|
| | | (Amount, in Rs.) | | |
| 1 | Share Capital | 100,000 | 840,000 | 10,00,000 |
| 2 | Reserves and Surplus | 13,48,137 | 3,657,860 | (186,389) |
| 3 | Total Assets | 10,038,550 | 73,383,423 | 9,28,401 |
| 4 | Total Liabilities | 8,590,413 | 68,885,563 | 9,28,401 |
| 5 | Investments | 0 | 49,34,178 | 0 |
| 6 | Turnover | 18,72,045 | 32 80,000 | 1,900,000 |
| 7 | Profit/(Loss) before taxation | 8,99,028 | (820,758) | 257,972 |
| 8 | Provision for taxation | 0 | 0 | 0 |
| 9 | Profit/(Loss) after taxation | 664,002 | (625,082) | 192,197 |
| 10 | Proposed Dividend | 0 | 0 | 0 |
| 11 | % of shareholding | 100 | 100 | 100 |

Note: The following information shall be furnished at the end of the statements:

1. Name of subsidiaries which are yet to commence operations: **NIL**
2. Name of subsidiaries which have been liquidated or sold during the year: **NIL**

Part "B" Joint Ventures

| S. No. | Name of Associates/Joint Venture | Greenway Advisors Private Limited | *KW Publishers Private Limited | Sun Links Limited (A Company incorporated in England and Wales) |
|--------|---|---|---|---|
| | | (Amt, in Rs.) | | (Amt, in GBP) |
| 1 | Share of Associates/ Joint Venture held by the company on the year end | | | |
| | No. of shares | 10,000 | 40,000 | 2,500 |
| | Amount of Investment in Associate/ Joint Venture | 100,000 | 1,000,000 (including premium) | 2,500 |
| | Extent of Holding % | 50 | 40 | 50 |
| 2 | Description of how there is significant influence | By virtue of shareholding and rights vested in pursuance thereto. | By virtue of shareholding and rights vested in pursuance thereto. | By virtue of shareholding and rights vested in pursuance thereto. |
| 3 | Reason why the associate /joint venture is not consolidated | Not applicable | Not applicable | Not applicable |
| 4 | Net Worth attributable to shareholding as per latest audited Balance Sheet (as at March 31, 2019) | 21,248,321 | 2,234,074 | 19,32,922 |
| 5 | Profit/ (Loss) for the year | | | |
| | Considered in Consolidation | (66,291,146) | 2,22,797 | (1,517,541) |
| | Not consideration in Consolidation | - | - | - |

Note:

*As per un-audited figures.

- A) BTG Global Advisory (BTGGA), a joint venture company, is a company limited by guarantee and its profits/losses are not attributable amongst its shareholders unless so resolved by its Board of Directors.
1. Name of Associates/Joint Ventures which are yet to commence operations: **NIL**
 2. Name of Associates/Joint Ventures which have been liquidated or sold during the year: **NIL**

INTEGRATED CAPITAL SERVICES LIMITED



Annexure E

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2019

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

| | | |
|---|---|--|
| 1 | CIN | L74899DL1993PLC051981 |
| 2 | Registration Date | 03/02/1993 |
| 3 | Name of the Company | INTEGRATED CAPITAL SERVICES LIMITED |
| 4 | Category of the Company / Sub Category of the Company | Indian/Limited By shares/ Non-Government company |
| 5 | Address of the Registered office and contact details | 606, New Delhi House, 27 Barakhamba Road, New Delhi 110001Contact: 011-43542784 |
| 6 | Whether listed company | Yes |
| 7 | Name, Address and contact details of Registrar and Transfer Agent, if any | Link Intime India Pvt. Ltd. Noble Heights, 1 st Floor Plot No. NH-2, C-1 Block, LSC Near Savitri Market, Janakpuri New Delhi 110058 Ph. No. 41410592 to 94 Fax- 41410951 Email- delhi@linkintime.co.in |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

| Sl. No. | Name and Description of main products/ Services | NIC Code of the Product/ Services* | % to total turnover of the Company# |
|---------|---|------------------------------------|-------------------------------------|
| 1 | To render services as an Insolvency Professional Entity (IPE) | 691 – Legal Activities | 100 |

* As per National Industrial Classification – Ministry of Statistics and Programme Implementation

On the basis of Gross Turnover.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE/JOINT VENTURE COMPANIES

| S. no. | Name and Address of the Company | Corporate Identification Number (CIN)/GLN | Holding/ Subsidiary/ Associates | % of shares held | Applicable Section |
|--------|---|---|---------------------------------|------------------|---------------------------------|
| 1. | RAAS Consulting Private Limited (formerly known as (RAAS e Solutions Private Limited) | U74899DL1990PTC042243 | Wholly Owned Subsidiary | 100.00 | 2(87) of the Companies Act 2013 |
| 2. | Green Infra Profiles Private Limited | U74999DL2009PTC191762 | Wholly Owned Subsidiary | 100.00 | 2(87) of the Companies Act 2013 |
| 3. | ICSL Consulting Private Limited (Formerly Known as BTG IP Services Pvt Ltd) | U74999DL2017PTC321892 | Wholly Owned Subsidiary | 100.00 | 2(87) of the Companies Act 2013 |

INTEGRATED CAPITAL SERVICES LIMITED



| | | | | | |
|----|---|-----------------------|---------------|-------|--------------------------------|
| 4. | KW Publishers Private Limited | U22222DL2007PTC162185 | Joint Venture | 40.00 | 2(6) of the Companies Act 2013 |
| 5. | Greenway Advisors Private Limited | U74140DL2010PTC208955 | Joint Venture | 50.00 | 2(6) of the Companies Act 2013 |
| 6. | Sun Links Limited (a company incorporated in England and Wales) | N.A. | Joint Venture | 50.00 | N.A. |
| 7. | BTG Global Advisory | N.A. | Joint Venture | 16.67 | N.A. |

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 0 | 2,40,73,627 | 0 | 0 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i + ii + iii) | 0 | 2,40,73,627 | 0 | 0 |
| Change in Indebtedness during the financial year | | | | |
| • Addition | 0 | 0 | 0 | 0 |
| • Reduction | 0 | 1,86,408 | 0 | 0 |
| Net Change | 0 | 0 | 0 | 0 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 0 | 2,38,87,219 | 0 | 0 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (I + ii + iii) | 0 | 2,38,87,219 | 0 | 0 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole – time Directors and/or Manager:

| SL. No. | Particulars of Remuneration | Name of MD/WTD/Manager | | | | Total Amount |
|---------|---|------------------------|-----|-----|-----|--------------|
| 1. | Gross salary | | | | | |
| | (a) Salary as per provisions contained in section 17 (1) of the Income –tax Act, 1961 | Nil | Nil | Nil | Nil | Nil |
| | (b) Value of perquisites u/s 17 (2) of the Income-tax Act, 1961 | Nil | Nil | Nil | Nil | Nil |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | Nil | Nil | Nil | Nil | Nil |
| 2. | Stock Option | Nil | Nil | Nil | Nil | Nil |
| 3. | Sweat Equity | Nil | Nil | Nil | Nil | Nil |
| 4. | Commission -as % of profit Others specify... | Nil | Nil | Nil | Nil | Nil |

INTEGRATED CAPITAL SERVICES LIMITED



| | | | | | | |
|--|------------------------|-----|-----|-----|-----|-----|
| | Others, please specify | Nil | Nil | Nil | Nil | Nil |
| | Total(A) | 0 | 0 | 0 | 0 | 0 |
| | Ceiling as per the Act | NA | NA | NA | NA | NA |

B. Remuneration to the Directors:

| S. No. | Particulars of Remuneration | Name of Directors | | | | % of Attendance |
|--------|---|---------------------------------|----------|----------|----------|-----------------|
| | 1. Independent Directors | Mr. Suresh Chander Kapur | | | | 100% |
| | • Fee for attending Board Meetings during the year | Rs. 50,000/- | | | | |
| | | Mr. Sandeep Chandra | | | | 100% |
| | • Fee for attending Board Meetings and Audit Committee Meetings during the year | Rs. 70,000/- | | | | |
| | | Ms. Alka Jain | | | | 100% |
| | • Fee for attending Board Meetings and Audit Committee Meetings during the year | Rs. 70,000/- | | | | |
| | Total 1) | Rs. 190,000/- | | | | |
| | 2. Other Non Executive Directors | | | | | |
| | • Fee for attending board Committee meetings | 0 | 0 | 0 | 0 | |
| | • Commission | 0 | 0 | 0 | 0 | |
| | • Others, please specify | 0 | 0 | 0 | 0 | |
| | | 0 | 0 | 0 | 0 | |
| | • Fee for attending board Committee meetings | 0 | 0 | 0 | 0 | |
| | • Commission | 0 | 0 | 0 | 0 | |
| | • Others, please specify | 0 | 0 | 0 | 0 | |
| | Total (2) | 0 | 0 | 0 | 0 | |
| | Total (B)= (1+2) | Rs. 190,000/- | | | | |
| | Total Managerial Remuneration | 0 | 0 | 0 | 0 | |
| | Overall Ceiling as per the Act | 0 | 0 | 0 | 0 | |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/WTD:

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|---|------------------------------|--|--------------------------------|------------------------|
| | | CEO/ Managing Director | *Shivani Arora (Company Secretary) | Mr. Bhavesh Chadha (CFO) | Total |
| 1 | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income – tax Act, 1961 (b) Value of perquisites u/s17(2) Income -tax Act , 1961 (c) Profits in lieu of salary under section 17(3) Income – tax Act, 1961 | 0 | **Rs.5,53,291 0 | Rs. 9,33,682/- 0 | Rs. 1,486,973/- 0 |
| 2. | Stock Option | 0 | 0 | 0 | 0 |
| 3. | Sweat Equity | 0 | 0 | 0 | 0 |
| 4. | Commission - As % of profit - Others, specify... | 0 | 0 | 0 | 0 |
| 5 | Total | 0 | Rs. 553,291/- | Rs. 933,682/- | Rs. 1,486,973/- |

INTEGRATED CAPITAL SERVICES LIMITED



* * Mr. Lakshay Prakash is appointed as Chief Executive Officer, Key Managerial Personnel of the Company with effect from June 15, 2019.

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of The Companies Act, 2013 | Brief description | Details of Penalty/ Punishment/ compounding fees imposed | Authority[RD/ NCLT/ COURT] | Appeal made, if any (give details) |
|---|------------------------------------|-------------------|--|----------------------------|------------------------------------|
| COMPANY, DIRECTORS AND OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | None | None | None | None | None |
| Punishment | None | None | None | None | None |
| Compounding | None | None | None | None | None |

For and on behalf of the Board of Directors

Date: 12.07.2019

Place: New Delhi

Sajeve Deora
DIN: 00003305
(Director)

Brijinder Bhushan Deora
DIN: 00004942
(Director)

Management Discussion and Analysis Report**Market overview**

The Company had changed its Main Objects to undertake rendering services as an Insolvency Professional Entity in accordance with the provisions of Insolvency and Bankruptcy Code, 2016.

The laws around Insolvency and Bankruptcy are seeing changes and newer introductions and modifications, and have since achieved a significant level of predictability.

The market for IPE Services has seen significant growth and the Company will engage with Insolvency Professionals as part of its strategic plan to render services.

The pre-requisites on the side of the Company to making an Application seeking registration as an IPE are under completion, and the Company may be in a position to make the necessary Application in the near future.

Opportunities and threats

The Company expects to attract business and opportunities on the strength of background and experience of Directors of the Company in the fields of Restructuring, Turnaround and Insolvency, and the relationships and associations established by the Company with several overseas professionals working in the similar fields.

The services intended to be taken up by IPE require agility in delivery and are highly compliance oriented.

The availability of skilled and capable manpower and professionals will remain key to delivery. The Company hopes to rely on training and upskilling of its team at the offices of its overseas associates, the latter having long years of experience in similar services.

Risks and Concerns

Execution of assignments by IPE requires multi-disciplinary teams having skills in different fields, which primarily include Resolution of insolvency, Business and Management.

Outlook

The market activity is expected to grow for IPE's, particularly backed by an increasing level of cross border activity.

The Company expects to wishes to establish itself as a recognized service provider.

Segment-wise or product-wise performance

The Company was earlier into a single reportable segment only, i.e., Business Advisory and Consulting Services, and it is under change to Services in the nature of Insolvency Professional Entity. There are no separate segment wise details to be provided.

Internal control systems and their adequacy

The Company has adequate internal control systems commensurate with the size and nature of its operations. All the transactions entered into by the Company are duly authorized and recorded correctly. The top management and the Audit Committee of the Board of Directors review the adequacy and effectiveness of internal control systems from time to time. The Company has adopted Internal Financial Control Policy for ensuring orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

Accounts of the Company

The Company has prepared its annual accounts as at/ for the year ended March 31, 2019 in accordance with Indian GAAP. Financial Accounts of the Company for the year ended March 31, 2019 are available on the website of the Company, www.raas.co.in.

Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2019.

1. Company's Philosophy

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

- (i) conduct of business with all integrity and fairness, transparency with regard to all transactions, making of all necessary disclosures and decisions, complying with all applicable laws, accountability and responsibility towards all stakeholders.
- (ii) adoption of sound practices based on openness, transparency, capability and accountability which are essential for long term success, building confidence of stakeholders, functioning and conduct of business.

2. Board of Directors

The composition of Board of Directors of the Company is in line with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and at least one third of the Board comprises of Independent Directors of the Company.

Mr. Sajeve Deora (DIN: 00003305), Director of the Company, retires at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment to the said office .

Directors' Profile

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

- (i) **Mr. Brijinder Bhushan Deora**, aged 86, is a qualified Chartered Accountant and Cost Accountant having more than 56 years' experience with large corporate houses wherein he has held functional responsibility for matters concerning finance, taxation, legislation, business structuring and restructuring matters..

He is the Chairman of the Investment Committee and a member of Stakeholder Relationship Committee and Nomination and Remuneration Committee of the Board.

Mr. Brijinder Bhushan Deora holds 23,49,600 equity shares of the Company as on March 31, 2019.

- (ii) **Mr. Sajeve Deora**, aged 59, is the son of Mr. Brijinder Bhushan Deora, the Chairman & Director of the Company. Mr. Sajeve Deora is a qualified Chartered Accountant having more than 35 years of experience in providing advisory and consulting services in fields of Corporate and related Economic legislations, restructuring of business and debts, structuring entry strategy for overseas investments, mergers, acquisitions and takeovers, capital issues and identifying vendors for new project investments.

He is also listed in on the panel of Arbitrators maintained by the Institute of Chartered Accountants of India. Mr. Sajeve Deora is a member of HWW Weinberg Wilhem, specialists in areas of insolvency administration (hww wienberg Wilhelm Insolvenzverwalter Partnerschaft), restructuring consulting (hww Unternehmensberater GmbH) and insolvency-related legal counselling (hww wienberg wilhelm Rechtsanwälte Partnerschaft).

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

Mr. Sajeve Deora is registered as registered Insolvency Professional under Insolvency and Bankruptcy Code.

Sajeve Deora holds 102, 30,550 equity shares of the Company as on March 31, 2019

Sajeve Deora (HUF) holds 6,00,000 equity shares of the Company as on March 31, 2019.

- (iii) **Mr. Suresh Chander Kapur**, aged 79, is a graduate with physics and Mathematics as main subjects and holds diploma in Synthetics Fibres from SASMERA, Bombay. He has more than 53 years of experience in the field of General Management, Project Management, Marketing and Procurement in Edible oils, Petrochemicals and Man-made fibre industries, International trading, issues related to budget, WTO and Anti-dumping.

He is the Chairman of the Stakeholders Relationship Committee and the Nomination and Remuneration Committee.

Mr. Suresh Chander Kapur does not hold any share of the Company as on March 31, 2019.

- (iv) **Mr. Sandeep Chandra**, aged 58, is a qualified Chartered Accountant having experience of about 32 years in managing a family owned sugar manufacturing factory. The main areas of expertise of Mr. Sandeep Chandra include finance, banking and related technical and administrative functions.

He is the Chairman of the Audit Committee and is also member of the Stakeholder Relationship Committee, the Nomination and Remuneration Committee and the Investment Committee of the Company.

Mr. Sandeep Chandra does not hold any share of the Company as on March 31, 2019.

- (v) **Ms. Alka Jain**, aged 56, is educationally qualified as a B.ED. from Anna Malai University, Chennai. She has experience of about 31 years as Corporate Dealer, Distributor, Marketing Executive in areas of Leadership Skill and Micro Finance, Coordinator and founder of “Prakruti Meditation and Cosmic Cure” and founder of a Non-Government Organisation “Disha Educational Society”. She has worked at Lancers International School, Gurgaon as ESL Consultant and at Pathways World School as ESL teacher.

She is a member of the Audit Committee and the Investment Committee of the Company.

Mrs. Alka Jain does not hold any share of the Company as on March 31, 2019.

***Details of the Directors proposed to be re-appointed at the Annual General Meeting.**

| | | |
|---|--|--------|
| Name of Director | Mr. Sajeve Deora | |
| Date of Birth | 27.12.1959 | |
| Date of Re- Appointment | 25.11.2017 | |
| Qualification | Chartered Accountant | |
| Experience in Specific | Mr. Sajeve Deora is a qualified Chartered Accountant, having more than 35 years of experience in providing advisory and consulting services in fields of Corporate and related Economic legislations, restructuring of business and debts, structuring entry strategy for overseas investments, mergers, acquisitions and takeovers, capital issues and identifying vendors for new project investments. He is registered as Insolvency Professional under Insolvency and Bankruptcy Code, 2016. | |
| Directorship held in other companies | 4 | |
| Chairman/member of the Committee of the Board of Directors of the Company | Chairman | Member |
| | 0 | 1 |
| Chairman/member of the Committee of the Board of Directors of other Company | Chairman | Member |
| | 2 | 3 |
| Number of Shares held in the Company | 1,02,30,550 equity shares of Re. 1.00 each | |
| Relationship with other Directors | Son of Mr. Brijinder Bhushan Deora (Non-Executive Director – Promoter) | |

Details of the Director proposed to be re- appointed at the Annual General Meeting by way of Special Resolution:

| | | |
|---|---|--------|
| Name of Director | Shri Suresh Chander Kapur | |
| Date of Birth | 01-10-1939 | |
| Date of Re-Appointment | 12.04.2019 | |
| Qualification | Graduate with Physics and Mathematics as main subjects and holds diploma in Synthetics Fibers from SASMERA, Bombay | |
| Experience in Specific | Shri Suresh Chander Kapur has more than 50 years of experience in the field of General Management, Project Management, Marketing and Procurement in Edible oils, Petrochemicals and Man-made fiber industries, International trading, issues related to budget, WTO and Anti-dumping. | |
| Directorship held in other companies | 1 | |
| Chairman/member of the Committee of the Board of Directors of the Company | Chairman | Member |
| | 3 | 0 |
| Chairman/member of the Committee of the Board of Directors of other Company | Chairman | Member |
| | 0 | 0 |
| Number of Shares held in the Company | NIL | |
| Relationship with other Directors | Not Applicable | |

Details of the Director proposed to be re- appointed at the Annual General Meeting by way of Special Resolution:

| | | |
|---|---|--------|
| Name of Director | Shri Sandeep Chandra | |
| Date of Birth | 14-09-1960 | |
| Date of Re-Appointment | 12.04.2019 | |
| Qualification | Chartered Accountant | |
| Experience in Specific | Shri Sandeep Chandra has an experience of 33 years in managing a family owned sugar manufacturing factory and supervising financial, banking, technical and administrative functions thereof. | |
| Directorship held in other companies | 2 | |
| Chairman/member of the Committee of the Board of Directors of the Company | Chairman | Member |
| | 1 | 3 |
| Chairman/member of the Committee of the Board of Directors of other Company | Chairman | Member |
| | 0 | 1 |
| Number of Shares held in the Company | NIL | |
| Relationship with other Directors | Not Applicable | |

Meetings/ AGM and other directorships and chairmanships/ memberships of Committees:

| S. No. | Name of Director | Category of Directorship | Attendance of Meetings during 2018-19 | | No. of Directorships and Committee Memberships / Chairmanships (including this Company) | | |
|--------|-----------------------------|------------------------------------|---------------------------------------|----------|---|-----------------------|-------------------------|
| | | | Board Meetings | Last AGM | Directorships | Committee Memberships | Committee Chairmanships |
| 1. | Mr. Brijinder Bhushan Deora | Chairman | 7 | Yes | 3 | 2 | 1 |
| 2. | Mr. Sajeve Deora | Non-Executive – Promoter | 7 | Yes | 5 | 3 | 2 |
| 3. | Mr. Suresh Chander Kapur | Non-Executive Independent director | 7 | No | 1 | 0 | 0 |
| 4. | Mr. Sandeep Chandra | Non-Executive-Independent director | 7 | Yes | 2 | 1 | 1 |
| 5. | Ms. Alka Jain | Non-Executive-Independent director | 7 | No | 0 | 2 | 0 |

*The Directorships, held by Directors above, do not include directorships in foreign companies.

In accordance with Regulation 20 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships/Chairmanships of only Audit Committees and Stakeholders Relationship Committees in all public limited companies have been considered.

No. of Directorship in other listed entities.

| S.no. | Name of Director | Directorship held in other listed Companies |
|-------|-----------------------------|--|
| 1. | Mr. Sajeve Deora | 1) India Glycols Limited |
| 2. | Mr. Brijinder Bhushan Deora | 2) DLF Limited (Ceased to hold directorship from April 01, 2019) |

3. Meetings of the Board of Directors
Appointment and Tenure

The Directors of the Company are appointed by Members at the General Meetings.

As regards the appointment and tenure of Independent Directors, the following policy has been adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Independent Directors will serve a maximum of two terms of five years each.
- The Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by provisions of the Companies Act, 2013.

Board Independence

The interpretation of the term 'Independence' of Directors has been based on Regulation 25 of SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. Upon confirmation / disclosures received from the Directors and on evaluation of the same, all Non-Executive Directors, other than the Chairman and Promoter Directors, are confirmed to be Independent.

Separate Independent Directors Meetings

The Independent Directors met once during the year under report, i.e., March 28, 2019, without the presence of Executive Directors or Management representatives.

The Independent Directors, inter alia, discussed the following:

- the performance of non-Independent Directors and the Board as a whole;
- the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

In addition to these formal meetings, interactions outside the Board meetings also take place between the Chairman and Independent Directors.

Appointment Letter and Familiarisation programmes for the Board Members

At the time of appointing a director a formal letter of appointment is given to him/ her, which inter alia explains the roles, functions, duties and responsibilities expected to be discharged by him/ her during his/ her tenure as director of the Company.

The Independent Directors go through a familiarisation programme to familiarise them with the Company, their role, rights, responsibilities in the Company, nature of industry in which the Company operates, business model, management structure, industry overview, internal control systems and processes and the like.

Details of the familiarisation programme of the Company may be accessed at web link: <http://www.raas.co.in/investor.html>.

Board Meetings

During the year ended March 31, 2019, Seven (7) meetings of the Board of Directors were held on April 13, 2018, July 17, 2018, October 12, 2018, November 05, 2018, January 11, 2019, February 04, 2019 March 27, 2019.

4. Committees of the Board

The Board has established the following statutory and non-statutory committees:

Audit Committee

The Audit Committee comprises Mr. Sandeep Chandra as Chairman, Mr. Sajeve Deora and Ms. Alka Jain, as Members. The Company Secretary is the Secretary of the Committee.

The terms of reference of the Audit Committee are as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Section 177 of the Companies Act, 2013, and includes such other functions as may be assigned to it by the Board. Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia performs the following functions, amongst others:

- a) overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- b) recommending to the Board, the appointment, re-appointment of the Statutory Auditor and Internal Auditor and fixation of audit fees and approval for payment of any other services;

- c) reviewing with the Management, the annual financial statements before submission to the Board for approval;
- d) reviewing with the Management, the quarterly and annual Financial Statements before submission to the Board for approval;
- e) reviewing with the Management the performance of the Statutory Auditors and the Internal Auditors and the adequacy of internal audit systems
- f) reviewing with the Management the adequacy of internal audit functions.

The meetings of Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors and Internal Auditor as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting is placed and confirmed in the next meeting of the Board.

The Audit Committee met five (5) times during the financial year ended March 31, 2019 which were on April 13, 2018, July 13, 2018, October 12, 2018, January 11, 2019 and March 27, 2019.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises Mr. Suresh Chander Kapur as Chairman and Mr. Brijinder Bhushan Deora and Mr. Sandeep Chandra, as Members.

In terms of Section 178(1) of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee should comprise of at least three Directors, all of whom should be Non-Executive Directors. At least half of the Committee members should be Independent with an Independent Director acting as the Chairman of the Committee.

The Company Secretary is the Secretary of the Committee.

The terms of reference of the Nomination and Remuneration Committee is in accordance with the Companies Act, 2013 and Part II of Schedule D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which inter alia deals with manner of selection of Directors, Key Managerial Personnel and Senior Management Personnel, formulation of criteria for evaluation of the performance of the Directors and determining the remuneration of Key Managerial Personnel and other employees of the Company.

The Nomination and Remuneration Committee met four (4) times during the financial year on April 13, 2018, July 13, 2018, October 12, 2018 and February 04, 2019.

Details of Remuneration of Non-Executive Directors for the Financial Year ended March 31, 2019

(Rs.)

| S. No. | Name | Sitting Fees* |
|--------|--------------------------|---------------|
| 1. | Mr. Suresh Chander Kapur | 50,000 |
| 2. | Mr. Sandeep Chandra | 70,000 |
| 3. | Ms. Alka Jain | 70,000 |

*Denotes sitting fees paid for attending Board meetings and Board Committee meetings.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises Mr. Suresh Chander Kapur as Chairman and Mr. Brijinder Bhushan Deora and Mr. Sandeep Chandra, as Members.

The Committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in quality of investor service. The committee also looks into redressal of shareholders'/ investors complaints.

During the financial year ended March 31, 2019, the Committee met five (5) times on April 13, 2018, May 04, 2018, July 13, 2019, October 12, 2019 and January 11, 2019.

The Company Secretary is designated as the Compliance Officer for resolution of Shareholders' complaints.

All the requests received during the year for issue of new share certificates after split of shares and request for Transfer of Shares were attended to and resolved satisfactorily.

Investment Committee

The Investment Committee comprises Mr. Brijinder Bhushan Deora as Chairman and Mr. Sandeep Chandra and Ms. Alka Jain, as Members.

The Company Secretary is the Secretary of the Committee.

The role of Investment Committee inter alia includes:

- a) review of investment policies and strategies of the Company and its subsidiaries;
- b) investment of funds of the Company in fixed/ term deposits with banks and/ or bodies corporate, in shares/ debentures of companies, Government Securities up to an amount within the limit prescribed under Section 186 of the Companies Act, 2013 at any one time, or as may be decided by the Board; and
- c) To examine opportunities in the nature of strategic investments/ alliance/s, mergers, acquisitions, etc and to monitor implementation of the decisions.

During the financial year ended March 31, 2019, the Committee met four (4) times on April 13, 2018, July 13, 2018, October 12, 2018 and January 11, 2019.

5. Affirmation and Disclosures

All the members of the Board and Management have affirmed their compliance with the Code of Conduct as on 31st March, 2019 and a declaration to that effect, signed by the Chief Financial Officer (CFO), is attached and forms part of this Report. There were no material financial or commercial transaction, between the Company and members of the Management that may have a potential conflict with the interest of the Company at large. All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

6. Disclosures on materially significant related party transactions

Attention of Members is drawn to the disclosure of transactions with related parties which are set out in Notes on Accounts – Note No. 34 – forming part of the audited accounts of the Company. None of the transactions with any of the related parties were in conflict with the interests of the Company.

7. Shareholder Information

General Body Meetings The Location, date and time of the Annual General Meetings held during the preceding Three (3) years and the Special Resolutions, if any, passed thereat are as follows:

| Year | Location | Date and Time | Special Resolutions Passed |
|---------|--|---------------------------------|--|
| 2017-18 | Orana Hotels & Resorts, Westend Greens, NH 8, Delhi Gurgaon Expy, Near Shiv Shakti Murti, New Delhi-110037 | September 29, 2018 at 9.00 a.m | i) Change of Object Clause ii) Continuation of directorship of Shri Suresh Chander Kapur as an Independent Director on attaining the age of 75 years. iii) Continuation of directorship of Shri Brijinder Bhushan Deora on attaining the age of 75 years |
| 2016-17 | Check in by ORAN, 104, Babar Road, Opp World Trade Center, Connaught Place, New Delhi – 110001 | November 25, 2017 at 11:00 a.m. | NIL |
| 2015-16 | 606, New Delhi House, Barakhamba Road, New Delhi 110 001 | May, 28, 2016 at 11.00 AM. | Appointment of Mr. Ram Lubhaya Kaura as Director-Finance of the Company. |

8. Extra Ordinary General Meeting

No Extra Ordinary General Meeting was held during the year ended March 31, 2019.

9. Subsidiary Companies

100% Subsidiary Company – RAAS Consulting Private Limited (RAAS)

RAAS Consulting Private Limited (formerly known as RAAS e Solutions Private Limited) is a company engaged in providing services in areas of restructuring, advisory and support, and remote accounting and support, on an outsourced basis, to clients within and outside India.

RAAS has successfully developed processes for business and process restructuring and work flow for systematic and for remote accounting, which are customized to suit client requirements.

RAAS provides expert guidance and advice to corporate clients for drawing up financial statements in compliance with international accounting standards.

RAAS also provides expert advice in areas of law and taxation.

100% Subsidiary Company - Green Infra Profiles Private Limited

Green Infra Profiles Pvt. Ltd. provides advisory services for management consultancy, advisory services

100% Subsidiary Company – ICSL Consulting Private Limited (formerly known as BTG IP Services Private Limited)

ICSL Consulting Private Limited (formerly known as BTG IP Services Private Limited) exclusively provides Insolvency Professional Services under the provisions of the Insolvency and Bankruptcy Code, 2016.

During the year, pursuant to the de-recognition order received from Insolvency Bankruptcy Board of India (IBBI),

the company has changed its object to provide Management Consultancy related services and thereafter changed its name to ICSL Consulting Private Limited.

Joint Ventures

KW Publishers Private Limited

KW Publishers Private Limited is a joint venture wherein the Company has equity investment of 40%.

KW Publishers Private Limited is engaged in business of publishing and distributing books on various subjects including International Politics.

Sun Links Limited

Sun Links Limited is a joint venture company set up in the U.K. through 50% equity participation.

Sun Links Limited provides consulting services in commercial transactions.

Greenway Advisors Private Limited

Greenway Advisors Private Limited is a joint venture wherein the Company has equity investment of 50%.

Greenway Advisors Private Limited provides consulting services in commercial transactions.

Greenway Advisors Private Limited has promoted a joint venture Company with Borrelli Walsh Limited, a Company incorporated in Hong Kong, by the name of Borrelli Walsh India Private Limited, which shall be engaged in the business of providing services in the area of business and operational reviews, stabilising Companies in crisis through restructuring underperforming business lines, advising clients on improving Company's performance and assist the Board of Directors of Companies with the conduct of its distressed affairs and establish the options available to companies and their stakeholders. The Company has received the incorporation certificate on June 17, 2019 from Ministry of Corporate Affairs (MCA).

Greenway Advisors Private Limited has an equity investment of 20% in Borrelli Walsh India Private Limited.

BTG Global Advisory

BTG Global Advisory is a multi-disciplinary organization, offering a broad range of professional services to provide practical and enterprise solutions to business problems. Its members include insolvency and restructuring advisors, turnaround and profit improvement consultants, forensic investigators and other litigation support professionals and investment banking/M&A transaction advisors, amongst other specialists.

10. Means of Communication

Quarterly Results

The Quarterly Results of your Company are published in 'The Financial Express' (English) and 'Jansatta' (Hindi).

Annual Report

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

Website

Your Company's standalone results and other corporate information are published on its website at www.raas.co.in

11. General Shareholders Information

Company Registration Details

INTEGRATED CAPITAL SERVICES LIMITED



Your Company is registered with Registrar of Companies, National Capital Territory of Delhi and Haryana, India having its registered office at 606, New Delhi House, 27, Barakhamba Road, New Delhi-110001. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74899DL1993PLC051981.

Annual General Meeting

Date : September 30, 2019
Venue : The Ocean Pearl Retreat
Chattarpur Mandir Road, Satbari
New Delhi-110074
Time : 09:00 A.M.
Financial Year : April 1, 2018 to March 31, 2019
Book Closure Period : Tuesday, 24th day of September, 2019 to Monday,
30th day of September, 2019 (both days inclusive) for AGM

Last date of receipt of Proxy Forms: Saturday, 28th day of September, 2019.

Calendar of Financial Year ended 31st March, 2019

The meetings of Board of Directors for approval of quarterly financial results during the Financial Year ended 31st March, 2019 were held on the following dates:

| | |
|--|--------------------------------|
| First Quarter Results | 17 th July, 2018 |
| Second Quarter and Half Yearly Results | 12 th October, 2018 |
| Third Quarter Results | 11 th January, 2019 |
| Fourth Quarter and Annual Results | 12 th April, 2019 |

Tentative Calendar for financial year ending 31st March, 2020

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending 31st March, 2020 are as follows:

| | |
|--|--------------------------------|
| First Quarter Results | 12 th July, 2019 |
| Second Quarter and Half Yearly Results | 12 th October, 2019 |
| Third Quarter Results | 11 th January, 2020 |
| Fourth Quarter and Annual Results | 12 th April, 2020 |

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

| Stock Exchange | No. of Shares Listed | Scrip Code and Scrip ID |
|---|----------------------|--------------------------------------|
| Bombay Stock Exchange Limited (BSE) P.J. Towers, 1 st Floor, New Trading Ring, Dalal Street, Mumbai 400001 | *355,84,000 | Scrip Code: 539149 Scrip ID: ICSL |

INTEGRATED CAPITAL SERVICES LIMITED



*During the year under review, the Holding Company, Deora Associates Private Limited (since dissolved) had merged into your Company.

In terms of the Scheme of Merger approved by the Hon'ble National Company Law Tribunal, New Delhi Bench vide its order dated September 26, 2018, 2,50,41,000 equity shares of Re.1 each held by Deora Associates Private Limited (since dissolved), in the Company were cancelled and 2,44,75,000 fully paid equity shares of the Company were issued to the erstwhile shareholders of Deora Associates Private Limited (since dissolved) in the share exchange ratio provided in the aforesaid scheme.

The Company after completing the corporate actions of NSDL and Link In Time India Private Limited, received the trading approval from BSE on March 07, 2019 for trading of 3,55,84,000 equity shares .

The Share Capital was reduced from 3,61,50,000 to 355,84,000 equity shares.

Market Price Data

| Month | High | Low |
|-----------|------|------|
| Apr - 18 | 4.51 | 3.68 |
| May - 18 | 3.84 | 2.71 |
| Jun - 18 | 3.49 | 2.62 |
| Jul - 18 | 4.14 | 3.32 |
| Aug - 18 | 3.45 | 2.65 |
| Sept - 18 | 4.20 | 3.19 |
| Oct - 18 | 4.20 | 3.05 |
| Nov - 18 | 3.19 | 2.26 |
| Dec- 18 | 2.73 | 2.57 |
| Jan - 19 | 3.10 | 2.45 |
| Feb - 19 | 3.09 | 2.67 |
| Mar - 19 | 2.54 | 1.26 |

Payment of Depository Fees

Annual Custody/Issuer Fee for the year 2018-19 has been paid by your Company to NSDL and CDSL.

Stock Market Data

During the year the shares of your Company have been traded on Bombay Stock Exchange Limited where the shares of your Company are listed during the year.

Registrar and Transfer Agent

Link Intime India Pvt Limited

Noble Heights, 1st Floor,
Plot No. NH-2, C-1 Block, LSC,
Near Savitri Market, Janakpuri,
New Delhi – 110058.

Tel No : +91 011-41410592, 93, 94

E-mail id : delhi@linkintime.co.in

Website : www.linkintime.co.in

Share Transfer System

Presently, the share transfers which are received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete

in all respects. The Board of your Company has delegated the authority for approving transfer, transmission etc. of the Company's securities to the Share Transfer and Investors' Grievance Committee. Your Company shall submit a compliance certificate to the exchange, duly signed by both the Compliance Officer of the Company and the Authorised Representative of the share transfer agent, within one month of end of each half of the financial year, certifying that all activities in relation to both physical and electronic share transfer facility are maintained either in house or by Registrar and Share Transfer Agent registered with SEBI, as required under Regulation 7(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Distribution of Equity Shareholding as on March 31, 2019

| S. No. | Category | Shares | | | |
|--------|------------------------------|-----------------------------------|-----------------------|--------------------|-----------------------|
| | | Electronic Form and Physical Form | | Total | |
| | | No. of Shares | %age of Total Capital | No. of Shares | %age of Total Capital |
| 1 | Promoters and Promoter Group | 25,075,000 | 70.47 | 25,075,000 | 70.47 |
| 2 | Public | 10,509,000 | 29.53 | 10,509,000 | 29.53 |
| | *Total | 3,55,84,000 | 100.00 | 3,55,84,000 | 100.00 |

Shareholding Pattern by Size (NSDL+CDSL+Physical) As on March 31, 2019

| Shareholding of Shares | Number of Shareholders | % of Total Shareholders | Shares | % of Total Share Capital |
|------------------------|------------------------|-------------------------|-----------------|--------------------------|
| 1-500 | 287 | 28.5288 | 30241 | 0.0850 |
| 501-1000 | 92 | 9.1451 | 86137 | 0.2421 |
| 1001-2000 | 54 | 5.3678 | 91851 | 0.2581 |
| 2001-3000 | 31 | 3.0815 | 85309 | 0.2397 |
| 3001-4000 | 16 | 1.5905 | 61002 | 0.1714 |
| 4001-5000 | 223 | 22.1670 | 1111130 | 3.1226 |
| 5001-10000 | 232 | 23.0616 | 2034499 | 5.7175 |
| 10001 -above | 71 | 7.0577 | 32083831 | 90.1636 |
| Total : | 1006 | 100.0000 | 35584000 | 100.0000 |

Distribution of Preference Shareholders as on March 31, 2019

As on March 31, 2019, Kalakar Exports Private Limited holds 2,05,000 7%, Non Convertible and Redeemable Preference Shares of Rs. 100/- each. All these shares are in Demat form.

Address for Correspondence

All shareholders' correspondence should be addressed to M/s. Link Intime India Private Limited, Noble Heights, 1st Floor, Plot No. NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi – 110058 or at the Registered Office of the Company at 606, New Delhi House, 27 Barakhamba Road, New Delhi 110001.

The Company's dedicated e-mail address for Investors' Complaints and other communications is contact@raas.co.in.

Disclosure of Accounting Treatment

Your Company has followed the principles of accounting as prescribed in the Indian Accounting Standards and accordingly, there is no explanation required to be given by the management, as per Regulation 48 of SBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015.

12. Disclosure relating to web-link

Your Company's policy for determining "material" subsidiaries is on website link at <http://www.raas.co.in/images/Policy%20for%20Determining%20Material%20Subsidiary.pdf>.

Your Company's policy for dealing with Related Party Transactions is published on website link at <http://www.raas.co.in/images/Related%20Party%20Transactions-Policy.pdf>

13. Whistle Blower Policy

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. A Vigil Mechanism has been put in place to provide a channel to the employees and directors to report to the management concerns about unethical behavior, actual or suspected.

The Whistle Blower Policy is available on the website of your Company at <http://www.raas.co.in/images/Whistle%20Blower%20Policy.pdf>

14. Payment to Auditors

The Company has paid Statutory Audit fee of Rs. 3,50,000 for the financial year 2018-19.

15. Adoption of Requirements of Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Company has complied with all the mandatory requirements of Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable.

For and on behalf of the Board of Directors

Place: New Delhi

Date: July 12, 2019

(Director)

Sajeve Deora
DIN: 00003305

(Director)

Brijinder Bhushan Deora
DIN: 00004942

Chief Financial Officer (CFO) Certification

I, the undersigned, in my respective capacity as Chief Financial Officer (CFO) of Integrated Capital Services Limited ("the Company"), to the best of my knowledge and belief certify that:

- a) I have reviewed the financial statements and the cash flow statement for the Financial Year ended 31st March, 2019 and based on my knowledge and belief, I state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any 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 the existing accounting standards, applicable laws and regulations.
- b) I further state that to the best of my knowledge and belief, there is no transaction entered into by the Company during the year, which is fraudulent, illegal or violative of the Company's code of conduct.
- c) I hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d) I am responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- e) I have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
 - (i) significant changes, if any, in the internal control over financial reporting during the year;
 - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Date: July 12, 2019

Place: New Delhi

(Chief Financial Officer)

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of

Integrated Capital Services Limited

We have examined the compliance of conditions of Corporate Governance by Integrated Capital Services Limited, for the year ended on March 31 2019, as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23. 24, 25, 26 and 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23. 24, 25, 26 and 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Date: August 28, 2019

Place: New Delhi

For Sandeep Varshney & Associates

Chartered Accountants

Firm's Registration No: 0513271C

Sandeep Varshney

Partner

Membership No. 092329

INDEPENDENT AUDITOR'S REPORT ON STANDALONE IND-AS FINANCIAL STATEMENTS

To the members of **Integrated Capital Services Limited**

Opinion:

We have audited the accompanying Standalone Ind-AS financial statements of **Integrated Capital Services Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its financial performance, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters:

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

Responsibilities of Management and those charged with governance for the Standalone Ind-AS financial statements:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of Standalone Ind AS Financial Statement:

Our objectives are to obtain reasonable assurance about whether the Standalone Ind-AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind-AS financial statements.

A further description of the auditor's responsibilities for the audit of the Standalone Ind-AS financial statements is included in **"Annexure A"**. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - a) We have sought and 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 it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Ind-AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with of the Companies (Indian Accounting Standard) Rules, 2015, as amended.
 - e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure C"**.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have pending litigations which would impact on its financial position in its Standalone Ind-AS financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Sandeep Varshney & Associates
Chartered Accountants
Firm Registration No. 0513271C
By the hand of

Sandeep Kumar Gupta
Proprietor
Membership No. 092329

April 12, 2019
Anoopshahr, UP (Camp New Delhi)

ANNEXURE 'A' OF INDEPENDENT AUDITOR'S REPORT

(Annexure referred under the heading 'Auditor's Responsibilities for the Audit of Standalone Ind AS Financial Statement' of our report of even date to the Standalone Ind AS financial statements of the Company for the year ended March 31, 2019)

Responsibilities for Audit of Financial Statement:

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (i) Identify and assess the risks of material misstatement of the Standalone Ind-AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind-AS financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (v) Evaluate the overall presentation, structure and content of the Standalone Ind-AS financial statements, including the disclosures, and whether the Ind-AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind-AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For Sandeep Varshney & Associates
Chartered Accountants
Firm Registration No. 0513271C
By the hand of

Sandeep Kumar Gupta
Proprietor
Membership No. 092329

April 12, 2019
Anoopshahr, UP (Camp New Delhi)

“ANNEXURE B” TO INDEPENDENT AUDITOR’S REPORT

(Annexure referred under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report of even date to the Standalone Ind AS financial statements of **Integrated Capital Services Limited** for the year ended March 31, 2019)

- i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
(b) As per information and explanation given to us, the property, plant and equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
(c) The Company does not own any immovable property.
- ii) The Company does not own any inventory.
- iii) The Company has granted unsecured loans to its wholly owned subsidiary covered in the register maintained under section 189 of the Act:
 - a) The terms and conditions of aforesaid loans are not prejudicial to the interests of the Company.
 - b) The receipts of principal and interest are as per mutually agreed stipulations.
 - c) There is no overdue amount in respect of aforesaid loan.
- iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provision of section 185 and 186 of the Act, in respect of loans, making investments and providing guarantees and securities, as applicable.
- v) According to the information and explanation given to us, the Company has not accepted any deposits during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Act.
- vi) According to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act in respect of activities carried out by the Company.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been regular in depositing with appropriate authorities undisputed statutory dues including investor education and protection fund, income-tax, goods and service tax, sales tax, service tax, cess, and other statutory dues as applicable to it and no undisputed amounts payable in respect of aforesaid dues were outstanding as at March 31, 2019, for a period more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues which have not been deposited on account of any dispute.
- viii) In our opinion and according to the information and explanations given to us, the Company does not have any loans or borrowings from financial institutions, government and debenture holders.
- ix) The Company did not raise any money by way of initial public offer or further public offer. The Company has also not obtained any term loan during the year.
- x) To the best of our knowledge and according to the information and explanations given to us, we have neither come across any instances of fraud by the Company or any fraud on the Company by its officers or employees noticed or reported during the year.
- xi) According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) The Company is not a nidhi company.

INTEGRATED CAPITAL SERVICES LIMITED



- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- xiv) The Company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year under review.
- xv) On the basis of records made available to us and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Sandeep Varshney & Associates
Chartered Accountants
Firm Registration No. 0513271C
By the hand of

April 12, 2019
Anoopshahr, UP (Camp New Delhi)

Sandeep Kumar Gupta
Proprietor
Membership No. 092329

ANNEXURE 'C' TO INDEPENDENT AUDITOR'S REPORT

(Report on the Internal Financial Controls under Clause (i) of sub-section 3 of the section 143 of the Act)

We have audited the internal financial controls over financial reporting of **INTEGRATED CAPITAL SERVICES LIMITED** ("the Company") as of March 31, 2019, in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for laying down and maintaining internal financial controls based on 'the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls Over Financial Reporting (Guidance Note) issued by the Institute Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the Act).

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Standards of Auditing, to the extent applicable to an audit of internal financial controls and the Guidance Note, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain the reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of its inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not to be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Sandeep Varshney & Associates
Chartered Accountants
Firm Registration No. 0513271C
By the hand of

April 12, 2019
Anoopshahr, UP (Camp New Delhi)

Sandeep Kumar Gupta
Proprietor
Membership No. 092329

INTEGRATED CAPITAL SERVICES LIMITED



BALANCE SHEET AS AT MARCH 31, 2019

| | Notes | March 31, 2019 Rs. | March 31, 2018 Rs. |
|--|-------------|-----------------------|-----------------------|
| ASSETS | | | |
| Non current assets | | | |
| Property, plant and equipment | 3 | 17,43,729 | 18,03,762 |
| Intangible Assets | 3A | - | 66,24,850 |
| Financial assets | | | |
| Investments | 4 | 7,62,25,758 | 7,62,25,758 |
| Loans | 5 | 3,92,96,569 | 4,25,66,751 |
| | | 11,72,66,056 | 12,72,21,121 |
| Current assets | | | |
| Financial assets | | | |
| Trade receivables | 6 | 6,99,310 | 26,20,800 |
| Cash and cash equivalents | 7 | 17,632 | 4,92,732 |
| Other bank balances | 8 | 40,459 | 38,000 |
| Other financial assets | 9 | 45,71,106 | 23,04,778 |
| Other current assets | 10 | 5,99,538 | 1,76,446 |
| | | 59,28,045 | 56,32,756 |
| TOTAL ASSETS | | 12,31,94,101 | 13,28,53,877 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | 11 | 3,55,84,000 | 3,55,84,000 |
| Other equity | | 5,83,63,450 | 6,55,58,818 |
| | | 9,39,47,450 | 10,11,42,818 |
| Non current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 12 | 2,38,87,219 | 2,40,73,627 |
| Deferred tax liabilities (net) | 13 | 13,852 | 1,75,568 |
| Provisions | 14 | 2,70,626 | 1,30,527 |
| | | 2,41,71,697 | 2,43,79,722 |
| Current liabilities | | | |
| Financial liabilities | | | |
| Other financial liabilities | 15 | 50,04,813 | 57,65,495 |
| Other current liabilities | 16 | 62,404 | 3,26,333 |
| Provisions | 14 | 7,737 | 6,017 |
| Current tax liabilities (net) | 17 | - | 12,33,492 |
| | | 50,74,954 | 73,31,337 |
| Total liabilities | | 2,92,46,651 | 3,17,11,059 |
| TOTAL EQUITY AND LIABILITIES | | 12,31,94,101 | 13,28,53,877 |
| SIGNIFICANT ACCOUNTING POLICIES | 1-2 | | |
| NOTES TO THE FINANCIAL STATEMENTS | 3-39 | | |

The accompanying notes are an integral part of the financial statements.
As per our report of even date.

Sandeep Varshney & Associates
Chartered Accountants
Firm Registration No. 0513271C
By the hand of

Brijinder Bhushan Deora
Chairman & Director
DIN No.: 00004942

Sajeve Deora
Director
DIN No.: 00003305

Sandeep Kumar Gupta
Proprietor
Membership No. 092329
April 12, 2019
Anoopshahr, UP (Camp New Delhi)

Shivani Arora
Company Secretary
Membership No.: F9693

Bhavesha Chadha
Chief Financial Officer
PAN: AIDPC6491J

INTEGRATED CAPITAL SERVICES LIMITED



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

| | Notes | Year ended March 31, 2019 Rs. | Year ended March 31, 2018 Rs. |
|---|-------|-------------------------------------|-------------------------------------|
| INCOME | | | |
| Revenue from operations | 18 | 87,17,782 | 1,88,79,156 |
| Other income | 19 | 28,31,242 | 38,31,826 |
| TOTAL INCOME | | <u>1,15,49,024</u> | <u>2,27,10,982</u> |
| EXPENSES | | | |
| Consultants fees | | - | 18,47,000 |
| Employees benefit expenses | 20 | 42,50,227 | 33,30,623 |
| Finance costs | 21 | 17,09,010 | 21,31,268 |
| Depreciation | 3 | 4,31,559 | 3,83,732 |
| Other expenses | 22 | 1,16,75,374 | 72,14,804 |
| TOTAL EXPENSES | | <u>1,80,66,170</u> | <u>1,49,07,427</u> |
| Profit before tax | | (65,17,146) | 78,03,555 |
| Less/(-Add): Tax expense | | | |
| - Current tax | | 6,14,872 | 31,17,251 |
| - Deferred tax | | (1,61,716) | (4,84,791) |
| - Short provision for tax for previous year | | 2,07,766 | (1,48,744) |
| Profit after tax | | (71,78,068) | 53,19,839 |
| Other comprehensive income | | (17,300) | - |
| Total Comprehensive Income | | <u>(71,95,368)</u> | <u>53,19,839</u> |
| Earnings per equity share [Face value per equity share is Re. 1 (Re. 1)] | 24 | | |
| - Basic and diluted | | (0.20) | 0.15 |
| SIGNIFICANT ACCOUNTING POLICIES | 1-2 | | |
| NOTES TO THE FINANCIAL STATEMENTS | 3-39 | | |

The accompanying notes are an integral part of the financial statements.
As per our report of even date.

Sandeep Varshney & Associates
Chartered Accountants
Firm Registration No. 0513271C
By the hand of

Brijinder Bhushan Deora
Chairman & Director
DIN No.: 00004942

Sajeve Deora
Director
DIN No.: 00003305

Sandeep Kumar Gupta
Proprietor
Membership No. 092329
April 12, 2019
Anoopshahr, UP (Camp New Delhi)

Shivani Arora
Company Secretary
Membership No.: F9693

Bhavesh Chadha
Chief Financial Officer
PAN: AIDPC6491J

INTEGRATED CAPITAL SERVICES LIMITED



STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019

| | Year ended March 31, 2019 Rs. | Year ended March 31, 2018 Rs. |
|---|-------------------------------------|-------------------------------------|
| A. CASH FLOW FROM OPERATIONS | | |
| Profit before tax | (65,17,146) | 78,03,555 |
| Adjustment for: | | |
| Other Comprehensive Income/Expenses | (17,300) | - |
| Depreciation | 4,31,559 | 3,83,732 |
| Interest receipts | (25,10,323) | (26,07,327) |
| Gain on sale of fixed assets | - | - |
| Dividend paid | 13,69,240 | 18,87,583 |
| Interest paid | 3,39,770 | 2,43,685 |
| Operating profit before working capital changes | (69,04,200) | 77,11,228 |
| Adjustment for working capital changes: | | |
| Increase/(Decrease) in other financial liabilities | | |
| Advance received for reimbursement | 5,961 | (23,71,613) |
| Employee benefit expenses | 84,585 | (73,837) |
| Expenses payables | (8,51,228) | (3,08,055) |
| Increase/(Decrease) in other current liabilities | (2,63,929) | 1,66,459 |
| Increase/(Decrease) in current provisions | 1,720 | 1,078 |
| Increase/(Decrease) in non current provisions | 1,40,099 | 29,210 |
| Decrease/(Increase) in financial assets | | |
| Trade receivables | 19,21,490 | (78,826) |
| Decrease/(Increase) in other financial assets | | |
| Advances recoverable in cash or in kind | (15,436) | 2,20,782 |
| Interest receivables | (22,50,508) | (22,94,460) |
| Interest accrued but not due | (385) | 440 |
| Decrease/(Increase) in other bank balances | (2,459) | (3,451) |
| Decrease/(Increase) in other current assets | | |
| Prepaid expenses | 1,43,388 | (1,45,027) |
| Service tax receivable | - | 12,555 |
| Advances for services | - | 570 |
| Balance with Government Authorities | (5,66,480) | - |
| Operating profit | (85,57,381) | 28,67,053 |
| Taxes paid | (20,56,130) | (36,94,050) |
| Net cash flow from operating activities (A) | (1,06,13,511) | (8,26,997) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Additions to property, plant and equipment | (3,71,526) | (6,10,705) |
| Impairment of Intangible asset | 66,24,850 | - |
| Decrease/(Increase) in financial assets | | |
| Decrease/(Increase) in investments | - | (10,00,000) |
| Decrease/(Increase) in non-current loans | 32,70,182 | 84,799 |
| Interest receipts | 25,10,323 | 26,07,327 |
| Net cash used in investing activities (B) | 1,20,33,829 | 10,81,421 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Interest paid | (3,39,770) | (2,43,685) |
| Dividend paid | (13,69,240) | (18,87,583) |
| Increase/(Decrease) in financial liabilities | | |
| Increase/(decrease) in Borrowings | (1,86,408) | (26,78,487) |
| Net cash used in financing activities (C) | (18,95,418) | (48,09,755) |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C) | (4,75,100) | (45,55,331) |
| Cash and cash equivalents - Opening balance | 4,92,732 | 50,48,063 |
| Cash and cash equivalents - Closing balance | 17,632 | 4,92,732 |
| (Figures in bracket represents cash outflow) | | |

As per our report of event date attached.
Sandeep Varshney & Associates
Chartered Accountants
Firm Registration No. 0513271C
By the hand of

Sandeep Kumar Gupta
Proprietor
Membership No. 092329
April 12, 2019
Anoopshahr, UP (Camp New Delhi)

Brijinder Bhushan Deora
Chairman & Director
DIN No.: 00004942

Shivani Arora
Company Secretary
Membership No.: F9693

Sajeve Deora
Director
DIN No.: 00003305

Bhavesh Chadha
Chief Financial Officer
PAN: AIDPC6491J

INTEGRATED CAPITAL SERVICES LIMITED



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

| STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2019 | | | | | | |
|--|------------------------------------|-------------------|-----------------|----------------|-------------------------------|--|
| | Equity share capital (A) Rs. | OTHER EQUITY | | | Total Other Equity (B) Rs. | Total equity attributable to equity holders Rs. |
| | | Reserve & Surplus | | | | |
| | | Securities Rs. | Retained Rs. | Capital Rs. | | |
| Balance as at April 1, 2018 | 3,55,84,000 | 75,25,900 | 1,85,32,918 | 3,95,00,000 | 6,55,58,818 | 10,11,42,818 |
| Profit for the year | - | - | (71,95,368) | - | (71,95,368) | (71,95,368) |
| Balance as at March 31, 2019 | 3,55,84,000 | 75,25,900 | 1,13,37,550 | 3,95,00,000 | 5,83,63,450 | 9,39,47,450 |

*In accordance with provisions of Section 55 of the Companies Act, 2013, the Company has created Capital Redemption Reserve with an amount equal to nominal value of Preference shares redeemed out of profits.

As per our report of even date.

Sandeep Varshney & Associates
Chartered Accountants
Firm Registration No. 0513271C
By the hand of

Brijinder Bhushan Deora
Chairman & Director
DIN No.: 00004942

Sajeve Deora
Director
DIN No.: 00003305

Sandeep Kumar Gupta
Proprietor
Membership No. 092329
April 12, 2019
Anoopshahr, UP (Camp New Delhi)

Shivani Arora
Company Secretary
Membership No.: F9693

Bhavesch Chadha
Chief Financial Officer
PAN: AIDPC6491J

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2019

1 Corporate Information

Integrated Capital Services Limited having CIN: L74899DL1993PLC051981 is a public company domiciled in India and incorporated under the provisions of Companies Act, 1956. Its shares are listed on the Bombay Stock Exchange. The Company is primarily engaged in Corporate Advisory & Consulting, Expert Services in Turnaround & Restructuring, Business Combinations, Takeovers, Mergers & Amalgamations and Accounting Services. Pursuant to the change in object clause of the company in the Annual General Meeting held on September 29, 2018 and after receipt of certificate of change in object clause on November 27, 2018 from Ministry of Corporate Affairs, the activities of company are services in the nature of advisory in matters related to Insolvency and Bankruptcy. On completion of pre-requisites, the Company will apply to Insolvency Professional Entity in accordance with the provision of Insolvency and Bankruptcy Code, 2016.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

A) Basis of preparation of financial statements

(a) Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) issued under the provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendments made thereafter.

Effective April 1, 2017, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 'First time adoption of Indian Accounting Standards', with April 1, 2016, as the transition date. The transition was carried out from Indian Accounting Principles Generally Accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Functional and presentation currency

These financial statements are presented in Indian rupees (Rs.), which is the Company's functional currency. All amounts have been rounded to the nearest rupees.

(c) Basis of Measurement

The financial statements are prepared in accordance with the historical cost convention basis, except for certain items that are measured at fair values.

Determining the Fair Value

While measuring the Fair Value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a Fair Value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined

using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

If the inputs used to measure the Fair Value of an asset or a liability fall into different levels of the Fair Value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the Fair Value hierarchy as the lowest level input that is significant to the entire measurement.

(d) Use of Estimate

The preparation of financial statements in conformity with the Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of the contingent asset and contingent liability at the date of the financial statements and reported amount of income and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from the estimates. Appropriate changes in estimate are made as the management become aware of the change in circumstances surrounding the estimates. Change in the estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effect are disclosed in the notes to financial statements.

(e) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements issued by the Ministry of Corporate Affairs based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

B) Recent accounting pronouncement:

- (i) Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company has adopted the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 has not been retrospectively adjusted. The effect on adoption of Ind AS 115 is insignificant.

- (ii) Ind AS 116 on "Leases": On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 on Leases. Ind AS 116 will replace the existing Ind AS 17 on Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the Lessee and the Lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit

& Loss as per Ind AS 17. The Standard also contains enhanced disclosure requirements for lessees.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- a) Full retrospective: Retrospectively to each prior period presented applying Ind AS 8 on 'Accounting Policies, Changes in Accounting Estimates and Errors'.
- b) Modified retrospective: Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. Under modified retrospective approach, the lessee records the lease liability at the present value of remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date certain practical expedients are available under both the methods.

On completion of the evaluation of the Ind AS 116, the Company found that underlying value of leased assets of the Company is of low value and accordingly applying Para 4 of Ind AS 116, no adjustment is required to be made to the leased assets of the Company. Therefore, the Company is carrying its leased assets as per earlier standard.

C) Significant accounting policies

(a) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost directly attributable to acquisition are capitalised until the Property, Plant and Equipment are ready for use as intended by the management.

Property, Plant and Equipment are derecognised from financial statements, either on disposal or when no economic benefits are expected from its use. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the Property, Plant and Equipment and the resultant gains or losses are recognized in the Statement of Profit and Loss. Property, Plant and Equipment, which are to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation on Property, Plant and Equipment commences when these assets are ready for their intended use. Items of Property, Plant and Equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of these assets, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Depreciation on Property, Plant and Equipment purchased or sold during the year is proportionately charged.

Depreciation methods, useful lives and residual values of Property, Plant and Equipment are reviewed periodically, including at each financial year end by the management of the Company.

(b) Impairment of non financial assets

Property, Plant and Equipment are evaluated for recoverability, whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

(c) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets :

Recognition: Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (a.) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- (b.) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c.) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

In case of investment in equity shares

- a) For subsidiaries, associates and joint ventures: Investments in equity instruments are carried at deemed cost. The value is tested for impairment on periodical basis. Impairment, if any, is charged to the Statement of Profit and Loss.
- b) For other than subsidiaries, associates and joint ventures: Investments in equity instruments are measured at FVTOCI where "Available for Sale" and at FVTPL where "Held for Trading".

Debt instruments:

Debt instruments are measured at amortised cost. Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised as profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included as part of other income using the effective interest rate method.

Other:

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc., are reclassified for measurement at amortised cost.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial

assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since its initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a.) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b.) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Financial Liabilities

Initial and subsequent recognition: Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

De-recognition: Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and settled on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

(d) Claims, Provisions, Contingent assets and Liabilities:

Claims lodged by and lodged against the Company are accounted in the year of payment or settlement thereof.

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is the best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

Contingent liabilities are not recognised but are disclosed by way of notes to the financial statements, after careful evaluation by the management of the facts and legal aspects of each matter involved. Contingent

assets are neither recognised nor disclosed in the financial statements.

Contingent liabilities are assessed continually to determine whether an outflow of resources embodying the economic benefit has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs.

(e) Recognition of revenue and expenditure

- (i) Revenue is recognised to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on the behalf of the government.

Revenue is recognised in the period in which the services are rendered and the amount of revenue can be measured reliably and recovery of the consideration is probable.

- (ii) **Interest and dividend income**

Interest income is recognised using Effective Interest Method (EIR).

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of financial instruments or a shorter period, where appropriate, to the gross carrying amount of the asset or to the amortised cost of financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss.

Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

(f) Employee benefits

Benefits such as salaries, wages and short term compensations etc. is recognized in the period in which the employee renders the related service.

The Company makes contributions to defined benefit schemes. The Company makes contribution to defined benefit i.e. gratuity plan. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re-measurements are recognised immediately through other comprehensive income in the period in which they occur.

(g) Taxes on income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

(h) Foreign currency transactions and translation

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

(i) Prior period errors

Prior Period Errors are omissions from, and misstatements in, prior period financial statements resulting from the failure to use, or the misuse of, reliable information that was available, or could be reasonably expected to have been obtained, at the time of preparation of those financial statements.

Prior Period Errors has been corrected retrospectively in the financial statements. Retrospective application means that the correction affects only prior period comparative figures, current period amounts are unaffected. Comparative amounts of each prior period presented which contain errors are restated. If however, an error relates to a reporting period that is before the earliest prior period presented, then the opening balances of assets, liabilities and equity of the earliest prior period presented has been restated. (As per IAS 8).

(j) Borrowing cost

Borrowing Cost attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets upto the date when such assets are ready for intended use. Other borrowing costs are charged to Statement of Profit and Loss as expense in the year in which they are incurred.

(k) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also, the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(l) Cash flow statement

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

(m) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2019

3 Property, Plant and Equipment

| Particulars | Furniture and fixtures Rs. | Unit Week | Vehicles Rs. | Office equipments Rs. | Computers Rs. | Books Rs. | Total Rs. |
|-------------------------------------|-------------------------------|---------------|-----------------|--------------------------|------------------|-----------------|------------------|
| Gross carrying value | | | | | | | |
| As at April 01, 2018 | 17,10,551 | 26,500 | 6,78,501 | 7,71,241 | 15,19,264 | 1,00,711 | 48,06,768 |
| -Additions | 85,000 | | - | 2,41,576 | 44,950 | - | 3,71,526 |
| -Disposals | - | | - | - | - | - | - |
| As at March 31, 2019 | 17,95,551 | 26,500 | 6,78,501 | 10,12,817 | 15,64,214 | 1,00,711 | 51,78,294 |
| Depreciation and Impairment | | | | | | | |
| As at April 01, 2018 | 5,48,665 | 12,073 | 4,42,156 | 5,57,524 | 13,41,877 | 1,00,711 | 30,03,006 |
| Depreciation charge during the year | 1,70,833 | 432 | 76,286 | 1,02,082 | 81,926 | - | 4,31,559 |
| Adjustments | - | | - | - | - | - | - |
| As at March 31, 2019 | 7,19,498 | 12,505 | 5,18,442 | 6,59,606 | 14,23,803 | 1,00,711 | 34,34,565 |
| Net Book Value | | | | | | | |
| As at March 31, 2019 | 10,76,053 | 13,995 | 1,60,059 | 3,53,211 | 1,40,411 | - | 17,43,729 |
| As at March 31, 2018 | 11,61,886 | 14,427 | 2,36,345 | 2,13,717 | 1,77,387 | - | 18,03,762 |

3A Intangible Assets

| Particulars | Goodwill Rs. |
|------------------------------------|------------------|
| Gross carrying value | |
| As at April 1, 2018 | 66,24,850 |
| -Additions | - |
| -Disposals | - |
| As at March 31, 2019 | 66,24,850 |
| Depreciation and Impairment | |
| As at April 1, 2018 | - |
| Impairment charge during the year | 66,24,850 |
| As at March 31, 2019 | 66,24,850 |
| Net Book Value | |
| As at March 31, 2019 | - |
| As at March 31, 2018 | 66,24,850 |

INTEGRATED CAPITAL SERVICES LIMITED



Notes to the Standalone Financial Statements as at and for the year ended March 31, 2019

| | March 31, 2019 Rs. | March 31, 2018 Rs. |
|---|-----------------------|-----------------------|
| 4 Investments | | |
| a) In equity shares of Subsidiary Companies (unquoted) | | |
| RAAS Consulting Private Limited | 56,30,096 | 56,30,096 |
| 84,000 (March 31, 2018: 84,000) equity shares of Rs. 10 (March 31, 2018: Rs. 10) each | | |
| Green Infra Profiles Private Limited | 1,12,53,264 | 1,12,53,264 |
| 10,000 (March 31, 2018: 10,000) equity shares of Rs. 10 (March 31, 2018: Rs. 10) each | | |
| BTG IP Services Private Limited | 10,00,000 | 10,00,000 |
| 10,00,000 (March 31, 2018: 10,00,000) equity shares of Re. 1 (March 31, 2018: Re. 1) each | | |
| b) In equity shares of Associate Companies (unquoted) | | |
| Greenway Advisors Private Limited | 4,93,32,117 | 4,93,32,117 |
| 10,000 (March 31, 2018: 10,000) equity shares of Rs. 10 (March 31, 2018: Rs. 10) each | | |
| Sun Links Limited | 14,72,821 | 14,72,821 |
| 2,500 (March 31, 2018: 2,500) equity shares of GBP 1 (March 31, 2018: GBP 1) each | | |
| KW Publishers Private Limited | 20,73,947 | 20,73,947 |
| 40,000 (March 31, 2018: 40,000) equity shares of Rs. 10 (March 31, 2018: Rs. 10) each | | |
| c) In equity shares of other companies (unquoted) | | |
| ACE Derivatives & Commodity Exchange Limited | 54,63,513 | 54,63,513 |
| 54,63,513 (March 31, 2018: 54,63,513) equity shares of Rs. 10 (March 31, 2018: Rs. 10) each | | |
| Aggregate value of unquoted shares | 7,62,25,758 | 7,62,25,758 |
| 5 Loans | | |
| Secured, Considered good | - | - |
| Unsecured, considered good | | |
| Loans to related party | 3,92,10,000 | 4,24,90,000 |
| Security deposits | 86,569 | 76,751 |
| Loans receivables which have significant increase in credit risk | - | - |
| Loans receivables- credit impaired | - | - |
| | 3,92,96,569 | 4,25,66,751 |
| Loan to related party represents interest bearing unsecured loan granted to its wholly owned subsidiary company, which is repayable wherever stipulated as mutually agreed. | | |
| 6 Trade receivables | | |
| Secured, Considered good | - | - |
| Unsecured, considered good | 6,99,310 | 26,20,800 |
| Trade receivables which have significant increase in credit risk | - | - |
| Trade receivables - credit impaired | - | - |
| | 6,99,310 | 26,20,800 |
| 7 Cash and cash equivalents | | |
| Balances with banks on current account | 6,174 | 4,81,275 |
| Cash on hand | 434 | 434 |
| Deposits with maturity period of less than three months | 11,023 | 11,023 |
| | 17,632 | 4,92,732 |
| 8 Other bank balances | | |
| Deposits with maturity period of more than three months | 40,459 | 38,000 |
| | 40,459 | 38,000 |
| 9 Other financial assets | | |
| Advances recoverable in cash or in kind | 23,736 | 8,301 |
| Interest receivable from related party | 45,44,968 | 22,94,460 |
| Interest accrued but not due | 2,402 | 2,017 |
| | 45,71,106 | 23,04,778 |

INTEGRATED CAPITAL SERVICES LIMITED



Notes to the Standalone Financial Statements as at and for the year ended March 31, 2019

10 Other current assets

| | | |
|-------------------------------------|-----------------|-----------------|
| Prepaid expenses | 33,058 | 1,76,446 |
| Balance with government authorities | 5,66,480 | - |
| Advances for services | - | - |
| Advances for tax payment | - | - |
| | <u>5,99,538</u> | <u>1,76,446</u> |

11 Equity share capital

Authorized

| | | |
|--|---------------------|---------------------|
| 4,30,00,000 (March 31, 2018: 4,30,00,000) equity shares of Rs. 1 (March 31, 2018: Rs. 1) each | 4,30,00,000 | 4,30,00,000 |
| 6,00,000 (March 31, 2018: 6,00,000) 7% cumulative non-convertible redeemable preference shares of Rs. 100 (March 31, 2018: Rs. 100) each | <u>6,00,00,000</u> | <u>6,00,00,000</u> |
| | <u>10,30,00,000</u> | <u>10,00,00,000</u> |

Issued, subscribed, and fully paid up

| | | |
|---|--------------------|--------------------|
| 3,55,84,000 (March 31, 2018: 3,55,84,000) equity shares of Re. 1 (March 31, 2018: Re. 1) each fully paid up | <u>3,55,84,000</u> | <u>3,55,84,000</u> |
|---|--------------------|--------------------|

Notes:

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:

| | March 31, 2019 | | March 31, 2018 | |
|--|----------------|-------------|----------------|-------------|
| | Number | Rs. | Number | Rs. |
| Outstanding at the beginning of the year | 3,55,84,000 | 3,55,84,000 | 3,55,84,000 | 3,55,84,000 |
| Outstanding at the end of the year | 3,55,84,000 | 3,55,84,000 | 3,55,84,000 | 3,55,84,000 |

b) Terms/rights attached to equity shares:

The Company has only one class of equity share having a par value of Re. 1 per share. Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company:

| | March 31, 2019 | | March 31, 2018 | |
|----------------------------|----------------|-----------|----------------|-----------|
| | Number | % holding | Number | % holding |
| Equity shares | | | | |
| i) Sajeve Deora | 1,02,30,550 | 28.75% | 1,02,30,550 | 28.75% |
| ii) Jai Rani Deora | 24,08,340 | 6.77% | 24,08,340 | 6.77% |
| iii) Rajeev Kumar Deora | 23,98,550 | 6.74% | 23,98,550 | 6.74% |
| iv) Arun Deora | 23,98,550 | 6.74% | 23,98,550 | 6.74% |
| v) Brijinder Bhushan Deora | 23,49,600 | 6.60% | 23,49,600 | 6.60% |
| vi) Meena Deora | 23,49,600 | 6.60% | 23,49,600 | 6.60% |
| vii) Pulkit Deora | 23,15,335 | 6.51% | 23,15,335 | 6.51% |
| viii) Ruchi Malhotra | 22,76,195 | 6.40% | 22,95,540 | 6.45% |

d) No bonus issue, buy back of shares and issue of shares other than cash in last five years.

12 Borrowings

Non current

| | | |
|---|--------------------|--------------------|
| 2,05,000 (March 31, 2018: 2,05,000) 7% cumulative non-convertible redeemable preference shares (CNCRPS) of Rs. 100 (March 31, 2018: Rs. 100) each fully paid up | 2,02,08,821 | 2,08,60,730 |
| Loan from related party* | <u>36,78,397</u> | <u>32,12,897</u> |
| | <u>2,38,87,219</u> | <u>2,40,73,627</u> |

*Loan from related parties represent non-interest bearing unsecured loan obtained from directors of the Company, which is repayable, wherever stipulated, as mutually agreed.

INTEGRATED CAPITAL SERVICES LIMITED



Notes to the Standalone Financial Statements as at and for the year ended March 31, 2019

| | | | March 31, 2019 Rs. | March 31, 2018 Rs. |
|---|------------------------|--------------------------|--|--|
| 13 Deferred tax assets/liabilities (net) | | | | |
| | March 31, 2019 | March 31, 2018 | Charged/(Credited) to Statement of Profit and Loss for the year ended March 31, 2019 | Charged/(Credited) to Statement of Profit and Loss for the year ended March 31, 2018 |
| | Rs. | Rs. | Rs. | Rs. |
| i) Deferred tax assets: | | | | |
| Unabsorbed long term capital loss | 30,72,054 | 30,72,054 | - | - |
| Property, Plant & Equipments | 50,245 | 20,247 | (29,998) | (20,247) |
| Loans | 1,152 | 3,669 | 2,517 | (1,985) |
| Unamortised merger expenses | 2,52,437 | 2,89,994 | 37,557 | (2,89,994) |
| Borrowings | - | - | - | 4,71,798 |
| Long term provisions | 70,363 | 33,611 | (36,752) | (2,304) |
| Short term provisions | 2,012 | 1,549 | (462) | (23) |
| Loans | 75,706 | - | (75,706) | - |
| | <u>35,23,968</u> | <u>34,21,123</u> | <u>(1,02,845)</u> | <u>1,57,245</u> |
| ii) Deferred tax liabilities: | | | | |
| Property, Plant & Equipments | - | - | - | 10,988 |
| Investments | 35,37,821 | 35,03,803 | (34,018) | 7,00,761 |
| Trade receivables | - | - | - | 23,175 |
| Loans | - | 92,888 | 92,888 | (92,888) |
| | <u>35,37,821</u> | <u>35,96,691</u> | <u>58,870</u> | <u>6,42,036</u> |
| Net deferred tax assets/(liabilities) (i-ii) | <u>(13,852)</u> | <u>(1,75,568)</u> | <u>(1,61,716)</u> | <u>(4,84,791)</u> |
| 14 Provisions | | | | |
| Non current | | | | |
| Provision for employee benefit: | | | | |
| - Gratuity | | | <u>2,70,626</u> | <u>1,30,527</u> |
| Current | | | | |
| Provision for employee benefit: | | | | |
| - Gratuity | | | <u>7,737</u> | <u>6,017</u> |
| 15 Other financial liabilities | | | | |
| Advance received against sale of shares | | | 41,00,000 | 41,00,000 |
| Advance received for reimbursement | | | 12,211 | 6,250 |
| Employee benefits payable | | | 3,27,775 | 2,43,190 |
| Dividend Payable on Preference Shares | | | - | - |
| Expenses payables | | | 5,64,113 | 14,15,341 |
| Book Overdraft | | | <u>714</u> | <u>714</u> |
| | | | <u>50,04,813</u> | <u>57,65,495</u> |
| 16 Other current liabilities | | | | |
| Duties and taxes | | | <u>62,404</u> | <u>3,26,333</u> |
| | | | <u>62,404</u> | <u>3,26,333</u> |
| 17 Current tax liabilities (net) | | | | |
| Income tax payable (net off of taxes paid) | | | - | <u>12,33,492</u> |
| 18 Revenue from operations | | | | |
| Consulting and advisory | | | <u>87,17,782</u> | <u>1,88,79,156</u> |
| 19 Other income | | | | |
| Interest receipts on | | | | |
| Loans | | | 25,00,565 | 25,49,400 |
| Fixed deposits | | | 2,940 | 46,223 |
| Security deposits | | | 6,818 | 11,704 |
| Amounts written back Claims | | | - | 5,22,263 |
| and compensations Gain on | | | - | 6,82,000 |
| exchange fluctuation Fair | | | 13,223 | 228 |
| value adjustment Provisions | | | 2,91,179 | - |
| written back | | | <u>16,518</u> | <u>20,008</u> |
| | | | <u>28,31,242</u> | <u>38,31,826</u> |

INTEGRATED CAPITAL SERVICES LIMITED



Notes to the Standalone Financial Statements as at and for the year ended March 31, 2019

| | March 31, 2019 Rs. | March 31, 2018 Rs. |
|-------------------------------------|-----------------------|-----------------------|
| 20 Employee benefit expenses | | |
| Salaries and others | 40,19,119 | 32,11,264 |
| Gratuity | 1,24,519 | 30,288 |
| Welfare expenses | 1,06,589 | 89,071 |
| | <u>42,50,227</u> | <u>33,30,623</u> |
| 21 Finance costs | | |
| Dividend on preference shares | 13,69,240 | 18,87,583 |
| Interest paid on | | |
| Overdraft facility | - | 745 |
| Taxes | 3,39,770 | 2,18,000 |
| Others | - | 24,940 |
| | <u>17,09,010</u> | <u>21,31,268</u> |
| 22 Other expenses | | |
| Travelling and conveyance | 8,99,435 | 14,60,108 |
| Advertisement and promotion | 4,31,707 | 7,16,845 |
| Rent | 3,68,000 | 3,41,996 |
| Books and periodicals | 65,079 | 1,31,674 |
| Communication | 1,34,165 | 2,13,397 |
| Fees and taxes Housekeeping | 3,36,714 | 3,75,309 |
| Meetings and conferences | 1,80,000 | 1,74,692 |
| Merger expenses | - | 1,92,775 |
| Payment to auditors | 87,450 | 11,26,189 |
| As audit fees | | |
| Printing and stationery | 3,50,000 | 3,81,000 |
| Professional charges | 2,61,713 | 1,45,712 |
| Repairs and maintenance | 5,79,000 | 5,92,048 |
| Vehicles | | |
| Office | 1,37,577 | 3,89,332 |
| Computers | 92,249 | 1,18,637 |
| Impairment of Goodwill | 42,019 | 11,279 |
| Donation | 66,24,850 | - |
| Seminars and training Sitting | 2,00,000 | - |
| fees | 43,600 | 9,016 |
| Bad debts written off | 1,90,000 | 1,50,000 |
| Fair value adjustment | 1,03,300 | 2,32,310 |
| Miscellaneous | - | 20,503 |
| | <u>5,48,517</u> | <u>4,31,982</u> |
| | <u>1,16,75,374</u> | <u>72,14,804</u> |

23 There is no contingent liability of the Company as at the year end.

24 Earnings per share

EPS is calculated by dividing the profit after tax attributable to the equity shareholders by the weighted average of the number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

| S.No. | Particulars | | Year ended March 31, 2019 Rs. | Year ended March 31, 2018 Rs. |
|-------|---|------|-------------------------------------|-------------------------------------|
| (a) | Net profit available for equity shareholders | Rs. | (71,95,368) | 53,19,839 |
| (b) | Weighted average number of equity shares outstanding for calculation of | | | |
| | - Basic and diluted earnings per share | Nos. | 3,55,84,000 | 3,55,84,000 |
| | - Diluted earnings per share | Nos. | 3,55,84,000 | 3,55,84,000 |
| (c) | Nominal value | Rs. | 1 | 1 |
| (d) | Earnings per share (a)/(b) | | | |
| | - Basic and diluted | Rs. | (0.20) | 0.15 |

INTEGRATED CAPITAL SERVICES LIMITED



Notes to the Standalone Financial Statements as at and for the year ended March 31, 2019

- 25** The Company has along with certain other professional services firms and companies in 7 (seven) other countries, promoted a company limited by guarantee in the U.K. with the name BTG Global Advisory Ltd. (BTGA) which is a non-practicing umbrella entity, to (i) promote professional services of the members, (ii) promote cross referrals of international work, and (iii) creating a framework for progressing joint pitching opportunities. The Company has nominated one of its Directors as a director on the Board of Directors of BTGA. The Company's guarantee is UK Pound 1.
- 26** As per Indian Accounting Standard-110 on "Consolidated Financial Statements" and Indian Accounting Standard-28 on "Investments in Associates in Consolidated Financial Statements" issued by the Ministry of Corporate Affairs, Government of India, the Company has presented consolidated financial statements separately.
- 27** In line with the provisions of Ind AS-108 'Operating Segments' as notified under the Companies (Ind AS) Rules, 2015, and as provided in section 133 of the Companies Act, 2013, the operations of the Company fall under the head "providing consultancy and advisory services", which is considered to be the only reportable segment by the management. Pursuant to change in Object Clause of the Company, the activities of the Company are services in the nature of advisory in matters related to Insolvency and Bankruptcy. On completion of certain pre-requisites, the Company will apply to Insolvency and Bankruptcy Board of India for registering as an Insolvency Professional Entity in accordance with the provisions of Insolvency and Bankruptcy Code, 2016 and rules /regulations made there under.
- 28** Dividend in respect of CNCRPS has not been provided in the Statement of Profit and Loss during the year due to negative accumulated profits. The Preference Shares of Rs. 2,05,00,000, comprising 2,05,000 7% Cumulative Non-Convertible Redeemable Preference shares of Rs. 100 each are due for redemption on January 14, 2022.
- 29** The Scheme of Merger (Scheme) of Deora Associates Private Limited ("DAPL/Transferor Company", since dissolved) with the Company is effective from the Appointed date, i.e., October 01, 2016. Accordingly, the Company has restated its audited financial statements for the financial year ended on March 31, 2017 and March 31, 2018 from the appointed date, i.e., October 01, 2016. Accordingly, 2,50,41,000 fully paid up Equity Shares of the Company held by DAPL (since dissolved) were cancelled and 2,44,75,000 fully paid up equity shares of the Company were issued to the erstwhile shareholders DAPL (since dissolved).
The Standalone Financial Statements for the current year are not comparable with that of previous year for the reason of effect of Scheme of Merger of DAPL (since dissolved) with the Company w.e.f. October 01, 2016.
- 30** As per Ind-AS 109, the Company has tested the impairment of goodwill amounted to Rs. 66,24,850 recognised as per Scheme of Merger and accordingly, the Company has impaired full amount of goodwill during the year ended March 31, 2019.
- 31** In the opinion of the Board, the assets, other than Property, Plant and Equipment and non-current investments, do have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.
- 32** Additional information pursuant to provisions of Para 7 of Part II of Division II of Schedule III of the Companies Act, 2013:

| Particulars | March 31, 2019 Rs. | March 31, 2018 Rs. |
|---|-----------------------|-----------------------|
| (a) Earnings in foreign exchange (on receipt basis) | | |
| Consultancy and advisory | 3,49,112 | 95,008 |

33 Retirement Benefit Plans

- (i) In accordance with the Ind AS-19 on "Employee Benefits" issued by the Ministry of Corporate Affairs, Government of India, the Company has recognised its liability towards defined benefit plans being gratuity liability of Rs. 2,78,363 (Rs. 1,36,544).
- (ii) The disclosures as per Ind-AS-19 on "Employee Benefits" are as follows:
- (a) Change in defined benefit obligations

| Particulars | Gratuity | |
|--|-----------------|-----------------|
| | 2018-19 | 2017-18 |
| Present value of obligation as at the beginning of the period | 1,36,544 | 1,06,256 |
| Current service Cost | 1,14,005 | 64,705 |
| Interest cost | 10,514 | 7,863 |
| Actuarial (gain)/loss on obligation | 17,300 | (42,705) |
| Past service cost including (Losses)/gains on curtailments | - | 425 |
| Benefit paid | - | - |
| Present value of obligation as at the end of the period | 2,78,363 | 1,36,544 |

(b) The fair value of plan assets is Nil since employee benefit plans are wholly unfunded as on March 31, 2019.

(c) Net periodic gratuity cost:

INTEGRATED CAPITAL SERVICES LIMITED



Notes to the Standalone Financial Statements as at and for the year ended March 31, 2019

| Particulars | Gratuity | |
|---|----------|----------|
| | 2018-19 | 2017-18 |
| Current service cost | 1,14,005 | 65,130 |
| Interest cost | 10,514 | 7,863 |
| Acturial (gain)/loss recognized in the period | 17,300 | (42,705) |
| Present value of obligation as at the end of the period | 1,41,819 | 30,288 |

(d) Principal actuarial assumptions

| Particulars | Gratuity |
|--|---------------------------|
| Discount rates | 7.60% (7.70%) per annum |
| Rate of increase in compensation level | 10.00% (10.00%) per annum |

(e) The discount rate is based upon market yield available on Government bonds at the accounting date with a term that matches that of liabilities.

(f) The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors.

(g) The employees are assumed to retire at the age of 58 years.

34 Related Party Disclosures:

Pursuant to Indian Accounting Standard (Ind AS-24) - "Related Party Disclosures" issued by Ministry of Corporate Affairs Government of India, following parties are to be treated as related parties:

a) Name of related parties and description of relationship:

| | |
|--|--------------------------------------|
| Wholly owned subsidiaries | Associate companies |
| RAAS Consulting Pvt. Ltd. | KW Publishers Pvt. Ltd. |
| (formerly known as RAAS e Solutions Pvt. Ltd.) | Sun Links Ltd. |
| Green Infra Profiles Pvt. Ltd. | Greenway Advisors Pvt. Ltd. |
| ICSL Consulting Pvt. Ltd. | |
| (formerly known as BTG IP Services Pvt. Ltd.) | |
| Key management personnel | |
| Brijinder Bhushan Deora | Chairman & Director |
| Sajeve Deora | Director |
| Arun Deora | Director |
| Suresh Chander Kapur | Director |
| Sandeep Chandra | Director |
| Alka Jhaharia Jain | Director |
| Pulkit Deora | Relative of key management personnel |
| Sanjay Agarwal* | Chief Financial Officer |
| Preeti Gupta** | Company Secretary |
| Sajeve Deora - HUF | HUF of Director |
| Bhavesh Chadha^ | Chief Financial Officer |
| Shivani Arora^^ | Company Secretary |

* Resigned on July 20, 2017

^ Appointed on July 20, 2017

** Resigned on July 20, 2017

^^ Appointed on July 20, 2017

Note: The above parties have been identified by the management.

b) Transactions with related parties during the year (excluding reimbursements):

| Nature of transactions | Related party | March 31, 2019 | March 31, 2018 |
|-------------------------------|--------------------------------------|----------------|----------------|
| | | Rs. | Rs. |
| Purchase of books | KW Publishers Pvt. Ltd. | 64,849 | 56,036 |
| Capital advance received back | KW Publishers Pvt. Ltd. | - | - |
| Long term loan given | Raas Consulting Pvt. Ltd. | - | - |
| Long term loan received back | Raas Consulting Pvt. Ltd. | 32,80,000 | 1,00,000 |
| Interest earned | Raas Consulting Pvt. Ltd. | 25,00,565 | 25,49,400 |
| Amount received and paid back | Green Infra Profiles Private Limited | - | 1,00,000 |

INTEGRATED CAPITAL SERVICES LIMITED



Notes to the Standalone Financial Statements as at and for the year ended March 31, 2019

| | | | |
|------------------------------------|---------------------------|-----------|----------|
| Deposit received and paid back | Sajeve Deora - HUF | - | 6,77,054 |
| Loan received | Sajeve Deora | 22,85,500 | 2,96,930 |
| Loan paid back | Sajeve Deora | 18,20,000 | 3,63,000 |
| Investments | ICSL Consulting Pvt. Ltd. | - | 9,99,999 |
| Amount received and paid back | ICSL Consulting Pvt. Ltd. | - | 4,50,000 |
| Sitting fees | Suresh Chander Kapur | 50,000 | 30,000 |
| Sitting fees | Sandeep Chandra | 70,000 | 60,000 |
| Sitting fees | Alka Jhaharia Jain | 70,000 | 60,000 |
| Remuneration for services rendered | Sanjay Aggarwal | - | 4,33,548 |
| Remuneration for services rendered | Preeti Gupta | - | 85,328 |
| Remuneration for services rendered | Bhavesh Chadha | 9,33,682 | 6,69,031 |
| Remuneration for services rendered | Shivani Arora | 5,53,291 | 4,97,811 |

c) Balance outstanding as at March 31, 2019:

| Account head | Related party | March 31, 2019 Rs. | March 31, 2018 Rs. |
|-----------------------------|--------------------------------|-----------------------|-----------------------|
| Investments | RAAS Consulting Pvt. Ltd. | 56,30,096 | 56,30,096 |
| Investments | Green Infra Profiles Pvt. Ltd. | 1,12,53,264 | 1,12,53,264 |
| Investments | KW Publishers Pvt. Ltd. | 20,73,947 | 20,73,947 |
| Investments | Greenway Advisors Pvt. Ltd. | 4,93,32,117 | 4,93,32,117 |
| Investments | Sun Links Limited | 14,72,821 | 14,72,821 |
| Investments | ICSL Consulting Pvt. Ltd. | 10,00,000 | 10,00,000 |
| Long term borrowings | Brijinder Bhushan Deora | 6,26,948 | 6,26,948 |
| Long term borrowings | Sajeve Deora | 30,51,449 | 25,85,949 |
| Non current loans | RAAS Consulting Pvt. Ltd. | 3,92,10,000 | 4,24,90,000 |
| Other financial liabilities | Bhavesh Chadha | 74,600 | 63,899 |
| Other financial liabilities | Alka Jhaharia Jain | 49,500 | - |
| Other financial liabilities | Sandeep Chandra | 49,500 | - |
| Other financial liabilities | Suresh Chander Kapur | 36,000 | - |
| Other financial liabilities | Shivani Arora | - | 58,065 |
| Other financial liabilities | KW Publishers Pvt. Ltd. | 3,850 | 2,243 |
| Other financial assets | RAAS Consulting Pvt. Ltd. | 45,44,968 | 22,94,460 |

35 Disclosure under Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015:

| Loans and advances in the nature of loans to subsidiary | Balance as on March 31, 2019 | Maximum balance during the year | Balance as on March 31, 2018 | Maximum balance during the year |
|---|------------------------------|---------------------------------|------------------------------|---------------------------------|
| Name of the entity | Status | Rs. | Rs. | Rs. |
| Loans - Non current financial assets | | | | |
| RAAS Consulting Pvt. Ltd. | Subsidiary | 3,92,10,000 | 4,24,90,000 | 4,25,90,000 |
| Interest - Other current financial assets | | | | |
| RAAS Consulting Pvt. Ltd. | Subsidiary | 45,44,968 | 45,44,968 | 22,94,460 |

36 Financial risk management

i) Financial instrument by category

- Investment in equity shares of subsidiaries, associates and joint venture are measured in accordance with Ind AS 27, "Consolidated and Separate Financial Statements" and investment in equity shares of other entity is measured in accordance with Ind AS 103 'Financial Instruments' issued by the "Ministry of Corporate Affairs", Government of India.
- For amortised cost instruments, carrying value represents the best estimate of fair value except investment in other debentures.

ii) Risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages those risks.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed only by accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost includes loans to employees, security deposits and others. Credit

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2019

risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensures the amounts are within defined limits.

Credit risk management: The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

- a) Low credit risk
- b) Moderate credit risk
- c) High credit risk

Credit risk exposures: The Company's trade receivables does not have any expected credit loss as they are generally within the credit period. In case of non recoverability in extreme cases, the Company, accordingly, provides for the same in its books of account instead of writing it off permanently.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains adequate liquidity for meeting its obligations by monitoring the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows from the operations.

C) Market risk

Market risk is the risk of changes in the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

a) Currency risk

The Company undertakes transactions denominated in foreign currencies, which are subject to the risk of exchange rate fluctuations. Financial assets and liabilities denominated in foreign currency, except the Company's net investments in foreign operations (with a functional currency other than Indian Rupee), are subject to reinstatement risks.

The carrying amount of foreign currency denominated financial assets and liabilities as at March 31, 2019 are as follows:

| Particulars | As at March 31, 2019 | | As at March 31, 2018 | |
|-----------------------|----------------------|----------|----------------------|----------|
| | USD | GBP | USD | GBP |
| Financial Assets | - | 2,49,625 | - | 2,49,625 |
| Financial Liabilities | - | - | - | - |
| | - | 2,49,625 | - | 2,49,625 |

b) Interest risk

i) Assets: The Company's fixed deposits are carried at fixed rate and interest rate on loan given to subsidiary company is also fixed. Therefore, they are not subject to interest rate risk as defined in Ind AS 107 issued by "the Ministry of Corporate Affairs, Government of India" since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

ii) Liabilities: The Company does not have any borrowings from the market and therefore, it is not subject to interest rate risk.

37 Figures have been rounded off to the nearest Rupee.

38 Figures in bracket represents previous year figures, unless otherwise indicated.

39 Figures of the previous year have been regrouped/recast, wherever necessary, to confirm to current period's presentation.

The accompanying notes are an integral part of the financial statements.

Brijinder Bhushan Deora
Chairman & Director
DIN No.: 00004942

Sajeve Deora
Director
DIN No.: 00003305

April 12, 2019
Anoopshahr, UP (Camp New Delhi)

Shivani Arora
Company Secretary
Membership No.: F9693

Bhavesh Chadha
Chief Financial Officer
PAN: AIDPC6491J

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED IND-AS FINANCIAL STATEMENTS

To the Members of **Integrated Capital Services Limited**

Opinion:

We have audited the accompanying consolidated Ind AS financial statements of **Integrated Capital Services Limited** (hereinafter referred to as "**the Holding Company**") and its subsidiaries (**the holding Company and its subsidiaries together referred to as "the Group"**), its associates which comprising the **Consolidated Balance Sheet** as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on the separate financial statements and other financial information of the subsidiaries and associates, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the consolidated state of affairs of the Group Company and its Associates as at March 31, 2019, and its consolidated financial performance including other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters:

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Responsibilities of Management and those charged with governance for the Consolidated Ind-AS financial statements:

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of change in equity of the Group including its associates in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective Board Directors of the Companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group and of its associates are also responsible for overseeing financial reporting process of the Group and its associates

Auditor's Responsibilities for the Audit of Consolidated Ind AS Financial Statement:

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind-AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind-AS financial statements.

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

A further description of the auditor's responsibilities for the audit of the Consolidated Ind-AS financial statements is included in "Annexure A". This description forms part of our auditor's report.

Other Matters

We did not audit the financial statements of 3 (three) subsidiary entities whose financial statements reflect total assets excluding inter company balances 40595406/- as at March 31, 2019, as well as total revenue of Rs. 7181633/- for the year ended March 2019 as considered in the Consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs. 33531124/- for the year ended March 31, 2019 in respect of 01(one) unaudited associate and 02 (Two) associates, whose financial statements has not been audited by us. These financial statements and other financial information have been audited by other auditor whose report (s) has/ (have) furnished to us by the management, and our opinion on the Consolidated IND AS financial statements, to the extent have been derived from such financial statements is based solely on the report of such auditors.

Our opinion on the Consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the management.

Report on Other Legal and Regulatory Requirements:

As required by section 143 (3) of the Act, we report that:

- a) We / the other auditors whose reports we relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- e) On the basis of written representations received from the directors of the Holding Company as at March 31, 2019 taken on record by the Board of Directors of the Holding company and the reports of the respective statutory auditors of its subsidiary companies and associates incorporated in India, and unaudited reports furnished to us by the

INTEGRATED CAPITAL SERVICES LIMITED



Management of the associate company incorporated outside India, none of the directors of the Group companies, its associate companies incorporated in India, and associate companies incorporated in India and associate company incorporated outside India, is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) There were no pending litigations which would impact the consolidated financial position of the Group, its associates.
 - (ii) The Group, its associates do not have any material foreseeable losses on long-term contracts including derivative contracts.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group and its associates.

For Sandeep Varshney & Associates
Chartered Accountants
Firm Registration No. 0513271C
By the hand of

Sandeep Kumar Gupta
Proprietor
Membership No. 092329

April 12, 2019
Anoopshahr, UP (Camp New Delhi)

ANNEXURE 'A' OF INDEPENDENT AUDITOR'S REPORT

(Annexure referred under the heading 'Auditor's Responsibilities for the Audit of Consolidated Ind AS Financial Statement' of our report of even date to the Consolidated Ind AS financial statements of the Company for the year ended March 31, 2019)

Responsibilities for Audit of Financial Statement:

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (i) Identify and assess the risks of material misstatement of the Consolidated Ind-AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability Group and its Associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind-AS financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its Associates to cease to continue as a going concern.
- (v) Evaluate the overall presentation, structure and content of the Consolidated Ind-AS financial statements, including the disclosures, and whether the Consolidated Ind-AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind-AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For Sandeep Varshney & Associates
Chartered Accountants
Firm Registration No. 0513271C
By the hand of

Sandeep Kumar Gupta
Proprietor
Membership No. 092329

April 12, 2019
Anoopshahr, UP (Camp New Delhi)

ANNEXURE 'B' TO INDEPENDENT AUDITOR'S REPORT

(Report on the Internal Financial Controls under Clause (i) of sub-section 3 of the section 143 of the Act)

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year March 31, 2019, we have audited the internal financial controls over financial reporting of the **Integrated Capital Services Limited** (hereinafter referred to as "the Holding Company").

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountant of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the ICAI and the Standards of Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain the reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company.

Meaning of Internal Financial Controls over Financial Reporting

Holding Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Holding Company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Holding Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Holding Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Holding Company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of its inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not to be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are



subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Sandeep Varshney & Associates
Chartered Accountants
Firm Registration No. 0513271C
By the hand of

April 12, 2019
Anoopshahr, UP (Camp New Delhi)

Sandeep Kumar Gupta
Proprietor
Membership No. 092329

INTEGRATED CAPITAL SERVICES LIMITED



CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

| | Notes | March 31, 2019 Rs. | March 31, 2018 Rs. |
|---|-------|-----------------------|-----------------------|
| ASSETS | | | |
| Non current assets | | | |
| Property, plant and equipment | 3 | 8,07,34,829 | 8,21,86,794 |
| Intangible Assets | 3A | - | 66,24,850 |
| Financial assets | | | |
| Investments | 4 | 4,31,32,036 | 7,18,18,983 |
| Loans | 5 | 1,06,069 | 96,251 |
| | | 12,39,72,934 | 16,07,26,878 |
| Current assets | | | |
| Financial assets | | | |
| Trade receivables | 6 | 15,21,655 | 37,39,390 |
| Cash and cash equivalents | 7 | 7,80,525 | 49,87,191 |
| Other bank balances | 8 | 40,459 | 38,000 |
| Other financial assets | 9 | 1,40,771 | 32,370 |
| Current tax assets (net) | 10 | 9,03,854 | 5,17,488 |
| Other current assets | 11 | 6,07,748 | 1,84,656 |
| | | 39,95,012 | 94,99,095 |
| TOTAL ASSETS | | 12,79,67,946 | 17,02,25,973 |
| EQUITY AND LIABILITIES | | | |
| Equity share capital | 12 | 3,55,84,000 | 3,55,84,000 |
| Other equity | | 2,88,14,783 | 6,91,30,449 |
| Total equity | | 6,43,98,783 | 10,47,14,449 |
| Non current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 13 | 4,93,54,004 | 4,86,17,657 |
| Deferred tax liabilities (net) | 14 | 7,49,060 | 10,18,877 |
| Provisions | 15 | 2,70,626 | 1,30,527 |
| | | 5,03,73,690 | 4,97,67,061 |
| Current liabilities | | | |
| Financial liabilities | | | |
| Other financial liabilities | 16 | 1,27,24,088 | 1,36,80,463 |
| Other current liabilities | 17 | 1,23,852 | 5,46,013 |
| Provisions | 15 | 7,737 | 6,017 |
| Current tax liabilities (net) | 18 | 3,39,796 | 15,11,970 |
| | | 1,31,95,473 | 1,57,44,463 |
| Total liabilities | | 6,35,69,163 | 6,55,11,524 |
| TOTAL EQUITY AND LIABILITIES | | 12,79,67,946 | 17,02,25,973 |
| SIGNIFICANT ACCOUNTING POLICIES | 1-2 | | |
| NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS | 3-39 | | |

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

Sandeep Varshney & Associates
Chartered Accountants
Firm Registration No. 0513271C
By the hand of

Brijinder Bhushan Deora
Chairman & Director
DIN No.: 00004942

Sajeve Deora
Director
DIN No.: 00003305

Sandeep Kumar Gupta
Proprietor
Membership No. 092329
Date: April 12, 2019
Anoopshahr, UP (Camp New Delhi)

Shivani Arora
Group Company Secretary
Membership No.: F9693

Bhavesh Chadha
Chief Financial Officer
PAN: AIDPC6491J

INTEGRATED CAPITAL SERVICES LIMITED



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

| | Notes | Year ended March 31, 2019 Rs. | Year ended March 31, 2018 Rs. |
|--|-------|-------------------------------------|-------------------------------------|
| INCOME | | | |
| Revenue from operations | 19 | 1,57,69,827 | 2,47,72,156 |
| Other income | 20 | 4,60,265 | 22,76,816 |
| TOTAL INCOME | | 1,62,30,092 | 2,70,48,972 |
| EXPENSES | | | |
| Consultants fees | | - | 18,47,000 |
| Employees benefit expenses | 21 | 56,59,581 | 48,83,390 |
| Finance costs | 22 | 17,11,603 | 21,31,269 |
| Depreciation | 3 | 19,81,286 | 20,08,505 |
| Other expenses | 23 | 1,28,08,669 | 82,58,147 |
| TOTAL EXPENSES | | 2,21,61,139 | 1,91,28,311 |
| Profit before tax | | (59,31,047) | 79,20,661 |
| Tax expense | | | |
| Current tax | | 8,98,245 | 31,97,495 |
| Deferred tax | | (2,69,816) | (52,838) |
| Short provisions for tax of earlier year | | 2,07,766 | (1,49,502) |
| Profit after tax | | (67,67,242) | 49,25,506 |
| Other Comprehensive Income | | (17,300) | (17,28,000) |
| Share in profit of associates | | (3,35,31,124) | 74,558 |
| Total Comprehensive Income | | (4,03,15,666) | 32,72,064 |

SIGNIFICANT ACCOUNTING POLICIES

1-2

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3-39

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

Sandeep Varshney & Associates
Chartered Accountants
Firm Registration No. 0513271C
By the hand of

Brijinder Bhushan Deora
Chairman & Director
DIN No.: 00004942

Sajeve Deora
Director
DIN No.: 00003305

Sandeep Kumar Gupta
Proprietor
Membership No. 092329
Date: April 12, 2019
Anoopshahr, UP (Camp New Delhi)

Shivani Arora
Group Company Secretary
Membership No.: F9693

Bhavesh Chadha
Chief Financial Officer
PAN: AIDPC6491J

INTEGRATED CAPITAL SERVICES LIMITED



CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON MARCH 31, 2019

| | Year ended March 31, 2019 Rs. | Year ended March 31, 2018 Rs. |
|--|-------------------------------------|-------------------------------------|
| A. CASH FLOW FROM OPERATIONS | | |
| Profit before tax | (59,31,047) | 79,20,661 |
| Adjustments for: | | |
| Other Comprehensive Income/ Expenses | (17,300) | (17,28,000) |
| Depreciation | 19,81,286 | 20,08,505 |
| Interest paid | 3,42,363 | 2,43,686 |
| Dividend on Preference shares | 13,69,240 | 18,87,583 |
| Dividend income | (1,21,000) | - |
| Interest receipts | (18,346) | (88,032) |
| Operating profit before working capital changes | (23,94,804) | 1,02,44,403 |
| Adjustment for working capital changes: | | |
| Increase/(Decrease) in other financial liabilities | | |
| Increase/(Decrease) in advance received for reimbursement | (7,239) | (24,47,031) |
| Increase/(Decrease) in employee benefit expenses | (1,44,272) | 1,07,800 |
| Increase/(Decrease) in book overdraft | 1,58,081 | - |
| Increase/(Decrease) in expenses payables | (9,62,945) | 22,530 |
| Increase/(Decrease) in other current liabilities | (4,22,161) | 3,77,979 |
| Increase/(Decrease) in current provisions | 1,720 | (56) |
| Increase/(Decrease) in non current provisions | 1,40,099 | 11,643 |
| Decrease/(Increase) in financial assets | | |
| Decrease/(Increase) in trade receivables | 22,17,735 | 4,00,734 |
| Decrease/(Increase) in other financial assets | | |
| Decrease/(Increase) in advance recoverable in cash or in kind | (1,08,016) | 2,10,033 |
| Decrease/(Increase) in interest accrued but not due | (385) | 440 |
| Decrease/(Increase) in other bank balances | (2,459) | (3,451) |
| Decrease/(Increase) in other current assets | (4,23,092) | (84,286) |
| Decrease/(Increase) in other non current assets | - | 1,76,785 |
| Cash generated from operations | (19,47,738) | 90,17,523 |
| Taxes paid | (26,64,551) | (37,80,416) |
| Net cash flow from operating activities (A) | (46,12,289) | 52,37,107 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of items of property, plant and equipment | (5,29,321) | (30,72,674) |
| Impairment of Goodwill | 66,24,850 | - |
| Decrease/(Increase) in financial assets | | |
| Decrease/(Increase) in investments | 2,86,86,947 | (1,64,558) |
| increase/(decrease) in investments due to share of profit/loss in associates (Net) | (3,35,31,124) | 74,558 |
| Decrease/(Increase) in non current loans | (9,818) | (21,201) |
| Dividend receipts | 1,21,000 | - |
| Interest receipts | 18,346 | 88,032 |
| Net cash used in investing activities | 13,80,880 | (30,95,843) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Increase/(Decrease) in financial Liabilities | | |
| Increase/(Decrease) in borrowings | 7,36,347 | (9,34,156) |
| Interest paid | (3,42,363) | (2,43,686) |
| Dividend paid on preference shares | (13,69,240) | (18,87,583) |
| Net cash used in financing activities | (9,75,256) | (30,65,425) |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C) | (42,06,666) | (9,24,160) |
| Cash and cash equivalents - Opening balance | 49,87,191 | 59,11,351 |
| Cash and cash equivalents - Closing balance | 7,80,525 | 49,87,191 |

(Figures in bracket indicate cash outflow)

As per our report of even date.

Sandeep Varshney & Associates
Chartered Accountants
Firm Registration No. 0513271C
By the hand of

Brijinder Bhushan Deora
Chairman & Director
DIN No.: 00004942

Sajeve Deora
Director
DIN No.: 00003305

Sandeep Kumar Gupta
Proprietor
Membership No. 092329
Date: April 12, 2019
Anoopshahr, UP (Camp New Delhi)

Shivani Arora
Group Company Secretary
Membership No.: F9693

Bhavesh Chadha
Chief Financial Officer
PAN: AIDPC6491J

INTEGRATED CAPITAL SERVICES LIMITED



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

| CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019 | | | | | | |
|---|----------------------|----------------------------|-----------------------------|-------------------|---------------|--|
| | Equity share capital | Other equity | | | Total | Total equity attributable to equity holders of the Group (a+b) |
| | | Reserve & Surplus | | | | |
| | | Securities premium account | Capital redemption reserve* | Retained earnings | | |
| (a) | | | | | (b) | |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| Balance as at April 1, 2018 | 3,55,84,000 | 75,25,900 | 3,95,00,000 | 2,21,04,549 | 6,91,30,449 | 10,47,14,449 |
| <u>Change in equity</u> | | | | | | |
| Profit for the year | - | - | - | (4,03,15,666) | (4,03,15,666) | (4,03,15,666) |
| Balance as at March 31, 2019 | 3,55,84,000 | 75,25,900 | 3,95,00,000 | (1,82,11,117) | 2,88,14,783 | 6,43,98,783 |

*In accordance with provisions of Section 55 of the Companies Act, 2013, the Group has created Capital Redemption Reserve with an amount equal to nominal value of Preference shares redeemed out of profits.

As per our report of even date.

Sandeep Varshney & Associates
Chartered Accountants
Firm Registration No. 0513271C
By the hand of

Brijinder Bhushan Deora
Chairman & Director
DIN No.: 00004942

Sajeve Deora
Director
DIN No.: 00003305

Sandeep Kumar Gupta
Proprietor
Membership No. 092329
Date: April 12, 2019
Anoopshahr, UP (Camp New Delhi)

Shivani Arora
Group Company Secretary
Membership No.: F9693

Bhavesh Chadha
Chief Financial Officer
PAN: AIDPC6491J

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2019

1 Corporate Information

Integrated Capital Services Limited (CIN: L74899DL1993PLC051981) is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956 (hereinafter referred as 'Holding Company or the Company'). The Company, its subsidiaries and associates (Jointly referred to as 'the Group' herein under) are primarily engaged in Corporate Advisory & Consulting, Expert Services in Turnaround & Restructuring, Business Combinations, Takeovers, Mergers & Amalgamations and Accounting Services. Pursuant to the change in object clause of the holding company in the Annual General Meeting held on September 29, 2018 and after receipt of certificate of change in object clause on November 27, 2018 from Ministry of Corporate Affairs, the activities of company are services in the nature of advisory in matters related to Insolvency and Bankruptcy. On completion of pre-requisites, the Company will apply to Insolvency Professional Entity in accordance with the provision of Insolvency and Bankruptcy Code, 2016.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

A) Basis of preparation of financial statements

(a) Statement of Compliance

The financial statements of the subsidiaries and associates entities used in the consolidation are upto the same reporting date as that of the Company i.e. March 31, 2019.

These consolidated financial statements (CFS) are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment made there after.

Effective April 1, 2017, the Group has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 'First time adoption of Indian Accounting Standards', with April 1, 2016, as the transition date. The transition was carried out from Indian Accounting Principles Generally Accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Functional and presentation currency

These financial statements are presented in Indian rupees (Rs.), which is the Group's functional currency. All amounts have been rounded to the nearest rupees.

(c) Basis of Measurement

The financial statements are prepared in accordance with the historical cost convention basis, except for certain items that are measured at fair values.

Determining the Fair Value

While measuring the Fair Value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a Fair Value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

If the inputs used to measure the Fair Value of an asset or a liability fall into different levels of the Fair Value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the Fair Value hierarchy as the lowest level input that is significant to the entire measurement.

(d) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – "Presentation of Financial Statements" issued by the "Ministry of Corporate Affairs, Government of India" based on the nature of product and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents

(e) Use of Estimate

The preparation of financial statements in conformity with the Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of the contingent asset and contingent liability at the date of the financial statements and reported amount of income and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from the estimates. Appropriate changes in estimate are made as the management become aware of the change in circumstances surrounding the estimates. Change in the estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effect are disclosed in the notes to financial statements.

(f) Basis of Consolidation

The Consolidated Financial Statements (CFS) include the financial statements of the Company and its subsidiaries as at March 31, 2019 together with the share in total comprehensive income of associate entities on that date.

Subsidiaries are entities controlled by the Group. Associates are entities over which the Group exercises significant influence but does not have control. An entity in which the Group has the ability to exercise control jointly with one or more uncontrolled entities may be a joint venture ("JV") or a joint operation ("JO"). Unlike in a JV where parties have proportionate interests in the assets and liabilities of the JV entity, parties have rights to and obligations towards specified assets and liabilities in a JO.

Control, significant influence and joint control is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights (usually contractual) enjoyed by the Group in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Group's returns from its investment. Such

assessment requires the exercise of judgement and is disclosed by way of a note to the financial statements. The Group is considered not to be in control of entities where it is unclear as to whether it enjoys such power over the investee/s.

CFS are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the CFS for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the CFS to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedures:

The assets, liabilities, income and expenses and cash flows of subsidiaries are aggregated and consolidated, line by line, from the date control is acquired by any Group entity to the date it ceases. Profit or loss and each component of Other Comprehensive Income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners. In case of JO, Group's share of assets, liabilities, income and expenses are consolidated.

Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary under consolidation.

An investment in an associate or a JV is initially recognised at cost on the date of the investment in the Balance Sheet. The proportionate share of the Group in the net profits / losses as also in the Other Comprehensive Income is recognised in the Statement of Profit and Loss and the carrying value of the investment is adjusted by a like amount.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

B) Recent accounting pronouncement:

- (i) Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Group has adopted the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 has not been retrospectively adjusted. The effect on adoption of Ind AS 115 is insignificant.

- (ii) Ind AS 116 on “Leases”: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 on Leases. Ind AS 116 will replace the existing Ind AS 17 on Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the Lessee and the Lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit & Loss as per Ind AS 17. The Standard also contains enhanced disclosure requirements for lessees.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- a) Full retrospective: Retrospectively to each prior period presented applying Ind AS 8 on ‘Accounting Policies, Changes in Accounting Estimates and Errors’.
- b) Modified retrospective: Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. Under modified retrospective approach, the lessee records the lease liability at the present value of remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee’s incremental borrowing rate at the date certain practical expedients are available under both the methods.

On completion of the evaluation of the Ind AS 116, the Company found that underlying value of leased assets of the Company is of low value and accordingly applying Para 4 of Ind AS 116, no adjustment is required to be made to the leased assets of the Company. Therefore, the Company is carrying its leased assets as per earlier standard.

C) Significant accounting policies

(a) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of Property, Plant and Equipment recognised as at April 1, 2016 measured as per the previous GAAP. Cost directly attributable to acquisition are capitalised until the Property, Plant and Equipment are ready for use as intended by the management.

Property, Plant and Equipment are derecognised from financial statements, either on disposal or when no economic benefits are expected from its use. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the Property, Plant and Equipment and the resultant gains or losses are recognized in the Statement of Profit and Loss. Property, Plant and Equipment, which are to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Items of Property, Plant and Equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of these assets, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Depreciation on Property, Plant and Equipment purchased or sold during the year is proportionately charged.

Depreciation methods, useful lives and residual values of Property, Plant and Equipment are reviewed periodically, including at each financial year end by the management of the Group.

(b) Impairment of non financial assets

Property, Plant and Equipment are evaluated for recoverability, whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

(c) Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the group commits to purchase or sell the asset.

Financial Assets:

Recognition: Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (a.) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- (b.) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c.) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

In case of investment in equity shares

Investments in equity instruments are measured at FVTOCI if these are held as “Available for Sale” and at FVTPL if held as “Held for Trading”.

Debt instruments:

Debt instruments are measured at amortised cost. Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised as profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included as part of other income using the effective interest rate method.

Other:

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc., are reclassified for measurement at amortised cost.

Impairment: The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since its initial recognition.

Reclassification: When and only when the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a.) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b.) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Financial Liabilities

Initial and subsequent recognition: Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

De-recognition: Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and settled on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is

a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

(d) Claims, Provisions, Contingent assets and Liabilities:

Claims lodged by and lodged against the Group are accounted in the year of payment or settlement thereof.

Provisions are recognised when, as a result of a past event, the Group has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is the best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

Contingent liabilities are not recognised but are disclosed by way of notes to the financial statements, after careful evaluation by the management of the facts and legal aspects of each matter involved. Contingent assets are neither recognised nor disclosed in the financial statements.

Contingent liabilities are assessed continually to determine whether an outflow of resources embodying the economic benefit has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs.

(e) Recognition of revenue and expenditure

(i) Revenue is recognised to the extent that is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on the behalf of the government.

Revenue is recognised in the period in which the services are rendered and the amount of revenue can be measured reliably and recovery of the consideration is probable.

(ii) Interest income

Interest income is recognised using Effective Interest Method (EIR).

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of financial instruments or a shorter period, where appropriate, to the gross carrying amount of the asset or to the amortised cost of financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss.

(f) Employee benefits

Benefits such as salaries, wages and short term compensations etc. is recognized in the period in which the employee renders the related service.

The Group makes contributions to defined benefit schemes. The Group makes contribution to defined benefit i.e. gratuity plan. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re-measurements are

recognised immediately through other comprehensive income in the period in which they occur.

(g) Taxes on income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

(h) Foreign currency transactions and translation

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

(i) Borrowing cost

Borrowing Cost attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets upto the date when such assets are ready for intended use. Other borrowing costs are charged to Statement of Profit and Loss as expense in the year in which they are incurred.

(j) Prior period errors

Prior Period Errors are omissions from, and misstatements in, prior period financial statements resulting from the failure to use, or the misuse of, reliable information that was available, or could be reasonably expected to have been obtained, at the time of preparation of those financial statements.

Prior Period Errors has been corrected retrospectively in the financial statements. Retrospective application means that the correction affects only prior period comparative figures, current period amounts are unaffected. Comparative amounts of each prior period presented which contain errors are restated. If however, an error relates to a reporting period that is before the earliest prior period presented, then the opening balances of assets, liabilities and equity of the earliest prior period presented has been restated. (As per IAS 8).

(k) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also, the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds

receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(l) Cash flow statement

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

The Company in its Cash Flow Statement also provides disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement of amended Ind AS 7.

(m) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

INTEGRATED CAPITAL SERVICES LIMITED



Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2019

| | March 31, 2019 | March 31, 2018 |
|---|--------------------|--------------------|
| | Rs. | Rs. |
| 4 Investments | | |
| In equity shares of associate companies | | |
| Greenway Advisors Private Limited | | |
| Cost of investment | 4,93,32,117 | 4,93,32,117 |
| Share in reserves | (2,09,68,960) | 1,21,76,614 |
| 10,000 (March 31, 2018: 10,000) equity shares of Rs. 10 (March 31, 2018: Rs. 10) each | | |
| Sun Links Limited | | |
| Cost of investment | 14,72,821 | 14,72,821 |
| Share in reserves | 2,92,691 | 10,51,463 |
| 2,500 (March 31, 2018: 2,500) equity shares of GBP 1 (March 31, 2018: GBP 1) each | | |
| KW Publishers Private Limited | | |
| Cost of investment | 20,73,947 | 20,73,947 |
| Share in reserves | 5,49,729 | 1,76,509 |
| 40,000 (March 31, 2018: 40,000) equity shares of Rs. 10 (March 31, 2018: Rs. 10) each | | |
| Others | | |
| ACE Derivatives & Commodity Exchange Limited | 55,53,513 | 55,53,513 |
| 55,53,513 (March 31, 2018: 55,53,513) equity shares of Rs. 10 (March 31, 2018: Rs. 10) each | | |
| Assets Care and Reconstruction Private Limited | 48,44,178 | - |
| 1,40,000 (March 31, 2018: Nil) equity shares of Rs. 10 each | | |
| | <u>4,31,50,036</u> | <u>7,18,36,983</u> |
| 5 Loans | | |
| Secured, Considered good | - | - |
| Unsecured, considered good | | |
| Security deposits | 1,06,069 | 96,251 |
| | <u>1,06,069</u> | <u>96,251</u> |
| 6 Trade receivables | | |
| Secured, Considered good | - | - |
| Unsecured, considered good | 15,21,655 | 37,39,390 |
| | <u>15,21,655</u> | <u>37,39,390</u> |
| 7 Cash and cash equivalents | | |
| Balance with banks on current accounts | 1,28,905 | 49,65,570 |
| Cash on hand | 10,597 | 10,597 |
| Deposits with maturity period of less than three months | 6,41,023 | 11,023 |
| | <u>7,80,525</u> | <u>49,87,191</u> |
| 8 Other bank balances | | |
| Deposits with maturity period of more than three months | 40,459 | 38,000 |
| 9 Other financial assets | | |
| Advance recoverable in cash or in kind | 1,38,369 | 30,353 |
| Interest accrued but not due | 2,402 | 2,017 |
| | <u>1,40,771</u> | <u>32,370</u> |

INTEGRATED CAPITAL SERVICES LIMITED



Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2019

| | March 31, 2019 Rs. | March 31, 2018 Rs. |
|--|-----------------------|-----------------------|
| 10 Current tax assets (Net) | | |
| Income tax receivables (net off of provision for income tax) | 9,03,854 | 5,17,488 |
| 11 Other current assets | | |
| Prepaid expenses | 41,268 | 1,84,656 |
| Balance with government authorities | 5,66,480 | - |
| | 6,07,748 | 1,84,656 |
| 12 Equity share capital | | |
| Authorized | | |
| 4,30,00,000 (March 31, 2018: 4,30,00,000) equity shares of Re. 1 (March 31, 2018: Re. 1) each | 4,30,00,000 | 4,30,00,000 |
| 6,00,00,000 (March 31, 2018: 6,00,00,000) 7% Cumulative Non-Convertible Redeemable Preference shares of Rs. 100 (March 31, 2018: Rs. 100) each | 6,00,00,000 | 6,00,00,000 |
| | 10,30,00,000 | 10,30,00,000 |
| Issued, subscribed and fully paid up | | |
| 3,55,84,000 (March 31, 2018: 3,55,84,000) equity shares of Re. 1 (March 31, 2018: Re. 1) each fully paid up | 3,55,84,000 | 3,55,84,000 |
| | 3,55,84,000 | 3,55,84,000 |

Notes:

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:

| | March 31, 2019 | | March 31, 2018 | |
|--|----------------|-------------|----------------|-------------|
| | Number | Rs. | Number | Rs. |
| Outstanding at the beginning of the year | 3,55,84,000 | 3,55,84,000 | 3,55,84,000 | 3,55,84,000 |
| Outstanding at the end of the year | 3,55,84,000 | 3,55,84,000 | 3,55,84,000 | 3,55,84,000 |

b) Terms/rights attached to equity shares:

The Group has only one class of equity share having a par value of Re. 1 per share. Each shareholder of equity shares is entitled to one vote per share. The Group declares and pays dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company:

| | March 31, 2019 | | March 31, 2018 | |
|----------------------------|----------------|-----------|----------------|-----------|
| | Number | % holding | Number | % holding |
| Equity shares | | | | |
| i) Sajeve Deora | 1,02,30,550 | 28.75% | 1,02,30,550 | 28.75% |
| ii) Jai Rani Deora | 24,08,340 | 6.77% | 24,08,340 | 6.77% |
| iii) Rajeev Kumar Deora | 23,98,550 | 6.74% | 23,98,550 | 6.74% |
| iv) Arun Deora | 23,98,550 | 6.74% | 23,98,550 | 6.74% |
| v) Brijinder Bhushan Deora | 23,49,600 | 6.60% | 23,49,600 | 6.60% |
| vi) Meena Deora | 23,49,600 | 6.60% | 23,49,600 | 6.60% |
| vii) Pulkit Deora | 23,15,335 | 6.51% | 23,15,335 | 6.51% |
| viii) Ruchi Malhotra | 22,76,195 | 6.40% | 22,95,540 | 6.45% |

d) No bonus issue, buy back of shares and issue of shares other than cash in last five years.

INTEGRATED CAPITAL SERVICES LIMITED



Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2019

| | March 31, 2019 Rs. | March 31, 2018 Rs. |
|--|-----------------------|-----------------------|
| 13 Borrowings | | |
| Non current | | |
| Unsecured | | |
| a) 2,05,000 (March 31, 2018: 2,05,000) 7% Cumulative Non-Convertible Redeemable Preference shares (CNCRPS) of Rs. 100 (March 31, 2018: Rs. 100) each fully paid up | 2,02,08,821 | 2,08,60,730 |
| b) Loan from related parties* | 2,91,45,182 | 2,77,56,927 |
| | <u>4,93,54,004</u> | <u>4,86,17,657</u> |
| *Loans from related parties represents interest free unsecured loans obtained from directors, which are repayable, wherever stipulated, as mutually agreed. | | |
| 15 Provisions | | |
| Non current | | |
| Provision for employee benefit: | | |
| Provision for gratuity | 2,70,626 | 1,30,527 |
| Current | | |
| Provision for employee benefit: | | |
| Provision for gratuity | 7,737 | 6,017 |
| 16 Other financial liabilities | | |
| Advance received against sale of shares | 41,00,000 | 41,00,000 |
| Advance received for which value has to be given | 70,00,000 | 70,00,000 |
| Advance received for reimbursement | 1,70,200 | 1,77,439 |
| Employee benefits payable | 3,27,775 | 4,72,047 |
| Book overdrafts | 1,58,795 | 714 |
| Expenses payables | 9,67,319 | 19,30,263 |
| | <u>1,27,24,088</u> | <u>1,36,80,463</u> |
| 17 Other current liabilities | | |
| Duties and taxes | 1,23,852 | 5,46,013 |
| | <u>1,23,852</u> | <u>5,46,013</u> |
| 18 Current tax liabilities (net) | | |
| Income tax (net off of taxes paid) | 3,39,796 | 15,11,970 |
| 19 Revenue from operations | | |
| Consulting and advisory | 1,57,69,827 | 2,47,72,156 |
| 20 Other income | | |
| Interest receipts on | | |
| Fixed deposits | 11,528 | 73,578 |
| Income tax refund | - | 2,310 |
| Security deposits | 6,818 | 12,144 |
| Amounts written back | - | 5,48,802 |
| Claims and compensations | - | 6,82,000 |

INTEGRATED CAPITAL SERVICES LIMITED



Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2019

| | Year ended March 31, 2019 Rs. | Year ended March 31, 2018 Rs. |
|--|-------------------------------------|-------------------------------------|
| Gain on exchange fluctuation | 13,223 | 228 |
| Fair value adjustment of preference shares | 2,91,179 | - |
| Reversal of loss on sales of shares | - | 9,18,000 |
| Dividend | 1,21,000 | - |
| Provisions written back | 16,518 | 39,754 |
| | <u>4,60,265</u> | <u>22,76,816</u> |
| 21 Employee benefit expenses | | |
| Salaries and others | 54,28,473 | 47,55,769 |
| Gratuity | 1,24,519 | 30,288 |
| Welfare expenses | 1,06,589 | 97,333 |
| | <u>56,59,581</u> | <u>48,83,390</u> |
| 22 Finance costs | | |
| Dividend on preference shares | 13,69,240 | 18,87,583 |
| Interest paid on | | |
| Borrowings | - | 745 |
| Taxes | 3,42,363 | 2,18,000 |
| Others | - | 24,941 |
| | <u>17,11,603</u> | <u>21,31,269</u> |
| 23 Other expenses | | |
| Travelling and conveyance | 9,10,605 | 15,03,995 |
| Advertisement and promotion | 4,31,707 | 7,16,845 |
| Professional charges | 5,79,000 | 6,92,048 |
| Rent | 4,43,000 | 4,61,996 |
| Books and periodicals | 1,24,520 | 1,31,674 |
| Communication | 1,48,391 | 2,28,291 |
| Electricity | 2,34,997 | 1,51,211 |
| Fair value adjustment | - | 20,503 |
| Fees and taxes | 3,44,314 | 3,76,539 |
| Housekeeping | 1,80,000 | 1,74,692 |
| Meetings and conferences | - | 1,92,775 |
| Merger expenses | 87,450 | 11,26,189 |
| Payment to auditors | | |
| As audit fees | 5,18,000 | 5,49,000 |
| Printing and stationery | 3,16,091 | 2,01,472 |
| Repairs and maintenance | | |
| Vehicles | 1,46,306 | 4,18,975 |
| Office | 2,56,333 | 2,71,790 |
| Computers/mobile | 42,019 | 11,279 |
| Impairment of goodwill | 66,24,850 | - |
| Donation | 2,00,000 | - |
| Seminars and training | 43,600 | 9,016 |
| Sitting fees | 1,90,000 | 1,50,000 |
| Property tax | 96,735 | 1,45,154 |
| Bad debts written off | 2,91,390 | 2,32,310 |
| Repair Maintenance (Others) | 975 | 8,380 |
| Miscellaneous | 5,98,386 | 4,84,012 |
| | <u>1,28,08,669</u> | <u>82,58,147</u> |

INTEGRATED CAPITAL SERVICES LIMITED



Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2019

| | Year ended March 31, 2019 Rs. | Year ended March 31, 2018 Rs. |
|--|-------------------------------------|-------------------------------------|
|--|-------------------------------------|-------------------------------------|

24 The Group does not have any contingent liability as at the year end.

25 Earnings per share

EPS is calculated by dividing the profit after tax attributable to the equity shareholders by the weighted average of the number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

| S. No. | Particulars | | Year ended March 31, 2019 Rs. | Year ended March 31, 2018 Rs. |
|--------|---|------|-------------------------------------|-------------------------------------|
| (a) | Net profit available for equity shareholders | Rs. | (4,03,15,666) | 32,72,064 |
| (b) | Weighted average number of equity shares outstanding for calculation of | | | |
| | - Basic earnings per share | Nos. | 3,55,84,000 | 3,55,84,000 |
| | - Diluted earnings per share | Nos. | 3,55,84,000 | 3,55,84,000 |
| (c) | Nominal value | Rs. | 1 | 1 |
| (d) | Earnings per share (a)/(b) | | | |
| | - Basic | Rs. | (1.13) | 0.09 |
| | - Diluted | Rs. | (1.13) | 0.09 |

26 The Company has along with certain other professional services firms and companies in 7 (seven) other countries, promoted a company limited by guarantee in the U.K. with the name BTG Global Advisory Ltd. (BTGA) which is a non-practicing umbrella entity, to (i) promote professional services of the members, (ii) promote cross referrals of international work, and (iii) creating a frame work for progressing joint pitching opportunities. The Company has nominated one of its Directors as a director on the Board of Directors of BTGA. The Company's guarantee is UK Pound 1.

27 In line with the provisions of Ind AS-108 'Operating Segments' as notified under the Companies (Ind AS) Rules, 2015, and as provided in section 133 of the Companies Act, 2013, the operations of the Group fall under the head "providing consultancy and advisory services", which is considered to be the only reportable segment by the management. Pursuant to change in Object Clause of the Company, the activities of the Company are services in the nature of advisory in matters related to Insolvency and Bankruptcy. On completion of certain pre-requisites, the Company will apply to Insolvency and Bankruptcy Board of India for registering as an Insolvency Professional Entity in accordance with the provisions of Insolvency and Bankruptcy Code, 2016 and rules/regulation made thereunder.

28 Dividend in respect of CNCRPS has not been provided in the Statement of Profit and Loss during the year due to negative accumulated profits. The Preference Shares of Rs. 2,05,00,000, comprising 2,05,000 7% Cumulative Non-Convertible Redeemable Preference shares of Rs. 100 each are due for redemption on January 14, 2022.

29 a) The Consolidated Financial Statements (CFS) include the accounts of Integrated Capital Services Limited (Holding Company/Company), and subsidiaries. The subsidiaries have been defined as those entities in which the Holding Company owns directly or indirectly more than one half of the voting power or otherwise has power to exercise control over the composition of the Board of Directors of such entities. The financial statements of subsidiaries are consolidated from the date on which effective control is acquired and are excluded from consolidation from the date such control ceases.

Detail of subsidiaries are as follows:

| Name of companies | Relationship | Country of origin | Percentage of shareholding (%) | |
|------------------------------------|-----------------|-------------------|--------------------------------|----------------|
| | | | March 31, 2019 | March 31, 2018 |
| i) RAAS Consulting Pvt. Ltd.* | 100% subsidiary | India | 100% | 100% |
| ii) Green Infra Profiles Pvt. Ltd. | 100% subsidiary | India | 100% | 100% |
| iii) ICSL Consulting Pvt. Ltd. # | 100% subsidiary | India | 100% | 100% |

* formerly known as RAAS e Solutions Pvt. Ltd.

formerly known as BTG IP Services Pvt. Ltd.

b) The CFS are prepared using uniform accounting policies for the transactions and other events in similar circumstances.

c) Figures pertaining to the subsidiaries have been classified, wherever necessary, to bring them in line with the Group's financial statements.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2019

30 The Scheme of Merger (Scheme) of Deora Associates Private Limited ("DAPL/Transferor Company", since dissolved) with the Company is effective from the Appointed date, i.e., October 01, 2016. Accordingly, the Company has restated its audited financial statements for the financial year ended on March 31, 2017 and March 31, 2018 from the appointed date, i.e., October 01, 2016. Accordingly, 2,50,41,000 fully paid up Equity Shares of the Company held by DAPL (since dissolved) were cancelled and 2,44,75,000 fully paid up equity shares of the Company were issued to the erstwhile shareholders of DAPL (since dissolved).

The Consolidated Financial Statements for the current year are not comparable with that of previous year for the reason of effect of Scheme of Merger of DAPL (since dissolved) with the Company w.e.f. October 1, 2016.

31 As per Ind-AS 109, the Company has tested the impairment of goodwill amounted to Rs. 66,24,850 recognised as per Scheme of Merger and accordingly, the Company has impaired full amount of goodwill during the year ended March 31, 2019.

32 Depreciation on fixed assets of a wholly owned subsidiary company is charged on the written down value method at the rates as specified in Schedule II of the Companies Act, 2013. Depreciation on aforesaid fixed assets has been adjusted to align with the accounting policy of the Holding Company of charging depreciation as per straight line method at the rates prescribed in Schedule II of the Companies Act, 2013. The said adjustment has resulted in decrease in total depreciation in the consolidated financial statements by Rs. 2,49,857 (Rs. 2,75,327).

33 Additional information pursuant to provisions of Para 5 (vii) of Part II of Schedule III of the Companies Act, 2013:

| Particulars | March 31, 2019 Rs. | March 31, 2018 Rs. |
|---|-----------------------|-----------------------|
| (a) Earnings in foreign exchange (on receipt basis) | | |
| Consultancy and advisory | 3,49,112 | 95,008 |

34 Related Party Disclosures:

Pursuant to Indian Accounting Standard (Ind AS-24) - "Related Party Disclosures" issued by Ministry of Corporate Affairs Government of India following parties are to be treated as related parties:

a) Name of related parties and description of relationship:

Associate companies

KW Publishers Pvt. Ltd.
Sun Links Ltd.
Greenway Advisors Pvt. Ltd.

Wholly owned subsidiaries

RAAS Consulting Pvt. Ltd.
(formerly known as RAAS e Solutions Pvt. Ltd.)
Green Infra Profiles Pvt. Ltd.
ICSL Consulting Pvt. Ltd. (formerly known as BTG IP Services Pvt. Ltd.)

Key management personnel

Brijinder Bhushan Deora
Sajeve Deora
Arun Deora
Suresh Chander Kapur
Sandeep Chandra
Alka Jhaharia Jain
Sanjay Agarwal*
Anuradha Suri**
Pulkit Deora
Sanjay Agarwal^
Preeti Gupta^
Sajeve Deora - HUF
Bhavesh Chadha#
Shivani Arora#

Chairman & Director
Director
Director
Director
Director
Director
Director
Relative of key management personnel
Chief Financial Officer
Group Company Secretary
HUF of Director
Chief Financial Officer
Group Company Secretary

^Resigned on July 20, 2017

#Appointed on July 20, 2017

*Appointed as Director on August 9, 2017

**Appointed as Director on January 2, 2018 and resigned on July 27, 2018

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2019

(b) Transactions with related parties during the year (excluding reimbursements):

| Nature of transactions | Related party | Year ended March 31, 2019 | Year ended March 31, 2018 |
|------------------------------------|-------------------------|------------------------------|------------------------------|
| | | Rs. | Rs. |
| Purchase of books | KW Publishers Pvt. Ltd. | 64,849 | 56,036 |
| Loan received | Pulkit Deora | 22,07,755 | 27,44,331 |
| Loan paid back | Pulkit Deora | - | 14,00,000 |
| Loan received | Brijinder Bhushan Deora | 4,00,000 | 17,00,000 |
| Loan paid back | Brijinder Bhushan Deora | 4,00,000 | - |
| Loan received | Sajeve Deora | 23,05,500 | 2,96,930 |
| Loan paid back | Sajeve Deora | 31,25,000 | 16,63,000 |
| Deposit received and paid back | Sajeve Deora - HUF | - | 6,77,054 |
| Sitting fees | Suresh Chander Kapur | 50,000 | 30,000 |
| Sitting fees | Sandeep Chandra | 70,000 | 60,000 |
| Sitting fees | Alka Jhajharia Jain | 70,000 | 60,000 |
| Remuneration for services rendered | Sanjay Aggarwal | 4,91,667 | 14,79,758 |
| Remuneration for services rendered | Anuradha Suri | 4,74,194 | 3,51,843 |
| Remuneration for services rendered | Preeti Gupta | - | 85,328 |
| Remuneration for services rendered | Bhaves Chadha | 9,33,682 | 6,69,031 |
| Remuneration for services rendered | Shivani Arora | 5,53,291 | 4,97,811 |

35 Financial risk management

i) Financial instrument by category

a) Investment in equity shares of subsidiaries, associates and joint venture are measured in accordance with Ind AS 27, "Consolidated and Separate Financial Statements" and investment in equity shares of other entity is measured in accordance with Ind AS 109, "Financial Instruments" issued by "the Ministry of Corporate Affairs", Government of India.

b) For amortised cost instruments, carrying value represents the best estimate of fair value except investment in other debentures.

ii) Risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed only by accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost includes loans to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensures the amounts are within defined limits.

Credit risk management: The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

- a) Low credit risk
- b) Moderate credit risk
- c) High credit risk

Credit risk exposures: The Group's trade receivables does not have any expected credit loss as they are generally within the credit period. In case of non recoverability in extreme cases, the Group, accordingly, provides for the same in its books of account instead of writing it off permanently.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains adequate liquidity for meeting its obligations by monitoring the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows from the operations.

C) Market risk

Market risk is the risk of changes in the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Group's income or the value of its holdings of its financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

a) Currency risk

The Group undertakes transactions denominated in foreign currency (mainly US Dollar and GBP), which are subject to the risk of exchange rate fluctuations. Financial assets and liabilities denominated in foreign currency, except the Group's net investments in foreign operations (with a functional currency other than Indian Rupee), are subject to reinstatement risks.

The carrying amount of foreign currency denominated financial assets and liabilities as at March 31, 2019 are as follows:

| Particulars | As at March 31, 2019 | | As at March 31, 2018 | |
|-----------------------|----------------------|----------|----------------------|----------|
| | USD | GBP | USD | GBP |
| Financial Assets | - | 2,49,625 | - | 2,49,625 |
| Financial Liabilities | - | - | - | - |
| | - | 2,49,625 | - | 2,49,625 |

b) Interest risk

i) Assets: The Group's fixed deposits, are carried at fixed rate and therefore, not subject to interest rate risk as defined in Ind AS 107 issued by "Ministry of Corporate Affairs, Government of India since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

ii) Liabilities: The Group does not have any borrowings from the market and therefore, it is not subject to interest rate risk.

INTEGRATED CAPITAL SERVICES LIMITED



36 Additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements:

| Name of entity | Total assets minus total liabilities | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|--|---------------------|--|----------------------|--|-----------------|--|----------------------|
| | As percentage of consolidated net assets | Rs. | As percentage of consolidated net profit or loss | Rs. | As percentage of consolidated net profit or loss | Rs. | As percentage of consolidated net profit or loss | Rs. |
| Parent | | | | | | | | |
| Integrated Capital Services Ltd. | 145.88% | 9,39,47,450 | 17.81% | (71,78,068) | 100% | (17,300) | 17.85% | (71,95,368) |
| Subsidiaries (Indian) | | | | | | | | |
| RAAS Consulting Pvt. Ltd. | 6.98% | 44,97,860 | 1.55% | (6,25,082) | - | - | 1.55% | (6,25,082) |
| Green Infra Profiles Pvt. Ltd. | 2.25% | 14,48,137 | (1.65%) | 6,64,002 | - | - | (1.65%) | 6,64,002 |
| BTG IP Services Pvt. Ltd. | 1.26% | 8,13,611 | (0.48%) | 1,92,197 | - | - | (0.48%) | 1,92,197 |
| Sub total | 156.38% | 10,07,07,058 | 17.24% | (69,46,951) | 100% | (17,300) | 17.27% | (69,64,251) |
| Adjustment arising out of consolidation | 25.13% | 1,61,81,736 | 0.45% | (1,79,708) | - | - | 0.45% | (1,79,708) |
| Total | 131.25% | 8,45,25,322 | 16.79% | (67,67,242) | 100% | (17,300) | 16.83% | (67,84,542) |
| Associates | | | | | | | | |
| KW Publishers Pvt. Ltd. | 0.85% | 5,49,729 | (0.93%) | 3,73,220 | - | - | -0.93% | 3,73,220 |
| Greenway Advisors Pvt. Ltd. | (33%) | (2,09,68,960) | 82.25% | (3,31,45,573) | - | - | 82.22% | (3,31,45,573) |
| Sun Links Ltd. | 0.45% | 2,92,691 | 1.88% | (7,58,771) | - | - | 1.88% | (7,58,771) |
| Grand Total | 100.00% | 6,43,98,782 | 100.00% | (4,02,98,366) | 100% | (17,300) | 100.00% | (4,03,15,666) |

37 Figures have been rounded off to the nearest Rupee.

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

39 Figures of the previous year have been regrouped/recast, wherever necessary, to confirm to current years presentation.

The accompanying notes are an integral part of the consolidated financial statements

Brijinder Bhushan Deora
Chairman & Director
DIN No.: 00004942

Sajeve Deora
Director
DIN No.: 00003305

Shivani Arora
Group Secretary
Membership No.: F9693

Bhavesh Chadha
Chief Financial Officer
PAN: AIDPC6491J

Date: April 12, 2019
Anoopshahr, UP (Camp New Delhi)

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INTEGRATED CAPITAL SERVICES LIMITED



INTEGRATED CAPITAL SERVICES LIMITED

Registered Office: 606, New Delhi House, 27 Barakhamba Road, New Delhi 110 001.

ATTENDANCE SLIP

Please fill this Attendance Slip and hand it over at the entrance of the Meeting Hall

DP ID*:

Folio No:

Client ID*:

No. of Shares:

Name and Address of the Shareholder:

I hereby record my presence at the 26th Annual General Meeting of the Company held on Monday, September 30, 2019 at 09:00 A.M. at The Ocean Pearl Retreat, Chattarpur Mandir Road, Satbari, New Delhi - 110074.

Signature of Shareholder/Proxy present

***Applicable for investors holding shares in electronic form.**

1. Please handover the attendance slip at the entrance of the meeting venue.
2. This attendance is valid only in case shares are held on the date of meeting
3. As per Section 118(10) of the Companies Act, 2013 read with Secretarial Standards for General Meeting issued by The Institute of Company Secretaries of India **"No gifts, gift coupons or cash in lieu of gifts shall be distributed to members at or in connection with the meeting"**

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INTEGRATED CAPITAL SERVICES LIMITED



INTEGRATED CAPITAL SERVICES LIMITED

Registered Office: 606, New Delhi House, 27 Barakhamba Road, New Delhi 110 001.

PROXY FORM

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

| | | | |
|--------------------------|--|--------|--|
| Name(s) of the Member(s) | | | |
| Registered Address | | | |
| Email Id | | | |
| Folio No./Client ID* | | DP ID* | |

I/ We, being the Member(s) holding.....shares of Integrated Capital Services Limited, hereby appoint:

1. Name.....Address:.....
E-mail-Id:Signature:.....,
or failing him/her
2. Name.....Address:.....
E-mail-Id:Signature:.....,
or failing him/her
3. Name.....Address:.....
E-mail-Id:Signature:.....,
or failing him/her

as my/ our Proxy to attend and vote for me/ us on my/ our behalf, the 26th Annual General Meeting to be held on Monday, September 30, 2019 at 09:00 A.M. at The Ocean Pearl Retreat, Chattarpur Mandir Road, Satbari, New Delhi – 110074 or any adjournment thereof in respect of such resolutions as are indicated below:

| S.NO | RESOLUTIONS | FOR | AGAINST |
|------|--|-----|---------|
| 1 | Adoption of Annual Accounts and Reports thereon for the Financial Year ended March 31, 2019. | | |
| 2 | Re-appointment of Mr. Sajeve Deora (DIN: 00003305) as director, who retires by rotation. | | |
| 3 | Appointment of Auditors and Fixing their Remuneration. | | |
| 4 | Re-appointment of Shri Suresh Chander Kapur (DIN: 00742765) as Independent Director for a second term of five years. | | |
| 5 | Re-appointment of Shri Sandeep Chandra (DIN: 00889462) as Independent Director for a second term of five years. | | |

Affix a
Re.1/-
Revenue
Stamp

*Applicable for investors holding shares in electronic form.

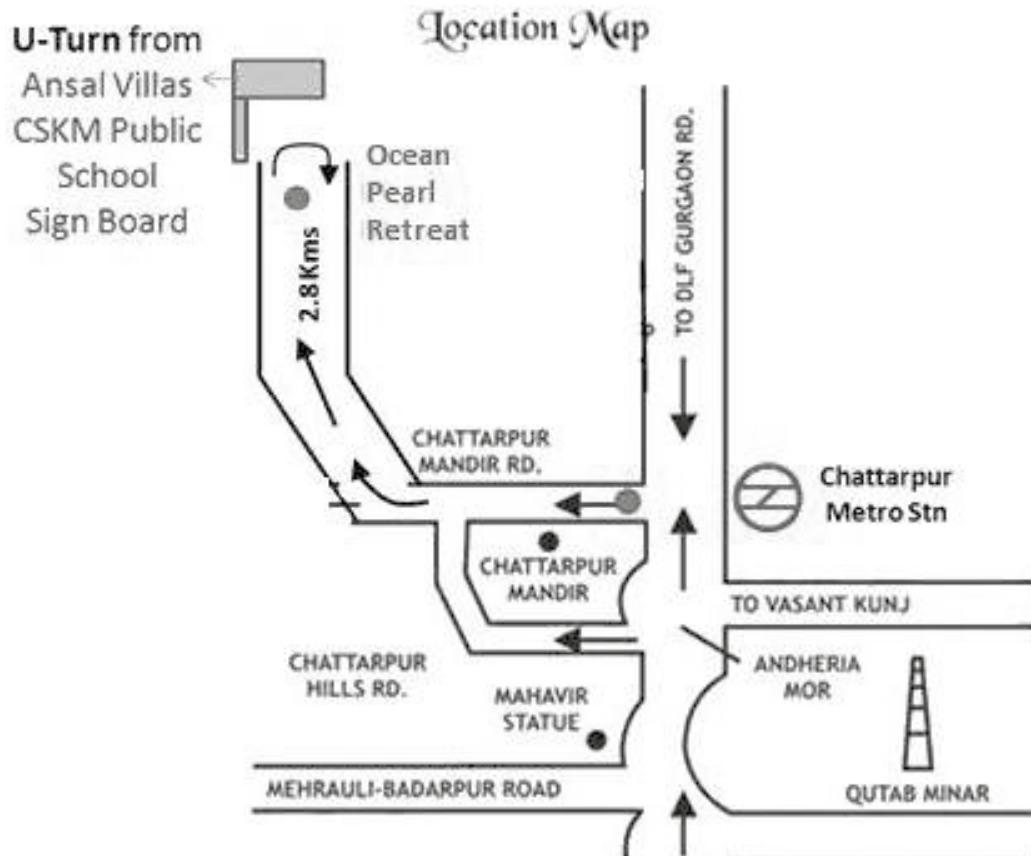
Signed this.....day of2018

Signature of Shareholder

Signature of proxy holder

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LOCATION TO THE ANNUAL GENERAL MEETING



If undelivered please return to :

INTEGRATED CAPITAL SERVICES LIMITED

Registered Office: 606, New Delhi House
27 Barakhamba Road, New Delhi 110 001

T/F +91 11 43542784

Email: contact@raas.co.in

Website: www.raas.co.in

CIN: L74899DL1993PLC051981

