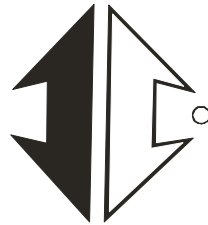


23rd Annual Report 2008 – 2009



INTEGRATED TECHNOLOGIES LIMITED

Board of Directors

Rajeev Bali	Managing director
K.R.Shivakumar	Director
Devendra Manchanda	Director
Narendra Sharma	Director
Ravi Jain	Additional Director
Krishna Bali	Additional Director

Company Secretary

Kanika Bhutani

Bankers

State Bank of India
Barclays Bank, PLC

Auditors

M/s G. K. Kedia & Co.
Chartered Accountants
2044/ 6, Chuna Mandi, Paharganj,
New Delhi – 110 055

Regd. Office & Works

Narsingpur, Sector-35
Gurgaon-122 001, Haryana (India)

Index

Notice	1
Directors' Report	2
Report on Corporate Governance.....	4
Management Discussion & Analysis Statement	8
Auditors Certificate on Report of Corporate Governance.....	11
Auditors' Report	12
Balance Sheet	15
Profit & Loss	16
Schedules	17
Notes to Accounts	22
Balance Sheet Abstract	27
Cash Flow Statement	28

Important

Members/ Proxy holders attending the Annual General Meeting of the Company on Wednesday, September 30th, 2009 are requested to note that the Management of the Company has decided that no Gifts/ Coupons shall be distributed.



**INTEGRATED TECHNOLOGIES LIMITED
NOTICE**

NOTICE is hereby given that **TWENTY THIRD ANNUAL GENERAL MEETING** of the Members of the Company will be held on Wednesday, 30th September, 2009 at 9.00 a.m. at Narsingpur, Sector 35, Gurgaon -122 001, Haryana, India to transact the following businesses:-

I ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009 and the Profit and Loss Account for the year ended on that date together with the reports of the Auditors and Directors thereon.
2. To appoint a director in place of Mr. Devendra Manchanda, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors for the financial year 2009-2010 till the conclusion of next Annual General Meeting and to fix their remuneration, M/s G. K. Kedia & Co., the retiring Auditors, being eligible, offer themselves for reappointment.

II SPECIAL BUSINESS:

To consider and, if thought fit, to pass the following resolutions with or without modification as Ordinary Resolutions:

APPOINTMENT OF DIRECTOR

4. **"RESOLVED THAT** Mrs. Krishna Bali be and is hereby re-appointed as a Director of the Company liable to retire by rotation."
5. **"RESOLVED THAT** Mr. Ravi Jain be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

By Order of the Board of Directors

Place : New Delhi
Dated : 30.07.2009

Kanika Bhutani
Company Secretary

NOTES:

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.**
2. Proxies in order to be valid and effective should be duly stamped, completed and signed and must be lodged with the Company at its Registered / Corporate Office not less than 48 hours before the commencement of this Annual General Meeting.
3. The Register of Members & the Transfer Books of the Company shall remain closed from 2nd September 2009 to 30th September 2009.
4. Members are requested to notify change in their registered address/status, if any, to the Company immediately.
5. Members are requested to bring their copies of Annual Report and Accounts at the Meeting.
6. Members/proxies are requested to produce the attached attendance/admission slip in original duly completed and signed, for admission to the meeting hall. No photocopies will be accepted.
7. Members may inspect any documents referred to in the proposed resolutions at the Registered Office of the Company between 12.00 Noon and 2.00 p.m. on any day except holiday (s) and the day of AGM.
8. Members desiring any information as regards the accounts of the Company are requested to write to the Company at least 10 days in advance so as to enable the management, to keep as far as possible, the information ready at the meeting.

EXPLANATORY STATEMENT

PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT IN RESPECT OF THE SPECIAL BUSINESS OF THE NOTICE OF AGM.

Item No. 4 :

The Board has appointed Mrs. Krishna Bali as an Additional Director. The Company has received a notice under section 257 of the Companies Act, 1956 proposing her candidature for the office of Director. The Board recommends the appointment of Mrs. Krishna Bali as a Director of the Company at the ensuing Annual General Meeting. None of the Directors except the respective Director and Mr. Rajeev Bali, Managing Director is interested or concerned in the proposed resolution.

Item No. 5 :

The Board has appointed Mr. Ravi Jain as an Additional Director. The Company has received a notice under section 257 of the Companies Act, 1956 proposing his candidature for the office of Director. The Board recommends the appointment of Mr. Ravi Jain as a Director of the Company at the ensuing Annual General Meeting. None of the Directors except the respective Director is interested or concerned in the proposed resolution.

By Order of the Board of Directors

Place : New Delhi
Dated : 30.07.2009

Kanika Bhutani
Company Secretary

INTEGRATED TECHNOLOGIES LIMITED



DIRECTORS' REPORT

Your Directors have pleasure in presenting the **Twenty Third Annual Report** together with Audited Accounts of the Company for the year ended 31st March 2009.

	2008-09	2007-08
Sale of Products and other income	29.78	0.00
Manufacturing and other expenses	18.33	0.95
Depreciation	39.22	113.56
Interest	0.00	0.00
Profit/(Loss) before tax	(87.35)	(133.22)

*Previous year figures have been regrouped/rearranged wherever considered necessary.

DIVIDEND

In view of the foregoing, the Directors do not recommend any dividend for the year.

DIRECTOR

There was no change in the constitution of the Board of Directors during the year under consideration. However, it is now proposed to re-appoint Mr. Devendra Manchanda as a Director liable to retire by rotation on the Board of Directors, the appointment forms part of the business of the ensuing Annual General Meeting of the Company.

During the year under review, Mrs. Krishna Bali and Mr. Ravi Jain were appointed as additional directors of the company w.e.f. 30th June, 2009.

The Company has received notices under section 257 of the Companies Act, 1956 proposing their candidature for the office of Director. The Board recommends the appointment of Mrs. Krishna Bali and Mr. Ravi Jain as Directors of the Company at the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) as inserted by the Companies (Amendment) Act, 2000 with respect to Directors' Responsibilities Statement, it is hereby confirmed:

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2009, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the directors had prepared the accounts for the financial year ended 31st March, 2009 on a 'going concern' basis.

CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the Listing Agreement. The report on Corporate Governance alongwith the Auditors' Certificate as stipulated under Clause 49 of the Listing Agreement along with Management Discussion and Analysis Statement forms part of the Annual Report.

AUDIT COMMITTEES

As required under section 292A of the Companies Act the Company has appointed an Audit Committee comprising of Mr. Devendra Manchanda, Mr. Rajeev Bali and Mr. Narendra Sharma. Mr. Devendra Manchanda continues as the Chairman of the Committee. The primary functions of the Committee comprises of reporting on accounting policies and procedures, periodical review of financial results and pointing out major discrepancies, if any, in the results, examining the internal control systems and adequacy thereof. The Committee shall meet as and when required and at least twice in a year.

AUDITORS & THEIR REPORT

Auditors of the Company, M/s G. K. Kedia & Co., Chartered Accountants, are retiring at this Annual General Meeting and are proposed to be re-appointed at the ensuing Annual General Meeting.

Notes to the accounts annexed to the Auditors Report are self-explanatory and need no explanation, as there is no qualifying remark of the Auditors.

FIXED DEPOSITS

The Company did not invite / accept any fixed deposits during the year under review.



FUTURE OUTLOOK

The Company had been declared as a Sick Unit under the Sick Industrial Companies (Special Provisions) Act 1985 u/s 3 (1)(o) of the Act. The Sanctioned Scheme (SS-08) was accorded approval consequent to the Hon'ble Board for Industrial & Financial Reconstruction (BIFR) hearing of Feb 11, 2008 and circulated on March 27, 2008, Consequent to successful implementation of the SS-08 and the financial restructuring envisaged therein, the Company's Net Worth became positive, and as a result, the Company applied for and received de-registration from the purview of SICA 1985 / BIFR, which was duly accorded vide AAFIR Order dated Feb 06, 2009.

The Company has since revived its production and commercial operations, consequent to receiving all requisite approvals required from Ministry of Commerce / NSEZ / Customs / DGFT etc. in December 2008. The Company has commenced sales in the domestic market, which by global standards has remained reasonably stable despite the global melt-down world-wide, the worst recession since the post war II period, including the PCB industry, which impacted China as well very substantially. The sales of PCBs globally declined from US\$ 52 billion in 2007 to \$ 49 billion as of Dec 2008, and is expected to close at US\$ 39 billion in 2009.

While the outlook for the industry is not very encouraging internationally, for the time being, it is expected to improve gradually starting 2010, especially from the 2d half of the year, and expected to reach \$ 52 billion again by 2011-12.

The Company thus plans to recommence exports by early 2010 in consonance with world markets. The Company is confident that it shall achieve the projections contained in the SS-08 and beyond. The promoters have invested considerably in reviving the plant and its operations including refurbishing the machinery, replacing obsolete equipment, infusing working capital, and adding new customers to its existing ones. The Company is receiving adequate business enquiries for domestic sales, as also exports / deemed exports.

STATUTORY STATEMENTS UNDER SECTIONS 217 (1)(E) AND 217 (2A) OF THE COMPANIES ACT, 1956

(a) Foreign Exchange Earnings and Outgo:

The information under this head is as follows:

(Rs. In Lacs)

Foreign Currency Earnings	-
Foreign Currency Outgo	-
(1) Travelling (foreign)	-
(2) Import of Machinery	0.22
(3) Import of raw materials	0.46
(4) Consumption of raw materials	-
(5) Fees and subscription	-

(b) Conservation of Energy and Technology Absorption:

The Company has been pursuing an active policy of identifying and using eco-friendly materials and processes in its production processes, as also in every other sphere of activity. The Company estimated 28% savings in its power/energy consumption due to this policy emphasis in its operations while in production. The Company shall continue in its endeavors to identify new means of for such energy conservation and savings on an ongoing basis as a matter of policy.

(c) Employees:

As required by the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 (as amended), the names and other particulars of the employees drawing remuneration more than Rs. 2,00,000/- per month or Rs. 24,00,000/- per annum are required to be given forming part of the Directors Report. None of the employees of the company are in receipt of remuneration in excess of the prescribed limit.

Acknowledgements

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from our valued shareholders during the year under review. Your Directors wish to place on record their deep sense of appreciation for the devoted services of Executives, Staff and Workers of the Company towards the growth and development of the Company.

For and on behalf of the Board of Directors

Place : New Delhi
Dated : 30.07.2009

(Rajeev Bali)
Managing Director



REPORT ON CORPORATE GOVERNANCE

I. Company's philosophy on code of governance :

The basis and foundation of the Company's endeavor towards good Corporate Governance is transparency at all levels in its functioning, whether at the Board level, with shareholders, employees, and all business associates with whom the Company interacts towards achievement of its corporate and business objectives and goals. Accordingly, the Company is continually instituting and reviewing systems and procedures to ensure the same. The Company endeavors to make the Directors of the company accountable to the shareholders for their actions, to ensure that they are conscious of their duties, obligations and responsibilities, and act in the best interest of the Company. The employees of the Company are guided by code of conduct aiming at achieving the Company's goals and objectives.

II. Composition of Board Of Directors :

Composition and category of directors -

Name of the Director	Category	Designation	No. of outside Director shipsheld	No. of Mtgs held during the year	No. of Mtgs. attended
Mr. Rajeev Bali	Promoter-Executive	Chairman cum	-	9	9
Mr. K. R. Shivakumar	Promoter-Non-Executive	Director	-	9	-
Mr. D. Manchanda	Independent-Non-Executive	Director	1	9	4
Mr. Ravi Jain	Independent-Non-Executive	Director	1	9	-
Mrs. Krishna Bali	Promoter-Non-Executive	Director	1	9	-
Mr. Narendra Sharma	Independent-Non-Executive	Director	-	9	9

Meetings of the Board of Directors were held on

1. 8th May 2008
2. 25th June 2007
3. 04th July 2008
4. 21th July2008
5. 28th July 2008
6. 31st July 2008
7. 07th October 2008
8. 31st October 2008
9. 31st January 2009

The following directors were present at the Twenty Second Annual General Meeting held on 30th September 2008:

1. Mr. Rajeev Bali
2. Mr. Devendra Manchanda
3. Mr. Narendra Sharma

III. Committees of Board of Directors

1. Audit Committee:

Terms of reference of the Audit Committee include the following

1. To report on any oversight in company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. To recommend the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
3. To review with management the annual financial statements before submission to the Board, focusing primarily on changes in accounting policies and practices, qualifications in draft audit report, compliance with accounting standards, stock exchange and legal requirements concerning financial statements, significant adjustments arising out of audit, reporting on related party transactions, etc.



4. To review the Company's financial and risk management policies.
5. To look into the reasons for substantial defaults in the payments to creditors.
6. To discuss with external auditors before the audit commences nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
7. To perform such other functions as it shall have as contained in the Listing agreement and as may be assigned to it from time to time.

The constitution of the Committee and the attendance of each member of the Committee is given below

Name	Designation	Category	Meetings Attended	Profession
Mr. D. Manchanda	Chairman	Independent Director	4	Chartered Accountant
Mr. Rajeev Bali	Member	Executive Director	4	Business
Mr. Narendra Sharma	Member	Independent Director	4	Service

2. Shareholders Grievances Committee: -

At present the functioning of the Committee has been discontinued, as in view of the compliance with the SEBI Circular No. D&CC/FITTC/CIR-15/2002 dated 27.12.2002, the Company has shifted all work related to share registry of both physical and electronic form of equity shares at a single point for which it has appointed M/s Skyline Financial Services Private Limited, 246, 1st Floor, Sant Nagar, East of Kailash, New Delhi- 110 065 as its Registrar and Share Transfer Agents. The shareholders can send any grievance or any other query at the Registered Office of the Company.

3. Remuneration to Directors

The Company does not have a Committee on Remuneration, as the Directors are not paid any sum above the Sitting fees for attending Board Meetings. The Managing Director of the Company, has an approved remuneration of Rs. 15,00,000 per annum granted by shareholders and provisions of the Schedule XIII of the Companies Act, 1956. However, in the Meeting of the Board of Directors held on 30th July, 2002 the Board has ratified the Managing Director's decision to forgo his remuneration entirely for the financial year 2001-2002, and up to such time as the Company's finances permit. Keeping in view the MD's stellar and central role in the Company's revival after a gap of 6 years against all odds, the Board proposes to review this position and reinstate the approved salary revised at current cost of living index as it may deem fit. Furthermore, it is proposed to enter into a fresh employment contract developed by the Company's consultants / advocates for this purpose

IV. General Body Meetings :

Location and time, where last 3 Annual General Meetings held

Year.	Date	Time	Venue	Agenda
Twenty Second	30th Sept 2008	9.00 A.M.	Narsingpur, Sector-35, Gurgaon, Haryana.	Resolution for re-issue of Forfeited Shares at Face value
Twenty First	29th Sept. 2007	9.00 A.M.	Narsingpur, Sector-35, Gurgaon, Haryana.	No Special Resolution formed part of the business of the Meeting
Twentieth	30th Sept. 2006	9.00 A.M.	Narsingpur, Sector- 35, Gurgaon, Haryana.	Resolution u/s 293 and Section 269(renewal of term of MD), of the companies Act, 1956 formed part of the business of the Meeting.

Location and time, where Extraordinary General Meetings held, if any

No Extra- Ordinary General Meeting was held during the year.



Postal Ballot- An ordinary Resolution was passed on 21st March 2009 through postal ballot, pursuant to Section 192A of the Companies Act, 1956, read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, for selling, leasing or otherwise disposing of the whole, or substantially the whole, of the undertaking of the company under section 293(1) (a).

- (a) **Scrutinizer**
The Board appointed Mr. Kapoor Chand Garg, Practising Company Secretary, as the scrutinizer for conducting the postal ballot process in a fair and transparent manner. Mr. Kapoor Chand Garg conducted the process and submitted his report to the Chairman.
- (b) **Procedure followed**
 - (i) The Postal Ballot notice and other related documents were dispatched to the Members under certificate of posting.
 - (ii) A calendar of events along with Board Resolution was submitted with the registrar of Companies, Delhi and Haryana.
 - (iii) The result of the postal ballot was announced by the Chairman at the registered office of the Company.
- (c) **Details of voting pattern**
After scrutinizing all the postal ballot forms received, the scrutinizer reported that the Members representing 99.93% of the total voting strength voted in favour of the resolution, based on which the result was declared by the Chairman of the Company on 24th March 2009 and the resolution was carried out with overwhelming majority.

V. Disclosures:

- i. No materially significant related party transactions i.e., transactions of the company of material nature, with its promoters, directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of company at large have been entered into.
- ii. The Company has never been penalized for any non-compliance nor is any prosecution pending against the Company in relation to any matter related to the capital markets.

VI. Means of Communication:

- i. **Half-yearly report/ Quarterly Results sent to each household of shareholders-** Half Yearly Unaudited Financial Results subject to Limited Audit Review by the Auditors of the Company are published in two newspapers one in English and one in Hindi and also sent to Stock Exchanges where shares of the Company are listed. Shareholders are not sent any report individually as, information available with the Stock Exchanges being public in nature is available to all.
- ii. **Which newspaper normally published in-**The Pioneer daily newspaper published in English and Veer Arjun published in Hindi.
- iii. **Any website, where displayed-**The details about the Company, its product, management, performance / capabilities, customer related information, etc are displayed on the website of the Company i.e., www.integratedtech.co.in .
- iv. **Whether it also displays official news releases-**The Company is in the process of facilitating the same.
- v. **Management discussion and Analysis forms part of annual report.**

VII. General Shareholder Information:

- i. **AGM: Date, time and venue-**The Annual General Meeting of the Company is scheduled to be held on Wednesday 30th September 2009 at 9.00 A.M. at Narisingpur, Sector-35, Gurgaon-122 001, Haryana.
- ii. **Financial Calendar-**The financial year of the Company commences from 1st April every year and ends on 31st March of subsequent year.
- iii. **Date of Book Closure-** The Register of Members and the Share Transfer Books of the company shall remain closed from 2nd September 2009 – 30th September 2009 pursuant to Section 154 of the Companies Act, 1956.



- iv. **Dividend payment date** - The Company has not declared any dividend.
- v. **Listing on Stock Exchanges**-The shares of the Company are listed on the following Stock Exchanges. Since the Company is a sick industrial company, it is unable to pay the Listing Fees to all the Stock Exchanges.
- | | |
|--|--|
| 1. Delhi Stock Exchange
3/1, Asaf Ali Road,
Near Turkman Gate
New Delhi –110 002 | 2. The Stock Exchange, Mumbai
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort, Mumbai– 400 001 |
|--|--|
3. **Jaipur Stock Exchange,**
Indira Palace, JLN Marg,
Malviya Nagar,
Jaipur – 302017.
- vi. **Stock Code**-The Stock Codes of the Company are as follows:
- | Stock Exchange | Stock Code |
|----------------------------|-------------------|
| Delhi Stock Exchange | 7700 |
| The Stock Exchange, Mumbai | 531889 |
| Jaipur Stock Exchange | 657 |
- vii. **Market Price Data: High, low during each month in last financial year-**
Trading in shares of the Company at the Bombay Stock Exchange and others has been discontinued due to non-payment of Annual Listing fees. Therefore, no data is available for the share prices of the Company.
- ix. **Registrar and Transfer agents**-The Company has appointed M/s Skyline Financial Services Private Limited, 246, Sant Nagar, East of Kailash, New Delhi- 110 065 as its Registrar and Share Transfer Agents.
- x. **Share Transfer System**-All the work relating to share registry in terms of both physical and electronic have been shifted at a single point, the shares in physical form should be lodged at the office of the Company's Registrar and Share Transfer Agents, Skyline Financial Services Pvt. Ltd., or at the registered office of the Company.
- xi. **Dematerialization of shares and liquidity**The shares of the Company are under compulsory dematerialization and the shares are dealt in dematerialized form only. The new International Securities Identification Number (ISIN) allotted to the Company is **INE882B01029**. The Registrar & Share Transfer Agents are handling all work related to the shares registry in terms of both physical and electronic.
- xii. **Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion dates and likely impact on equity**-The Company has not issued GDRs/ ADRs.
- xiii. **Plant Locations**-The plant of the Company is located at Narsingpur, Sector-35, Gurgaon-122001, Haryana, India.
- xiv. **Address for correspondence**All correspondence should be sent to the registered office of the company only i.e, **Narsingpur, Sector-35, Gurgaon-122001, Haryana, India.**

By Order of the Board of Directors

Place : New Delhi
Dated : 30.07.2009

Rajeev Bali
Managing Director



MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT

Industry Structure and Development

The sales of PCBs globally declined from US\$ 52 billion in 2007 to \$ 49 billion as of Dec 2008, and is expected to close at US\$ 39 billion in 2009. Output of PCBs i.e. the demand for finished PCBs by industry sector, it is believed that, by 2012, the worldwide market will have returned to levels similar to that experienced in 2007, in other words, approximately US \$49.3 billion.

Communications and Telecom equipment will account for 30.7% of this total; Business, Retail and Computer equipment will have the largest share at 31.7% with the third largest being consumer electronics equipment at 18%. For 2009, PCB production is forecasted to be just over US \$39 billion compared to 2008's US \$49 billion. Due to continued price erosion, 2009 growth rates have been revised to just over -17% compared to 2008

Global structure of PCB manufacturing

A US\$ 52 billion industry had been growing at CAGR of over 9 % per annum till 2007, till the dramatic drop to US\$ 49 billion in 2008. The contraction in markets has been the most severe in USA and Europe, but globally estimated at 13.9% in 2008 as a result of the unprecedented global recession.. The estimate for 2009 is US\$ 39 billion in real terms.

Asia accounted for almost 75% of the entire world market in 2008 with US\$ 36.25 billion. The biggest share goes to Southeast Asia (including China) with 27.25 billion U.S. dollars and Japan with 9 billion U.S. Dollar. However, the market in Southeast Asia (including China) shrank in 2008 by 1.55 billion U.S. Dollar (-5.4%). The decline in Japan was 0.5 billion U.S. Dollar (-5.3%). In 2007, both China and Japan reported growth rates of 11.4% and Japan 3.8% respectively.

The European market is more stable than other markets - even bigger than the American market. The European market volume decreased by 0.05 billion U.S. Dollar (0.8%) to 6.15 billion U.S - compared to an American market volume decline of 0.35 billion U.S. Dollar (5.6%) to 5.9 billion U.S. Dollar. The European share of the world market increased in comparison to 2007 - from 12.1% to 12.6%. However, the production volume in 2008 amounted to € 2.27 billion, 10.8% less than in 2007

Currently, India's share of global PCB production in 2008 was 0.7% at US\$ 350 million.. While imports are at approximately \$ 2 billion, the opportunity is indeed substantial.

Opportunities and threats

We are presenting below a SWOT analysis of the Company.

Strenghts

1. The Company has re-established itself as a reliable producer of high quality and technology Printed Circuit Boards (PCBs), including fine-line, high conductor track width & spacing and hole density Surface Mount Device (SMD) Single-sided, Double-sided and multi-layer PCBs.
2. An International orientation provided by the promoters which has been effectively imbibed by a professional and trained work force which has been recruited again, with considerable experience in PCB manufacturing.
3. The Company is receiving considerable business enquiries, and an increasing proportion of these are getting converted to actual business.
4. The Company has restarted its business with substantially reduced debt, thereby increasing its financial viability.

Weaknesses

1. Inoperation for the past 6 years had considerably depleted the prospects of the Company, as it had to make a new and more aggressive beginning and apply appropriate strategies to get back its Customers, technical employees, arrange and ensure adequate equipment refurbishing, infuse fresh working capital etc. However, the Company has been substantially successful in this endeavour.
2. The Company being a 100 % Export Oriented Unit, is subject to market variations resulting from events and circumstances that impact the international, political, economic, etc. scenarios, e.g. post Sept 11 business downturn, rising oil prices slowing business growth, fluctuating currencies, and now the global melt-down in 2008-09.



3. The Company needs to further upgrade its technology in certain areas as also increase production capacity in the near future in order to effectively compete in the international market.

Opportunities

1. The international market: While the current international market scenario is not encouraging, the bottom appears to have been reached, and an upturn is forecast in the year ahead. The maximum opportunities seem to be presenting themselves to Asian producers who have further consolidated their position globally with over 75% market share. Europe and USA traditionally, and now newer emerging markets present bright market prospects for 2010– 2012.
2. The Local Market: Currently estimated at US\$ 2 Billion, and local production of US\$ 300 million leaving a huge gap of US\$ 1.7 Billion. (source : IPCA estimates)
3. The Indian advantage: Low cost skilled labour and low cost indigenous pollution control is a compelling factor in sourcing PCBs from Asia.
4. Indian quality and mid-volume capability is being well received internationally, especially in comparison to Chinese producers.
5. Entry of many MNC electronics, EMS, and global auto companies into India as a production hub for domestic production and exports seeking local component / PCB supplies is proving to be a very large market opportunity.

Threats

1. The demand for PCBs in the international market is subject to cyclical fluctuations to which the global electronic industry is normally characterized by.
2. The profitability of the Company could be affected by adverse movements in foreign currencies. However, being a 100% EOU, as most earnings are anticipated in currencies such as Euro and US Dollar, the Company's risk on this front is considerably insulated.
3. Competition with Chinese imports who are continually reducing pricing to gain market share while delivering international quality and technology standards.

The foregoing SWOT analysis suggests in conclusion that the Company's prospects, its future strategy are fundamentally sound., and a very substantial opportunity exists for exports as well as domestic sales from here on for many years to come.

Segment –wise or Product-wise performance

The Company has only single line of manufacturing of Printed Circuit Boards. Therefore, segment-wise analysis is not required. However, there are different categories of professional grade Printed Circuit Boards viz. Single sided (SS), Double sided plated-thru. -Holes (DSPTH) and Multi-layer (ML) PCBs. The total capacity of the Plant is 54,000 sq. mtrs per annum. The plant has resumed commercial production and operation after 6 years.

Outlook

Indian electronics hardware production in 2007 was estimated at US\$ 20 Billion engaged in electronics production, and manufacturing goods as diverse as TV tubes, test and measuring instruments, medical electronics equipment, analytical and special application instruments, process control equipment, power electronics equipment, office equipment, and other components.

India's electronic hardware industry is concentrated in a few main geographical areas - of which the most prominent is in the northern region around the national capital Delhi, accounting for 37% of the output. The western region around Mumbai and Pune accounts for 25% and the Southern region, which is mainly around Bangalore, account for 32% of the output. Of late, Chennai is receiving considerable investment in the mobile communications, EMS, automotive manufacturing, notably Nokia, BMW, Hyundai, GM and many others.

The PCB market is projected to grow by over 30% per annum well past the turn of the century from its present size of approx. US\$ 350 million.

The domestic PCB market is growing rapidly, with large investments in the mobile communications, telecom, industrial, and consumer electronics, and automotive industries. With the entry of a number of international companies in these industries, especially EMS, the growth is expected to exceed 30% per



annum. As for EMS operations of the Top Ten global majors who have set up shop in India recently that include Solectron, Flextronics, Jabil Circuit etc., one of critical success operational and logistical success factors will be local availability of quality PCBs in large volumes.

IPCA estimates that the total requirement for PCBs in India stands at US\$ 2 Billion, with local production of approx. US\$ 300 million, implying a huge demand-supply gap that would suggest large investments in the industry ought to forthcoming.

Internal Control Systems and their adequacy

The internal control system of the Company is designed in a manner to provide timely information on deviations from projected standards in both technical and commercial areas and flow of information through various steps of the hierarchy of management to enable implementation of corrective measures to avoid further delay and deviations. Since the Company's start of commercial operations, management systems and control mechanisms have been instituted towards this end, and towards the eventual goal of optimizing the Company's resources, financial, technical, human resource base, and materials.

Discussion on Financial Performance with respect to Operational performance-

The Company has recommenced its production and commercial operations consequent to the financial restructuring of the Company as per the BIFR SS-08 implementation, which also facilitated fresh Governmental approvals required for restart of such production and commercial operations as a 100% EOU, received only by end-November 2008. The Company was thus able to restart its operations subsequent to that date, which entailed mostly investments in;

1. Further recruitment of production staff and their training
2. Raw material and consumables purchases for re-initiating trial production runs to stabilize quality parameters and levels,
3. Further reconditioning, refurbishment, and replacement of equipments and machinery where required.

Till the close of the financial year on 31.03.2009, the Company test-marketed its products with the objective of testing, assessment of capabilities, and market entry with small batch sales to domestic customers under special "Advance Domestic Sale Permission" applied for and granted by the Ministry of Commerce (NOIDA Special Economic Zone- the administrating authority), and closed at sales of only Rs. 6.46 Lacs towards such test marketing. It is expected that the FY 2009-10 onward shall witness a return to normal operating and financial status.

Equally importantly, as a result of implementation of the BIFR SS and the financial restructuring envisaged therein, has resulted in the Company returning to financial health with a positive Net Worth, thereby removing it from the purview of SICA. The Company has therefore, as a result of this revised scenario, been de-registered from BIFRs purview by AAFIR vide their Order dated Feb. 06, 2009. The debt burden of the Company has consequentially reduced very substantially from over Rs. 21.69 Crores in 2007-08 to Rs. 3.25 Crores presently, contributing critically to this positive net worth. Furthermore, fresh equity to the tune of Rs. 311 Lacs has also been injected by the strategic investor, who has also provided unsecured loans for need based working capital for the Company, infusing further positivity towards the Company's financials.

Having cleared the dues of all previous secured creditors / banks and financial institutions, statutory bodies / agencies and various sundry creditors, the Company's financial outlook and positioning stands considerably improved a envisioned in the revival mooted by the Company's management and supported by the Hon'ble BIFR through the SS-08.

Material developments in human resources / industrial relations front including number of people employed

The Company is headed by Mr. Rajeev Bali, Managing Director. He is an MBA (Finance), USA.

The Company has a policy for (i) initiating new personnel into the Company's designated systems for any particular functional area, (ii) monitoring of personnel and HRD programmes, and (iii) ensuring leadership in it's industry through effective HR management.

The Company has recruited the necessary personnel, commercial and technical, and has recommenced its' production and commercial operations.



**AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF
CORPORATE GOVERNANCE - 31st MARCH 2009**

To,

The Members of **INTEGRATED TECHNOLOGIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by Integrated Technologies Limited (the Company), for the year ended 31st March, 2009 as stipulated in Clause 49 of the Listing Agreements of the said Company with the stock exchanges in India.

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

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

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

**For G. K. Kedia & Co.
Chartered Accountants**

Gopal Kumar Kedia
Partner
M.No. 054629

Place : New Delhi
Dated : 30.06.2009



AUDITORS' REPORT

TO THE MEMBERS OF INTEGRATED TECHNOLOGIES LIMITED

We have audited the attached balance sheet of **INTEGRATED TECHNOLOGIES LIMITED** as at 31st March, 2009 and the profit and loss account for the year ended on that date together with annexure thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of accounts as required by law have been kept by the Company, so far as it appears from our examination of the books.
3. The balance sheet and the profit and loss account and cash flow statement dealt with by this report are in agreement with the books of accounts.
4. In our opinion the profit and loss account and balance sheet and cash flow comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
5. On the basis of written representations received from the Directors as on 31st March, 2009 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2009 from being appointed as a Director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said balance sheet and the profit and loss account read with the schedules and notes to the accounts thereto, give the information required by the Companies Act, 1956 in the manner so required and give the true and fair view in conformity with the accounting principles generally accepted in India:
 - In the case of the balance sheet, of the state of affairs of the Company as at 31st March, 2009. and,
 - In the case of the profit and loss account, of the loss for the year ended on that date.
 - In the case of cash flow statement, of the cash flows of the Company for the year ended on that date.

For **G. K. KEDIA & CO.**
Chartered Accountants

(Gopal Kumar Kedia)
Partner
M. No - 054629

Place : New Delhi
Dated : 30.06.2009

INTEGRATED TECHNOLOGIES LIMITED



ANNEXURE TO THE AUDITORS REPORT

(Referred to in paragraph 3 of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, Including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) From the examination of records we found that no substantial parts of fixed assets have been disposed off during the period.
- (ii) (a) The Inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
 - a. The procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the Company and the nature of business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on the verification between the physical stock and books records were not material.
- (iii) (a) The Company has not granted any loan secured or unsecured to any Company, firm or other party covered in the register maintained under Section 301 of the Companies Act, 1956. Therefore clause (a) to (d) of para 4(iii) will not be applicable to the Company.
- (b) The Company has taken secured loan from one Company and unsecured loan from five parties covered in the register maintained under Section 301 of the Companies Act, 1956. Maximum amount involved in case of secured loan is Rs.325.00 lakhs and in case of unsecured loan is Rs 176.87 lakhs during the year. The amount outstanding of secured and unsecured loan providers as on 31.03.2009 is Rs 325.00 lakhs and Rs 108.00 lakhs respectively.
- (c) As per our examination of records of the Company and explanation and information given to us no interest is provided on the above loans taken by the Company. In our opinion other terms and conditions are not prejudicial to the interest of the Company.
- (d) As per the BIFR scheme so far as repayment of secured loan is concerned, the Company is required to pay Rs 40 lakhs each year from the financial year 2008-2009 onwards. However till the completion of our audit no payment has been made in this regard. For the repayment of unsecured loan no time has been fixed therefore this sub-clause is not applicable to the unsecured loan.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and sale of goods. During the audit we have not observed any continuing failure to correct major weakness in internal control system of the Company.
- (v) (a) In our opinion the transactions that needed to be entered into the register maintained u/s 301 of the Act, have been so entered.
- (b) Transactions covered under Section 301 of the Companies Act have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from public, accordingly the provisions requiring that, whether the directives issued by the Reserve Bank of India and the provisions of section 58A and 58AA of the Act and the rules framed thereunder, where applicable, have been complied with, is not applicable to the Company.
- (vii) The Company has its own internal audit system commensurate with its size and nature of its business.
- (viii) The provisions requiring maintenance of cost records as prescribed by the Central Government under Clause (d) of sub-section (1) of Section 209 of the Act, are not applicable to the Company.



- (ix) (a) As per records of the Company, the Company is not regular in depositing of undisputed statutory dues. The details of such dues outstanding as on 31.03.2009 for a period more than six month from the date they became payable are given below :

S.No	Particulars	Amount outstanding as on 31.03.2009 (Rs)
1.	Sales Tax	19,407.00
2.	Income Tax	2,000,000.00

- (b) As per the scheme approved by the BIFR, CBDT was to waive interest on income tax demand of Rs 19.32 lakhs. However the CBDT has rejected the request for the same, vide its order F.No.2 (1625)/DIT /BIFR /2006-07 /566 dated 04.06.2009 According to information and explanation given to us, the company has yet to file a revision petition against the said order for the further consideration. In our opinion except this, there are no dues of Income Tax , sales tax, wealth tax , service tax , custom duties and excise duty which has not been deposited on account of any dispute.
- (x) In our opinion the accumulated losses are more than 50% of the Net worth of the Company. Further, the Company has incurred cash loss during the year ended 31st March, 2009 of Rs.60.07 Lakhs. However no cash loss was incurred in the preceding financial year.
- (xi) In our opinion the Company has not made any default in repayment of any dues to any bank or financial institutions. During the year the Company has not issued any debenture.
- (xii) The provisions requiring that, whether adequate documents and records are maintained, in cases where the Company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities are not applicable to the Company.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the order are not applicable to the Company.
- (xiv) In our opinion the Company is not dealing in or trading in shares, securities, debenture and other investment. Accordingly the provisions of clause 4(xiv) of the order are not applicable to the Company.
- (xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions hence the provisions requiring whether the terms and conditions whereof are prejudicial to the interest of the Company, are not applicable to the Company.
- (xvi) The Company has not taken any term loan, therefore the provisions requiring that, whether term loans were applied for the purpose for which the loans were obtained, are not applicable to the Company.
- (xvii) The provisions requiring that, whether the funds raised on short-term basis have been used for long term investment and vice-versa, are not applicable to the Company.
- (xviii) The Company has made preferential allotment of 3,749,700 Equity Shares to parties covered in the Register maintained under section 301 of the Act as a means of finance of the scheme for revival sanctioned by the BIFR at face value of Rs 10. The said allotment, in our opinion, is not prejudicial to the interest of the Company.
- (xix) The provisions requiring that, whether securities have been created in respect of debentures issued, are not applicable to the Company.
- (xx) As no public issue has been made by the Company during the period, the provisions requiring that, whether the management has disclosed on the end use of money raised by public issues and the same has been verified are not applicable to the Company.
- (xxi) No fraud on or by the Company has been noticed or reported during the period.

For **G. K. KEDIA & CO.**
Chartered Accountants

(Gopal Kumar Kedia)
Partner
M.No-054629

Place : New Delhi
Dated : 30.06.2009

INTEGRATED TECHNOLOGIES LIMITED



BALANCE SHEET AS AT 31ST MARCH 2009

	SCHEDULE	As at March 31, 2009 (Rs.)	As at March 31, 2008 (Rs.)	
SOURCES OF FUNDS				
Shareholders' funds:				
(a)	Share Capital	1	48,265,550.00	10,768,550.00
Loan Funds:				
(a)	Secured Loans		32,500,000.00	53,350,000.00
(b)	Unsecured Loans		10,781,030.00	14,939,681.00
			<u>91,546,580.00</u>	<u>79,058,231.00</u>
APPLICATIONS OF FUNDS				
Fixed Assets:				
	Gross Block	3	211,389,700.21	210,611,015.28
	Less : Depreciation		181,285,398.78	178,004,832.13
	Net Block		<u>30,104,301.43</u>	<u>32,606,183.15</u>
	Deferred Tax Assets		33,617,715.31	35,676,788.98
Current assets, loans and advances:				
	Inventories		1,408,765.00	0.00
	Sundry Debtors		289,764.94	0.00
	Cash and Bank Balances		672,271.27	20,511.96
	Loans and Advances		114,178.44	906,438.39
			<u>2,484,979.65</u>	<u>926,950.35</u>
	Less : Current Liabilities and Provisions	5	<u>9,806,204.50</u>	<u>15,584,496.35</u>
	Net Current Assets		<u>(7,321,224.85)</u>	<u>(14,657,546.00)</u>
	Miscellaneous expenditure	6	0.00	1,094,139.30
	(To the extent not written off or adjusted)			
	Profit and Loss Account		<u>35,145,788.12</u>	<u>24,338,665.57</u>
			<u>91,546,580.00</u>	<u>79,058,231.00</u>
	Significant Accounting Policies and Notes to Accounts	11		

As per our report of even date attached
For G.K. KEDIA & CO.
Chartered Accountants

For and on behalf of the Board of Directors

Rajeev Bali
Managing Director

Krishna Bali
Director

Kanika Bhutani
Company Secretary

Gopal Kumar Kedia
Partner
M.No-054629

Place : New Delhi
Dated : 30.06.2009



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	SCHEDULE	As at March 31, 2009 (Rs.)	As at March 31, 2008 (Rs.)
Income			
Sales and Other Income	7	2,978,669.52	0.00
		<u>2,978,669.52</u>	<u>0.00</u>
Expenditure			
Manufacturing and other Expenses	8	1,833,171.24	95,646.00
Personnel Expenses	9	3,207,612.00	513,963.34
Administration Expenses	10	2,750,223.92	1,356,664.41
Depreciation		3,922,955.24	11,356,009.96
		<u>11,713,962.40</u>	<u>13,322,283.71</u>
Profit/(Loss) Before Adjustment of BIFR order		(8735292.88)	(13,322,283.71)
Profit/(Loss) on account of Adjustment as per BIFR order		0.00	248,666,036.05
Profit/ (Loss) Before Income Tax		(8,735,292.88)	235,343,752.34
Provision for Tax			
- Deferred Tax Assets		(2,059,073.67)	35,676,788.98
- Fringe Benefit Tax		12,756.00	4,700.00
Profit/ (Loss) After Income Tax		(10,807,122.55)	271,015,841.32
Profit /(Loss) Brought Forward		(24,338,665.57)	(295,354,506.89)
Profit/(Loss) Carried Forward		(35,145,788.12)	(24,338,665.57)
Significant Accounting Policies and Notes to Accounts	11		

As per our report of even date attached
For G.K. KEDIA & CO.
Chartered Accountants

For and on behalf of the Board of Directors

Rajeev Bali
Managing Director

Krishna Bali
Director

Kanika Bhutani
Company Secretary

Gopal Kumar Kedia
Partner
M.No-054629

Place : New Delhi
Dated : 30.06.2009



SCHEDULE FORMING PART OF BALANCE SHEET

	As at March 31, 2009 (Rs.)	As at March 31, 2008 (Rs.)
SCHEDULE : 1		
SHARE CAPITAL		
AUTHORISED		
1,80,00,000 (1,80,00,000) Equity Shares of Rs. 10/- (Rs.10/-) each	180,000,000.00	180,000,000.00
ISSUED		
1,11,10,000 (1,11,10,000) equity shares of Rs. 10/- (Rs.10/-) each for cash at par	111,100,000.00	111,100,000.00
SUBSCRIBED AND PAID-UP		
4,781,510 (1,031,810) Equity Shares of Rs.10 (Rs.10) each fully paid up	47,815,100.00	103,181,000.00
Add: Forfeited Shares	450,450.00	4,504,500.00
Total	48,265,550.00	107,685,500.00
SCHEDULE : 2		
LOAN FUNDS:		
SECURED LOAN		
From Strategic Investors as per BIFR Order	32,500,000.00	53,350,000.00
* Secured against mortgage of Land and Building and hypothecation of Plant & Machinery (present & future)		
	32,500,000.00	53,350,000.00
UNSECURED LOAN		
From Directors and their relatives	2,642,030.00	425,681.00
From Body Corporates	8,139,000.00	14,514,000.00
	10,781,030.00	14,939,681.00



	As at March 31, 2009 (Rs.)	As at March 31, 2008 (Rs.)
SCHEDULE : 4		
CURRENT ASSETS, LOANS AND ADVANCES		
INVENTORIES		
(As valued and certified by the management)		
Raw Material : at Cost	720,071.00	0.00
Work in progress : at Cost	688,694.00	0.00
	1,408,765.00	0.00
SUNDRY DEBTORS		
(Unsecured, Considered good, Unless Otherwise Stated)		
Outstanding for More than 6 months	31,041.24	0.00
Outstanding for Less than 6 months	58,723.70	0.00
	289,764.94	0.00
CASH AND BANK BALANCES		
Cash in hand	204,975.64	17,768.65
Bank Balance with Schedule Bank		
In Current Account	17,295.63	2,743.31
In Fixed deposit A/C	450,000.00	0.00
	672,271.27	20,511.96
LOANS AND ADVANCES		
(Unsecured, Considered good, Unless Otherwise Stated)		
Value to be received in Cash or in Kind	114,178.44	61,893.39
Advance to Suppliers	0.00	829,545.00
Advance for Legal and Professional Fee	0.00	15,000.00
	114,178.44	906,438.39
SCHEDULE : 5		
CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors:		
(a) Total Outstanding dues to Small Scale Industrial Undertaking(s)	51,046.75	51,046.75
(b) Total Outstanding dues of Creditors other than Small Scale Industrial Undertaking(s)	2,332,903.41	624,256.32
(c) Unsecured loan against which Shares will be allotted (Refer note no 5 of Notes to Accounts)	0.00	6,381,435.00
Expenses Payable	5,272,478.60	5,879,099.60
Duties and Taxes Payable	2,137,019.74	2,643,958.68
	9,793,448.50	15,579,796.35
PROVISIONS		
Provision for Fringe Benefit Tax	12,756.00	4,700.00
	12,756.00	4,700.00
	9,806,204.50	15,584,496.35



	As at March 31, 2009 (Rs.)	As at March 31, 2008 (Rs.)
SCHEDULE : 6		
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)		
Preliminary Expenses	51,291.22	102,582.44
Less : Exp . Written Off during the year	51,291.22	51,291.22
	<u>0.00</u>	<u>51,291.22</u>
Public Issue Expenditure		
Less : Exp . Written Off during the year	1,042,848.08	2,085,696.16
	<u>1,042,848.08</u>	<u>1,042,848.08</u>
	<u>0.00</u>	<u>1,042,848.08</u>
	<u>0.00</u>	<u>1,094,139.30</u>
SCHEDULE : 7		
SALES AND OTHER INCOME		
Sales	652,983.78	0.00
Profit on Sale of Assets	21,643.50	0.00
Liabilities Written Off	2,288,766.17	0.00
Rebate and Discount	6,478.75	0.00
Foreign Exchange Difference	8,797.32	0.00
	<u>2,978,669.52</u>	<u>0.00</u>
SCHEDULE : 8		
MANUFACTURING AND OTHER EXPENSES		
Raw material Consumed		
Opening Stock of Raw Material	0.00	0.00
Add : Purchases during the year	2,451,712.74	0.00
Less : Closing Stock of Raw Material	1,408,765.00	0.00
	<u>1,042,947.74</u>	<u>0.00</u>
Manufacturing Expenses		
Power and Fuel Charges	440,070.50	0.00
Demurrage Charges	12,027.00	0.00
Customs Clearance and Freight Forwarding	53,460.00	0.00
Jow Work Charges	15,078.00	0.00
Repair and Maintenance		
- Machinery	258,317.00	90,930.00
- Others	11,271.00	4,716.00
	<u>1,833,171.24</u>	<u>95,646.00</u>



	As at March 31, 2009 (Rs.)	As at March 31, 2008 (Rs.)
SCHEDULE "9"		
PERSONNEL EXPENSES		
Salary and Allowances	3,168,525.00	504,880.34
Staff Welfare Expenses	39,087.00	9,083.00
	<u>3,207,612.00</u>	<u>513,963.34</u>
SCHEDULE "10"		
ADMINISTRATIVE AND SELLING EXPENSES		
Conveyance Expenses	20,217.00	693.00
Travelling Expenses		
- Directors	8,116.00	0.00
- Others	3,720.00	1,872.00
Payment to Auditors		
- as Audit Fee	11,236.00	11,236.00
Interest Expenses		
- on Outstanding Listing Fees	31,200.00	0.00
- on Outstanding Excise Duty	128,967.00	0.00
- on Outstanding Tax Deducted at source	2,791.00	0.00
- on Outstanding Fringe Benefit Tax	550.00	0.00
Postage and Courier Expenses	71,385.40	2,095.40
Telephone Expenses	88,892.26	41,977.96
Legal and Professional charges	806,839.00	26,647.00
Printing and Stationery	32,538.00	19,561.00
Filing Fee	4,152.00	6,560.00
Books and Periodicals	0.00	3,405.00
Preliminary Expenses Written off	51,291.22	51,291.22
Public Issues Expenses Written off	1,042,848.08	1,042,848.08
Miscellaneous Expenses	11,475.00	1,796.00
Business Promotion Expenses	0.00	3,500.25
Advertisement Expenses	26,513.00	6,237.00
Bank Charges	10,862.96	1,191.00
Consumable Stores- trial run	27,131.00	0.00
Water and Electricity-HO	40,800.00	28,278.00
Insurance Expenses		
- Plant and Machinery	106,107.00	91,810.00
- Others	124.00	0.00
Festival Expenses	1,512.00	0.00
Excise and Custom Duty	1,755.00	0.00
Listing Fees	180,000.00	0.00
Sales Tax Demand	8,000.00	0.00
Repair and Maintenance		
- Office	3,795.00	1,590.00
- Vehicle	16,751.00	12,088.00
- Computer	7,850.00	1,987.50
Frieght and Cartage	2,805.00	0.00
	<u>2,750,223.92</u>	<u>1,356,664.41</u>



SCHEDULE "11"
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

(I) Significant Accounting Policies:

1. Accounting Convention:

The financial statements are prepared by following the Going Concern Concept under the historical convention, on accrual basis, in accordance with the Generally Accepted Accounting Principles in India, the accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

2. Fixed Assets:

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes all expenses related to acquisition and installation of the concerned assets.

Gross block of fixed assets includes assets purchased under Hire-purchase agreements for which the company does not have full ownership.

3. Depreciation:

Depreciation on fixed assets has been provided on Written Down Value method in accordance with the rates prescribed in Schedule XIV of the Companies Act, 1956, as amended from time to time.

4. Inventories:

Inventories are valued at lower of cost or net realizable value. Cost is determined on the weighted average method. Finished goods and Work in Progress include cost of conversion and other costs incurred in bringing the inventories to their present locations and condition.

5. Revenue Recognition:

As a consistent practice, the company recognizes revenue on accrual basis. Sales are recognized when goods are dispatched to customers and are recorded net of returns.

6. Expenditure

Expenses are accounted for on accrual basis.

7. Foreign Currency Transactions

Transactions in foreign currency are booked at standard rates determined periodically and all monetary assets and liabilities in foreign currency are restated at the year-end. Gain or loss arising out of fluctuations on realization/payment or re-statement, except those identifiable to acquisition of fixed assets is charged/credited to the profit and loss account. Gain/loss on account of exchange fluctuations identifiable to fixed assets acquired is adjusted against the carrying value of the related fixed asset.

8. Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets has been recognized on unabsorbed depreciation and carry forward of losses as there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

9. Borrowing Cost

Borrowing costs are expensed in the year in which it is incurred. Interest on borrowings has been charged to the revenue account.

10. Miscellaneous Expenditure

Miscellaneous expenditure is written off 1/5th of Preliminary Expenses every year.

(II) Notes to Accounts

1. Segment Reporting:

The company is engaged in the business of manufacturing of Printed Circuit Boards (PCBs). Accordingly, these financial statements are reflective of the information required by the Accounting Standard -17 for professional grade printed circuit boards segment.



2. Earnings Per share (Basic and Diluted):

A. Earning per share excluding Prior Period Incomes / Extraordinary Income		
	For the Year Ended 31.03.2009	For the Year Ended 31.03.2008
(a) Profit/(loss) after tax (in Rs.) excluding prior period income	(10,807,122.55)	(22,349,805.27)
(b) Total Number of Equity Shares outstanding at the end of the year	4,781,510	1,031,810
(c) Basic and Diluted Earning Per Share (In Rs.) (a/b)	(2.26)	(21.66)

B. Earning per share including Prior Period Incomes / Extraordinary Item		
	For the Year Ended 31.03.2009	For the Year Ended 31.03.2008
(a) Profit/(loss) after tax (in Rs including prior period income / extraordinary income	(10,807,122.55)	271,015,841.32
(b) Total Number of Equity Shares outstanding at the end of the year	4,781,510	1,031,810
(c) Basic & Diluted Earning Per Share (In Rs.) (a/b)	(2.26)	262.66

3. Related Party Disclosure:

In compliance of Accounting Standard-18 on "Related Party Disclosure" issued by the ICAI, the details pertaining to related party disclosure are as follows:

Following are the Related Parties as per AS-18:

(A) Particulars of Subsidiaries/Associate Companies:	Nil
(B) Key Management Personnel:	
Name	Designation
Mr. Rajeev Bali	Managing Director
(C) Relative of Key Management Personnel	
Smt Krishna Bali	Mother of Managing Director and Additional Director
(D) Enterprise over which any person described in (B) or (C) is able to exercise Significant influence.	
Bubble Softsolutions Private Limited	Director Mrs. Krishna Bali
ITL Systems and Networks	Mr. Rajeev Bali (Proprietor)
WM Bali HUF	Karta Mr. Rajeev Bali



Detail of Transactions

Nature of Transaction	Key Management Personnel	Relation of Key Management Personnel	Enterprise Over Which related person is able to exercise influence	Volume of Transaction during the Year (Cr) (Rs.)	Volume of Transaction during the Year (Dr) (Rs.)	Closing Balance as on 31.03.2009 (Rs.)
Unsecured Loan	Mr. Rajeev Bali			1,676,642	9,050	2,093,273(Cr)
Unsecured Loan		Mrs. Krishna Bali		370,000		370,000 (Cr)
Secured Loan			Bubble Softsolutions (P) Ltd		20,850,000	32,500,000 (Cr)
Unsecured Loan			Bubble Softsolutions (P) Ltd	4,091,000	10,466,000	8,139,000 (Cr)
Unsecured Loan			ITL Systems and Networks (Proprietor Rajeev Bali)	979,278	900,521	78,757 (Cr)
Unsecured Loan			WM Bali HUF	100,000		100,000 (Cr)
Unsecured Loan Purchase of Asset & Expenses			ITL Systems and Networks (Proprietor Rajeev Bali)	36,100		37,612 (Cr)

Related parties defined under Clause 3 of AS-18 "Related Party Disclosure" have been identified on the basis of representation made by managerial personnel and information available with the company.

4. Deferred Tax Assets:

Provision for Deferred Tax Assets as per Accounting Standard 22, issued by the Institute of Chartered Accountants of India has been recognized as Follows:

Calculation of deferred Tax Assets in case Carried Forward Business Loss and Unabsorbed Depreciation for the AY 2004-05 is not considered as the case is in Appeal

Depreciation As per Companies Act	Rs 3,922,955.24	
Depreciation as per Income Tax Act	Rs 8,428,818.00	
		<u>4,505,862.76</u>
		4,505,862.76
Deferred Tax Liability@ 30% +Surcharge 10%+ Education Cess 3%		1,531,542.75
Brought Forward Business Loss		0.00
Unabsorbed Depreciation		103,410,585.66
Deferred Tax Assets @ 30% + Surcharge 10% +Education Cess 3%		35,149,248.06
Net Deferred Tax Assets (35,149,258.06-1,531,542.75)		33,617,715.31
Deferred Tax Liability Transferred to P&L Account (35,676,788.98-33,617,715.31)		2,059,073.67



Details of Carried Forward Business Loss

Assessment Year	Amount Brought	Set Off	Amount Carried
2001-2002	12,839,875	12,839,875	0.00
2002-2003	13,467,229	13,467,229	0.00
2003-2004	4,594,828	4,594,828	0.00
2004-2005	0.00	0.00	0.00
2005-2006	15,964	15,964	0.00
2006-2007	1,353,485	1,353,485	0.00
2007-2008	0.00	0.00	0.00
2008-2009	0.00	0.00	0.00
Total	32,271,381	32,271,381	0.00

Details of Unabsorbed Depreciation

Assessment Year	Amount Brought	Set Off	Amount Carried
upto2000-2001	25,186,103	25,186,103	0.00
2001-2002	48,090,646	47,302,381.34	788,264.66
2002-2003	36,879,985	0.00	36,879,985
2003-2004	28,146,363	0.00	28,146,363
2004-2005	0.00	0.00	0.00
2005-2006	20,615,474	0.00	20,615,474
2006-2007	13,308,597	0.00	13,308,597
2007-2008	3,671,902	0.00	3,671,902
2008-2009	0.00	0.00	0.00
Total	175,899,070	72,488,484.34	103,410,585.66

5. **Increase in Paid-up Share Capital during the year**

As per revival scheme approved by the BIFR, shares were to be allotted against the amount brought in by the Promoters/Management/ Strategic Investors of Rs 311.16 lakhs for meeting cost of the scheme and 638,110 shares against unsecured loan. Accordingly 3,111,600 shares of Rs 10 each allotted to Bubble Softsolutions Pvt Ltd against the amount brought in for making payment to Banks / Financial Institutions against OTS of their debts and 638,100 shares of Rs 10 each allotted to Mr Rajeev Bali against unsecured loan during the financial year 2008-09.

6. The names of small scale industries to whom the company owes dues outstanding for more than 30 days at the balance sheet date are as follows:

	31.03.09	31.03.08
	Rs/Lacs	Rs/Lacs
Jayna Enterprises Pvt. Ltd.	0.51	2.00

The above information and that given in Schedule of Liabilities regarding Small Scale Industrial Undertakings has been determined to the extent such parties have been identified on the basis of information available with the company. The Auditors have relied upon this.

7. **Contingent Liability**

	31.03.09	31.03.08
	Rs/Lacs	Rs/Lacs
In respect of demand from various government authorities regarding following dues:		
(a) P.F Payable	5.92	5.92
(b) Excise Payable	0.00	0.28
(c) Interest on Income Tax Payable	19.32	19.32
(d) Sales Tax Demand	66.18	66.18

8. **Auditor's Remuneration (including Service Tax)**

	31.03.09	31.03.08
	Rs.	Rs.
For Audit Fees	11,236	11,236



9. Additional information as required by Part-II of the Schedule VI of Companies Act, 1956

(A) Particulars of Licensed, installed capacity (as certified by the management) and production

Products	Year	Units	Licensed	Installed	Actual Production
Printed Circuit Boards	Current Year	Sq. Mtrs.	54,000	54,000	197.80
Printed Circuit Boards	Previous Year	Sq. Mtrs.	54,000	54,000	0.00

(B) Sales, Opening Stock and Closing Stock of Finished Goods(As certified by Management)

Product	Year	Unit	Sales		Opening Stock		Closing Stock	
			Qty.	Value (Rs.)	Qty.	Value (Rs.)	Qty.	Value (Rs.)
Printed Circuit Boards	Current Year	Sq. Mtrs	197.80	652,984	0.00	0.00	0.00	0.00
Printed Circuit Boards	Previous Year	Sq. Mtrs	0.00	0.00	0.00	0.00	0.00	0.00

(C) Opening, Purchase, Consumption and Closing Stock of Raw Material (As certified by the Management)

Item	Unit	Opening Stock		Purchase		Consumption		Closing Stock	
		Qty	Value (Rs.)	Qty	Value	Qty	Value	Qty	Value
Copper Clad Laminate Sheets	Nos		0.00	555	511,804	300	324,235	255	187,569
Other Raw Materials			—	—	1,939,909	—	718,713	—	1,221,196

(D) C.I.F Value of Imports

	31.03.2009	31.03.2008
Raw Material	Rs. 46,490.32	Nil
Spares Parts	Rs. 22,113.00	Nil

(E) Value of imported and indigenous material consumed

	31.03.2009	31.03.2008
Imported	Nil	Nil
Indigenous	Rs. 1,042,948.00	Nil

10. Figures for the previous year have been regrouped / rearranged, wherever found necessary. Figures in bracket re-present the previous year figures.

11. Schedule 1 to 11 forms an integral part of the balance sheet and profit and loss account.



CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2009

	As at March 31, 2009 (Rs.)	As at March 31, 2008 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) before tax and after extraordinary items	(8,735,292.88)	235,343,752.34
Adjustments For:		
Depreciation	3,922,955.24	11,356,009.96
Preliminary Expenses Written Off	51,291.22	51,291.22
Public Issue Expenses Written Off	1,042,848.08	1,042,848.08
Liabilities Written off	(2,288,766.17)	0.00
BIFR Adjustment *	0.00	(241,299,942.44)
	2,728,328.37	(228,849,793.18)
Operating profit/(loss) before working capital changes	(6,006,964.51)	6,493,959.16
Adjustments For:		
Increase/ (Decrease) in Current Liabilities	1,852,364.81	(7,248,677.71)
(Increase)/Decrease in Current Assets	(906,269.99)	(831,578.39)
Cash generated from operations	(5,060,869.69)	(1,586,296.94)
Less: Taxes paid	5,250.00	0.00
	<u>(5,066,119.69)</u>	<u>(1,586,296.94)</u>
A. NET CASH FROM OPERATING ACTIVITIES	(5,066,119.69)	(1,586,296.94)
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Sale of Fixed Assets	41,450.00	0.00
Net Cash from Investing Activities	<u>41,450.00</u>	<u>0.00</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Loans	5,676,429.00	1,605,139.00
Net Cash From Financing Activities	<u>5,676,429.00</u>	<u>1,605,139.00</u>
NET CASH INCREASE/ (DECREASE) (A+B+C)	<u>651,759.31</u>	<u>18,842.06</u>
Cash/Cash Equivalents Opening Balance	20,511.96	1,669.90
Cash/Cash Equivalents Closing Balance	<u>672,271.27</u>	<u>20,511.96</u>

* Excluding Adjustment of Current Assets/Current Liabilities

As per our report of even date attached
For G.K. KEDIA & CO.
Chartered Accountants

For and on behalf of the Board of Directors

Rajeev Bali
Managing Director

Krishna Bali
Director

Kanika Bhutani
Company Secretary

Gopal Kumar Kedia
Partner
M.No-054629

Place : New Delhi
Dated : 30.06.2009

INTEGRATED TECHNOLOGIES LIMITED

ATTENDANCE SLIP
INTEGRATED TECHNOLOGIES LIMITED
Registered Office:
Narsingpur, Sector-35, Gurgaon-122 001, Haryana
Twenty Third Annual General Meeting, 30th September, 2009

PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. Joint Shareholders may obtain additional Attendance Slips on request.
NAME AND ADDRESS OF THE SHAREHOLDER/PROXY*

.....
Folio. No No. of Shares held :
If proxy, full name of the Shareholder.....

I hereby, record my presence at the Twenty Third ANNUAL GENERAL MEETING of the Company held on Wednesday, 30th September, 2009 at 9.00 a.m. at its Registered Office.

SIGNATURE OF THE MEMBER/PROXY*

* Strike out whichever is not applicable.

.....Tear Here.....

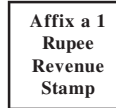
PROXY FORM
INTEGRATED TECHNOLOGIES LIMITED
Registered Office:
Narsingpur, Sector-35, Gurgaon-122 001, Haryana
Twenty Third Annual General Meeting, 30th September, 2009

Folio.No.

I/We..... of in the district of being a member/member(s) of the above named company hereby appoint of in the district of or failing him/her of as my/our proxy to vote for me/us and on my/our behalf at the Twenty Third Annual General Meeting to be held at 9.00 a.m. on Wednesday, the 30th September, 2009 at its Registered Office or at any adjournment thereof.

Affix a 30 paise Revenue Stamp

Signed this day of2009.



Signature (s) (across the stamp)

NOTE:

1. The proxy need not be member of the Company
2. The proxy form duly signed across 1 Rupee Revenue Stamp should reach the Company Registered office not less than 48 hours before the time fixed for commencement of the meeting.

BOOK -POST

Proactive # 9818261790



If undelivered, please return to :

INTEGRATED TECHNOLOGIES LIMITED

Registered Office: Narsingpur, Sector-35, Gurgaon-122 001, Haryana (India)